

LAZARD GLOBAL TOTAL RETURN & INCOME FUND INC
Form N-CSR
March 10, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES**

Investment Company Act file number 811-21511

Lazard Global Total Return and Income Fund, Inc.
(Exact name of registrant as specified in charter)

30 Rockefeller Plaza
New York, New York 10112
(Address of principal executive offices) (Zip code)

Nathan A. Paul, Esq.
Lazard Asset Management LLC
30 Rockefeller Plaza
New York, New York 10112
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 632-6000

Date of fiscal year end: 12/31

Date of reporting period: 12/31/09

ITEM 1. REPORTS TO STOCKHOLDERS.

LAZARD ASSET MANAGEMENT

Lazard Global Total

Return & Income

Fund, Inc.

Annual Report

DECEMBER 31, 2009

LAZARD

Lazard Global Total Return & Income Fund, Inc.

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Lazard Global Total Return & Income Fund, Inc.

Investment Overview

Dear Stockholders,

We are pleased to present this annual report for Lazard Global Total Return & Income Fund, Inc. (LGI or the Fund), for the year ended December 31, 2009. LGI is a diversified, closed-end management investment company that began trading on the New York Stock Exchange (NYSE) on April 28, 2004. Its ticker symbol is LGI.

For the full year 2009, the Fund's net asset value (NAV) performance lagged its benchmark, the Morgan Stanley Capital International (MSCI®) World® Index (the Index), in a period of global market strength. However, we are pleased with LGI's favorable NAV performance since inception. We believe that the Fund has provided investors with an attractive yield and diversification, backed by the extensive experience, commitment, and professional management of Lazard Asset Management LLC (the Investment Manager or Lazard).

Portfolio Update (as of December 31, 2009)

For the fourth quarter of 2009, the Fund's NAV increased 5.6%, outperforming the Index gain of 4.1%. The full-year NAV return (for the year ended December 31, 2009) of 26.9% lagged the Index return of 30.0%. However, over the last three years, the NAV annualized loss of 3.4% was better than the Index decline of 5.6%. Similarly, the Fund's since inception annualized NAV gain of 5.6% has also outpaced the Index, which gained 3.7% over the same period. Shares of LGI ended the fourth quarter of 2009 with a market price of \$14.89, representing a 13.8% discount to the Fund's NAV of \$17.27.

The Fund's net assets were \$165.9 million as of December 31, 2009, with total leveraged assets of \$213.1 million, representing a 28.5% leverage rate. This leverage rate is a moderate increase from the level at the end of the third quarter (of 23.7%), but still below the Fund's historical level since inception (of approximately 30%). Recall that we actively reduced the leverage level for LGI (and thereby, the exposure to the local currency and debt portfolio) in the second half of 2008, and have been slowly redeploying capital to the currency and debt portfolio since April 2009 as markets normalized.

We believe that LGI's investment thesis remains sound, as demonstrated by the Fund's favorable relative per-

formance since inception. Within the global equity portfolio, a higher-than-Index exposure and positive stock selection within the information technology and consumer staples sectors helped performance during the fourth quarter, as did positive stock selection within the industrials sector. However, the lower-than-Index exposure and negative stock selection in the materials sector detracted from performance, as did stock selection in the telecom services and financials sectors during the fourth quarter. The smaller, short-duration¹ emerging market currency and debt portion of the Fund managed to produce a very strong positive performance during the fourth quarter and throughout 2009 in a recovering global market environment. This portfolio has also been a positive contributor to performance for the Fund since inception.

As of December 31, 2009, 71.4% of the Fund's total leveraged assets consisted of global equities and 25.8% consisted of emerging market currency and debt instruments, while the remaining 2.8% consisted of cash and other net assets.

Declaration of Distributions

Pursuant to LGI's Level Distribution Policy, the Fund declared in December a distribution equal to 6.25% (annualized) of the Fund's NAV per share as of the close of markets of December 31, 2009, which was \$17.27. This distribution, payable in January 2010, was \$0.08995 per share on the Fund's outstanding common stock. The current distribution rate is 7.25%, based on the annualized current distribution and the market price of \$14.89 at the close of NYSE trading on December 31, 2009. For 2009, of the \$0.99606 per share distributed to stockholders, approximately \$0.92 is a return of capital and will be appropriately identified on the Form 1099-DIV that you receive from the Fund.

Additional Information

Please note that available on www.LazardNet.com are frequent updates on the Fund's performance, press releases, distribution information, and a monthly fact sheet that provides information about the Fund's major holdings, sector weightings, regional exposures, and other characteristics including the notices required by Section 19(a) of the Investment Company Act of 1940, as amended. You may also reach Lazard by phone at 1-800-823-6300.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

On behalf of Lazard, we thank you for your investment in Lazard Global Total Return & Income Fund, Inc. and look forward to continuing to serve your investment needs in the future.

Message from the Portfolio Managers

Global Equity Portfolio

(71.4% of total leveraged assets)

The Fund's global equity portfolio is invested primarily in equity securities of large, well-known global companies with strong financial productivity and attractive valuations. Examples include GlaxoSmithKline, a global research-based pharmaceutical company based in the United Kingdom; Bank of New York Mellon, a U.S.-based company that provides financial products and services for institutions and individuals worldwide; Nokia Corp., a Finland-based manufacturer of mobile telephones; and Total SA, a French energy supplier that explores for, produces, refines, transports, and markets oil and natural gas.

Companies held in the global equity portfolio are all based in developed-market regions around the world. As of December 31, 2009, 40.6% of these stocks were based in North America, 28.3% were based in Continental Europe (not including the United Kingdom), 21.5% were from the United Kingdom, 6.5% were from Japan, and 3.1% were from the rest of Asia (not including Japan). The global equity portfolio is similarly well diversified across a number of industry sectors. The top two sectors, by weight, at December 31, 2009, were financials (19.5%), which includes banks, insurance companies, and financial services companies, and information technology (18.9%), which includes computer software, technology hardware, semiconductors, and services companies. Other sectors in the portfolio include consumer discretionary, consumer staples, energy, health care, industrials, materials, and telecommunication services. The average dividend yield on the securities held in the global equity portfolio was approximately 2.6% as of December 31, 2009.

Global Equity Markets Review

Global stocks rose during the final quarter of 2009, as the world continued to recover from one of the worst economic and financial crises in decades. Risks to the global financial system subsided over the past year due to the unprecedented monetary and fiscal actions

taken by major central banks and governments. The recent flow of positive economic data indicated continued improvement in the underlying fundamentals of the global economy. This stabilization, coupled with policymakers signaling the likelihood of prolonged accommodative monetary policy, encouraged investors to buy into riskier assets. U.S. stocks outpaced many global peers amid renewed confidence that the economy appeared to be pulling out of its recession, as it returned to growth following four consecutive quarters of contraction. European stocks were mixed amid increasing divergences within the European Union. The downgrade of Greece's credit rating rekindled fears over sovereign debt risks. In Asia, Japan continued to underperform its regional peers, although it appeared to regain some positive momentum in December amid easing concerns over the strong yen.

By sector, materials was the strongest performer during the quarter due to the improving economic outlook and continued strong emerging market demand. This strong demand led to robust commodity prices, which improved the earnings outlook for many commodity producers. The consumer staples sector also performed well in the fourth quarter, as investors sought companies with exposure to emerging markets. Meanwhile, the financials sector was the worst performer amid fresh concerns about the asset quality of large banks and possible regulatory changes. The utilities sector also underperformed during the quarter on concerns related to overcapacity in the power generation market.

In the currency markets, the U.S. dollar rebounded against major currencies after an extended period of weakness. Investors sentiment towards the U.S. dollar appeared to be changing amid improving U.S. economic data, which led to speculation that the U.S. Federal Reserve might raise interest rates sooner than expected. Additionally, the euro was hurt by the downgrade of Greece's (one of its member countries) sovereign debt.

What Helped and What Hurt LGI

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During the fourth quarter, the Fund benefited from a high exposure to, and stock selection in, the information technology sector, as Microsoft, IBM, and Hoya contributed positively to performance. Microsoft benefited from improving market demand, in general, and possible recovery of corporate IT spending going forward. IBM performed well thanks to its continued

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

focus on margin expansion and commitment to return cash to shareholders in the form of significant buy-backs. Hoya performed strongly on stable earnings from its eye-care business, including eyeglass lenses and contact lenses, which have continued to bolster its overall earnings. Stock selection in the industrials sector also helped returns, as United Technologies performed well during the fourth quarter. The company announced its acquisition of GE's security business, which we believe is a good strategic fit to complement its existing business lines in the segment.

In contrast, stock selection in financials hurt returns. Positions in UBS, Credit Suisse Group, JPMorgan Chase, and Zurich Financial Services were notable detractors, as the sector, in general, was affected by concerns about asset quality and regulatory changes.

Emerging Market Currency and Debt Portfolio (25.8% of total leveraged assets)

The Fund also seeks enhanced income through investing in primarily high-yielding, short-duration emerging market forward currency contracts and local currency debt instruments. As of December 31, 2009, this portfolio consisted of forward currency contracts (49.7%) and sovereign debt obligations (50.3%). The average duration of the emerging market currency and debt portfolio decreased from approximately 10 months to approximately 8 months during the quarter, with an average yield of 5.9%² as of quarter end.

Note that, during the fourth quarter of 2008, as risk aversion and global U.S. dollar demand spiraled upwards, we significantly reduced the Fund's exposure to the currency and debt portfolio. We have been slowly redeploying capital to the currency and debt portfolio since April 2009 as markets have normalized.

Emerging Market Currency and Debt Market Review

The final quarter of 2009 saw a continuation of the risk appetite that really began to take hold in the second quarter. This was visible across several indicators such as the TED spread (the spread between interbank loans and short-term U.S. government debt), equities, commodities, etc. Emerging markets also rallied as, in addition to benefiting from the positive mood that characterized the markets, their differentiation from developed markets attracted increased attention. This was especially noticeable in the latter part of the quarter, when the appreciation of the dollar versus the

major currencies like the euro and the Japanese yen was in contrast to its continued weak performance against many emerging market currencies.

The robust recovery, especially in some of the more trade-dependent and commodity-exporting emerging economies, was in no small part due to the continued strong performance of the two major growth drivers in the last few quarters—the inventory replenishment cycle and China's investment drive. The inventory cycle was reflected in improving industrial production numbers, employment, and confidence indicators. However, the transition to a more vigorous and stable end-consumer demand is still not assured and the unemployment and wage inflation numbers in the United States were no comfort in that regard. Chinese investment and lending drive were solid, and a rapid turnaround in its growth numbers reflected the extremely aggressive economic policies that had been put in place. The diverse impact of the credit crisis and the subsequent rebound on the balance of payments of various economies began to matter as well, as focus turned to approaching policy moves, including various tightening measures ranging from reserve requirement hikes to outright rate increases.

What Helped and What Hurt LGI

In the fourth quarter, the Fund's foreign exchange and local debt positions in Ghana generated the highest return on capital and represented the largest single country contribution. Other sizeable frontier market exposures in Zambia, Egypt, and Uganda benefited performance as well. Elsewhere, heavy weightings in many of the top-performing markets, including Brazil, Mexico, India, and Indonesia, buoyed results, as well as holdings in Russia, S. Korea, the Philippines, and Turkey. In Europe, active management added significant value, led by existing Polish exposure and early accumulation of Romanian positions on weakness, together with positive attribution from Czech Republic positions, despite that market's substantial quarterly decline of approximately 5%. In

addition, positions in the Czech Republic contributed positively to the Fund's performance.

In absolute terms, positions in Hungary and Kenya were the only detractors. An upward correction in Hungarian government bond yields and weakness in the Kenyan shilling were to blame. Elsewhere, the Fund missed out on the solid quarterly gains in Argentina, South Africa, and Chile, which limited upside.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

Notes to Investment Overview:

- ¹ A measure of the average cash weighted term-to-maturity of the investment holdings. Duration is a measure of the price sensitivity of a bond to interest rate movements. Duration for a forward currency contract is equal to its term-to-maturity.
- ² The quoted yield does not account for the implicit cost of borrowing on the forward currency contracts, which would reduce the yield shown.

All returns reflect reinvestment of all dividends and distributions. Past performance is not indicative, or a guarantee, of future results.

The performance data of the Index and other market data have been prepared from sources and data that the Investment Manager believes to be reliable, but no representation is made as to their accuracy. The Index represents market value-weighted average returns of selected securities listed on the stock exchanges of Europe, Australasia and the Far East, New Zealand, Canada, and the United States. The Index is unmanaged, has no fees or costs and is not available for investment.

The views of the Fund's management and the portfolio holdings described in this report are as of December 31, 2009; these views and portfolio holdings may have changed subsequent to this date. Nothing herein should be construed as a recommendation to buy, sell, or hold a particular investment. There is no assurance that the portfolio holdings discussed herein will remain in the Fund at the time you receive this report, or that portfolio holdings sold will not have been repurchased. The specific portfolio holdings discussed may in aggregate represent only a small percentage of the Fund's holdings. It should not be assumed that investments identified and discussed were, or will be, profitable, or that the investment decisions we make in the future will be profitable, or equal the performance of the investments discussed herein.

The views and opinions expressed are provided for general information only, and do not constitute specific tax, legal, or investment advice to, or recommendations for, any person. There can be no guarantee as to the accuracy of the outlooks for markets, sectors and securities as discussed herein.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (continued)

**Comparison of Changes in Value of \$10,000 Investment in
LGI and MSCI World Index***

	Value at 12/31/09
LGI at Market Price	\$ 11,778
LGI at Net Asset Value	13,603
MSCI World Index	12,277

**Average Annual Total Returns*
Periods Ended December 31, 2009**

	One Year	Five Years	Since Inception**
Market Price	36.72%	3.27%	2.92%
Net Asset Value	26.90	2.95	5.57
MSCI World Index	29.99	2.01	3.68

* All returns reflect reinvestment of all dividends and distributions. The performance quoted represents past performance. Current performance may be lower or higher than the performance quoted. Past performance is not indicative, or a guarantee, of future results; the investment return, market price and net asset value of the Fund will fluctuate, so that an investor's shares in the Fund, when sold, may be worth more or less than their original cost. The returns do not reflect the deduction of taxes that a stockholder would pay on the Fund's distributions or on the sale of Fund shares.

The performance data of the Index has been prepared from sources and data that the Investment Manager believes to be reliable, but no representation is made as to its accuracy. The Index represents market value-weighted average returns of selected securities listed on the stock exchanges of Europe, Australasia and the Far East, New Zealand, Canada, and the United States. The Index is unmanaged, has no fees or costs and is not available for investment.

** The Fund's inception date was April 28, 2004.

Lazard Global Total Return & Income Fund, Inc.

Investment Overview (concluded)

Ten Largest Equity Holdings **December 31, 2009**

Security	Value	Percentage of Net Assets
Microsoft Corp.	\$ 9,951,936	6.0%
Diageo PLC Sponsored ADR	7,017,351	4.2
Johnson & Johnson	6,717,963	4.0
HSBC Holdings PLC Sponsored ADR	6,246,388	3.8
JPMorgan Chase & Co.	6,204,496	3.7
BP PLC Sponsored ADR	5,628,887	3.4
Heineken NV ADR	5,371,536	3.2
Cisco Systems, Inc.	5,276,376	3.2
International Business Machines Corp.	5,078,920	3.1
The Home Depot, Inc.	4,787,915	2.9

Portfolio Holdings Presented by Sector **December 31, 2009**

Sector	Percentage of Total Investments
Consumer Discretionary	2.6%
Consumer Staples	10.8
Emerging Markets Debt Obligations	15.1
Energy	11.1
Financials	16.2
Health Care	14.5
Industrials	3.6
Information Technology	15.7
Materials	1.5
Telecommunication Services	7.0
Short-Term Investment	1.9
Total Investments	100.0%

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments

December 31, 2009

Description	Shares	Value
Common Stocks 91.4%		
Finland 1.5%		
Nokia Corp. Sponsored ADR	192,800	\$ 2,477,480
France 7.5%		
GDF Suez Sponsored ADR	75,981	3,251,987
Sanofi-Aventis ADR (c)	105,200	4,131,204
Societe Generale Sponsored ADR	72,000	1,011,600
Total SA Sponsored ADR	64,000	4,098,560
Total France		12,493,351
Ireland 1.6%		
CRH PLC Sponsored ADR	98,300	2,686,539
Italy 1.1%		
Eni SpA Sponsored ADR	36,350	1,839,674
Japan 5.9%		
Canon, Inc. Sponsored ADR	44,700	1,891,704
Hoya Corp. Sponsored ADR	73,500	1,955,100
Mitsubishi UFJ Financial Group, Inc. ADR	528,000	2,597,760
Nomura Holdings, Inc. ADR	332,600	2,461,240
Sumitomo Mitsui Financial Group, Inc. ADR	321,200	915,420
Total Japan		9,821,224
Netherlands 3.2%		
Heineken NV ADR	225,600	5,371,536
Singapore 2.9%		
Singapore Telecommunications, Ltd. ADR (c)	217,400	4,771,930
Sweden 0.7%		
Telefonaktiebolaget LM Ericsson Sponsored ADR	123,800	1,137,722
Switzerland 11.9%		
Credit Suisse Group AG Sponsored ADR	73,400	3,608,344
Nestle SA Sponsored ADR	86,000	4,158,100
Novartis AG ADR	78,900	4,294,527
Roche Holding AG Sponsored ADR (c)	92,400	3,899,280
UBS AG (a)	107,587	1,668,674
Zurich Financial Services AG ADR	92,500	2,010,950
Total Switzerland		19,639,875
Description	Shares	Value

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United Kingdom 18.0%		
BP PLC Sponsored ADR (c)	97,100	\$ 5,628,887
Diageo PLC Sponsored ADR (c)	101,100	7,017,351
GlaxoSmithKline PLC Sponsored ADR	80,200	3,388,450
HSBC Holdings PLC Sponsored ADR	109,413	6,246,388
Tesco PLC Sponsored ADR (c)	153,200	3,151,324
Vodafone Group PLC Sponsored ADR	191,712	4,426,630
Total United Kingdom		29,859,030
United States 37.1%		
Bank of New York Mellon Corp. (c)	103,600	2,897,692
Bristol-Myers Squibb Co.	42,693	1,077,998
Cisco Systems, Inc. (a), (c)	220,400	5,276,376
ConocoPhillips	32,900	1,680,203
Exxon Mobil Corp. (c)	56,900	3,880,011
General Electric Co.	116,300	1,759,619
International Business Machines Corp.	38,800	5,078,920
Johnson & Johnson (c)	104,300	6,717,963
JPMorgan Chase & Co. (c)	148,896	6,204,496
Mead Johnson Nutrition Co.	31,506	1,376,812
Microsoft Corp.	326,400	9,951,936
Oracle Corp.	184,300	4,522,722
Pfizer, Inc.	87,566	1,592,826
The Home Depot, Inc.	165,500	4,787,915
United Technologies Corp.	68,900	4,782,349
Total United States		61,587,838
Total Common Stocks		
(Identified cost \$155,751,862)		151,686,199

Description	Principal Amount (000) (d)	Value
Foreign Government Obligations 16.2%		
Brazil 3.5%		
Brazil NTN-F:		
10.00%, 01/01/12	4,500	2,506,405
10.00%, 01/01/13	5,795	3,289,759
Total Brazil		5,796,164

The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

December 31, 2009

Description	Principal Amount (000) (d)		Value
Egypt 3.6%			
Egypt Treasury Bills:			
0.00%, 05/11/10	1,200	\$	211,046
0.00%, 07/13/10	1,900		327,397
0.00%, 08/03/10	11,025		1,886,979
0.00%, 08/31/10	8,125		1,377,935
0.00%, 09/28/10	7,875		1,323,089
0.00%, 10/12/10	5,350		894,861
Total Egypt			6,021,307
Ghana 1.1%			
Ghana Government Bonds:			
13.50%, 03/29/10	420		288,833
14.00%, 03/07/11	1,000		654,192
16.00%, 05/02/11	460		306,249
13.67%, 06/11/12	790		450,674
15.00%, 12/10/12	320		191,361
Total Ghana			1,891,309
Hungary 3.1%			
Hungary Government Bonds:			
7.25%, 06/12/12	451,400		2,402,845
5.50%, 02/12/14	254,000		1,254,435
8.00%, 02/12/15	66,480		356,691
6.75%, 02/24/17	233,760		1,150,420
Total Hungary			5,164,391
Kenya 0.1%			
Kenya Treasury Bill,			
0.00%, 04/05/10	17,268		224,320
Mexico 2.0%			
Mexican Bonos:			
9.00%, 12/20/12	13,145		1,064,200
8.00%, 12/19/13	16,380		1,288,664
8.00%, 12/17/15	11,500		894,542

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Total Mexico			3,247,406
Description	Principal Amount (000) (d)		Value
Poland 0.9%			
Poland Government Bonds:			
5.75%, 03/24/10	1,298	\$	455,305
4.75%, 04/25/12	1,872		649,383
3.00%, 08/24/16	1,182		394,993
Total Poland			1,499,681
Turkey 1.3%			
Turkey Government Bond,			
10.00%, 02/15/12	2,832		2,110,563
Uganda 0.6%			
Uganda Government Bonds:			
10.00%, 04/01/10	676,000		356,156
10.00%, 07/21/11	432,000		224,867
10.00%, 10/13/11	639,800		333,370
Total Uganda			914,393
Total Foreign Government Obligations			
(Identified cost \$26,035,142)			26,869,534
Supranationals 0.4%			
Zambia 0.4%			
European Investment Bank,			
12.25%, 02/26/10			
(Identified cost \$841,417)	3,050,000		664,021
Description	Shares		Value
Short-Term Investment 2.1%			
State Street Institutional Treasury			
Money Market Fund			
(Identified cost \$3,479,348)	3,479,348		3,479,348
Total Investments 110.1%			
(Identified cost \$186,107,769) (b)		\$	182,699,102
Liabilities in Excess of Cash and Other Assets (10.1)%			(16,801,005)
Net Assets 100.0%		\$	165,898,097

The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

December 31, 2009

Forward Currency Purchase Contracts open at December 31, 2009:

Forward Currency Purchase Contracts	Expiration Date	Foreign Currency	U.S. \$ Cost on Origination Date	U.S. \$ Current Value	Unrealized Appreciation	Unrealized Depreciation
BRL	01/05/10	1,448,255	\$ 815,000	\$ 831,852	\$ 16,852	\$
CNY	02/25/10	1,675,137	246,000	245,506		494
CNY	05/10/10	2,953,900	439,568	433,319		6,249
CNY	05/10/10	12,311,040	1,832,000	1,805,953		26,047
CNY	05/10/10	1,018,948	151,000	149,473		1,527
CNY	05/10/10	792,149	117,000	116,203		797
COP	01/14/10	1,635,798,000	809,000	798,925		10,075
CZK	01/04/10	15,121,901	866,421	822,914		43,507
CZK	01/04/10	14,529,744	804,357	790,689		13,668
CZK	01/29/10	16,865,402	917,635	917,426		209
CZK	01/29/10	29,588,262	1,608,368	1,609,510	1,142	
CZK	02/04/10	13,719,360	767,057	746,216		20,841
EUR	01/04/10	1,124,873	1,614,137	1,612,561		1,576
EUR	01/04/10	3,130,411	4,476,707	4,487,600	10,893	
EUR	01/15/10	1,209,000	1,771,488	1,733,146		38,342
EUR	01/29/10	320,660	462,000	459,672		2,328
EUR	12/09/10	3,282,000	4,872,458	4,697,834		174,624
GHC	01/15/10	193,000	122,735	133,745	11,010	
GHC	01/25/10	519,870	310,000	358,387	48,387	
GHC	03/25/10	667,000	373,774	446,784	73,010	
GHC	10/11/11	237,330	109,369	140,928	31,559	
HUF	01/15/10	153,524,000	822,063	814,883		7,180
IDR	01/07/10	2,449,830,000	254,000	260,656	6,656	
IDR	01/07/10	15,503,670,000	1,638,000	1,649,553	11,553	
IDR	01/13/10	8,313,240,000	876,000	883,462	7,462	
IDR	02/16/10	8,297,258,000	881,000	875,764		5,236
IDR	02/19/10	9,005,369,000	865,069	949,908	84,839	
IDR	03/15/10	7,973,570,000	838,000	836,715		1,285
IDR	06/28/10	4,344,840,000	447,000	445,694		1,306
ILS	01/11/10	17,170,000	4,543,530	4,533,540		9,990
ILS	05/11/10	4,729,528	1,212,326	1,248,113	35,787	
INR	01/13/10	43,476,300	938,000	933,714		4,286
INR	01/22/10	38,076,800	815,000	817,205	2,205	
INR	01/27/10	23,299,360	497,000	499,865	2,865	
INR	02/03/10	22,927,320	468,000	491,627	23,627	
INR	02/24/10	40,005,700	853,000	856,463	3,463	
INR	03/29/10	42,321,840	902,000	903,592	1,592	
KES	01/06/10	68,194,461	900,767	899,069		1,698
KES	01/12/10	30,669,000	402,956	404,335	1,379	
KES	01/13/10	17,674,040	236,000	233,011		2,989
KES	01/13/10	19,863,000	262,183	261,870		313
KES	01/14/10	23,265,180	306,000	306,724	724	
KES	01/21/10	13,350,750	175,000	176,013	1,013	

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KES	01/27/10	19,392,900	254,000	255,669	1,669
KES	01/28/10	20,068,873	263,000	264,581	1,581
KES	01/29/10	18,223,750	239,000	240,255	1,255
KRW	01/29/10	904,552,000	760,000	776,222	16,222
KRW	04/08/10	766,350,000	655,000	655,763	763
KRW	01/11/10	849,482,200	721,000	729,365	8,365

The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (continued)

December 31, 2009

Forward Currency Purchase Contracts open at December 31, 2009 (concluded):

Forward Currency Purchase Contracts	Expiration Date	Foreign Currency	U.S. \$ Cost on Origination Date	U.S. \$ Current Value	Unrealized Appreciation	Unrealized Depreciation
KRW	02/09/10	849,626,400	\$ 721,000	\$ 728,844	\$ 7,844	\$
KRW	02/17/10	1,028,047,800	884,000	881,685		2,315
KRW	02/22/10	1,233,903,600	1,044,000	1,058,071	14,071	
KRW	03/22/10	1,009,120,000	848,000	864,256	16,256	
MXN	02/08/10	12,166,084	952,000	926,337		25,663
MXN	02/17/10	4,412,230	331,000	335,584	4,584	
MXN	05/05/10	11,463,998	842,000	863,705	21,705	
MYR	01/04/10	2,628,347	753,000	767,624	14,624	
MYR	01/20/10	2,882,520	857,000	841,322		15,678
MYR	02/22/10	2,882,948	857,000	840,297		16,703
MYR	03/04/10	2,683,263	783,000	781,777		1,223
PHP	01/25/10	40,217,130	849,000	867,889	18,889	
PHP	02/08/10	35,335,000	764,000	761,267		2,733
PHP	02/16/10	36,788,400	792,000	791,805		195
PHP	03/02/10	41,720,000	875,000	896,415	21,415	
PLN	01/06/10	17,966,000	6,256,442	6,274,048	17,606	
RON	01/12/10	2,350,123	793,666	793,814	148	
RON	01/13/10	2,448,765	854,658	826,913		27,745
RON	03/16/10	2,487,628	857,847	826,943		30,904
RON	04/21/10	1,108,413	385,951	365,724		20,227
RON	10/19/10	1,429,085	497,367	450,906		46,461
RUB	01/11/10	23,068,843	751,000	761,009	10,009	
RUB	01/12/10	20,678,320	674,000	682,149	8,149	
RUB	01/25/10	12,512,895	411,000	411,935	935	
RUB	01/25/10	23,052,000	765,186	758,892		6,294
TRY	01/08/10	3,002,689	1,997,000	2,010,145	13,145	
TRY	01/08/10	1,009,091	675,000	675,534	534	
TWD	01/21/10	34,314,540	1,066,000	1,079,627	13,627	
TWD	02/09/10	9,804,225	305,000	310,499	5,499	
TWD	03/22/10	34,037,380	1,066,000	1,084,857	18,857	
UGX	01/07/10	750,762,000	394,722	394,737	15	
UGX	01/13/10	888,051,500	467,027	466,517		510
UGX	02/05/10	867,180,000	454,974	453,992		982
UGX	03/15/10	443,033,000	229,195	230,533	1,338	
UGX	03/16/10	465,213,500	239,000	242,036	3,036	
UGX	04/20/10	792,366,000	403,651	408,864	5,213	
ZMK	01/11/10	699,665,000	124,717	150,464	25,747	
ZMK	01/12/10	1,686,925,000	362,858	362,710		148
ZMK	01/14/10	3,074,868,000	648,296	660,902	12,606	
ZMK	01/21/10	860,836,000	181,000	184,796	3,796	
ZMK	01/27/10	3,205,348,000	682,715	687,364	4,649	
ZMK	01/28/10	696,393,000	148,421	149,310	889	
ZMK	01/29/10	1,159,171,000	247,000	248,488	1,488	

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ZMK	02/12/10	710,550,000	150,000	151,798	1,798	
Total Forward Currency Purchase Contracts			\$ 79,752,661	\$ 79,854,658	\$ 674,345	\$ 572,348

The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Portfolio of Investments (concluded)

December 31, 2009

Forward Currency Sale Contracts open at December 31, 2009:

Forward Currency Sale Contracts	Expiration Date	Foreign Currency	U.S. \$ Cost on Origination Date	U.S. \$ Current Value	Unrealized Appreciation	Unrealized Depreciation
BRL	01/05/10	1,394,608	\$ 808,000	\$ 801,039	\$ 6,961	\$
BRL	01/05/10	53,647	30,876	30,814	62	
BRL	02/02/10	1,796,770	1,018,000	1,025,833		7,833
BRL	03/02/10	1,353,375	750,000	768,527		18,527
CNY	05/10/10	7,678,296	1,128,000	1,126,358	1,642	
CZK	01/04/10	29,651,645	1,614,137	1,613,603	534	
EUR	01/04/10	576,000	866,421	825,725	40,696	
EUR	01/04/10	552,000	804,357	791,320	13,037	
EUR	01/04/10	3,157,000	4,763,913	4,525,717	238,196	
EUR	01/12/10	554,000	793,666	794,182		516
EUR	01/13/10	561,000	854,658	804,216	50,442	
EUR	01/15/10	560,000	822,063	802,781	19,282	
EUR	01/21/10	588,131	854,780	843,102	11,678	
EUR	01/21/10	5,705,650	8,170,536	8,179,216		8,680
EUR	01/25/10	1,526,000	2,230,249	2,187,558	42,691	
EUR	01/29/10	638,000	917,635	914,585	3,050	
EUR	01/29/10	1,122,000	1,608,368	1,608,408		40
EUR	02/04/10	518,000	767,057	742,559	24,498	
EUR	02/04/10	3,130,000	4,475,900	4,486,890		10,990
EUR	03/16/10	572,000	857,847	819,900	37,947	
EUR	04/21/10	247,000	385,951	354,012	31,939	
EUR	10/19/10	307,000	497,367	439,521	57,846	
HUF	12/09/10	917,154,900	4,872,458	4,686,569	185,889	
IDR	01/07/10	14,112,000,000	1,470,000	1,501,483		31,483
IDR	01/07/10	3,109,745,000	331,000	330,869	131	
ILS	05/11/10	4,729,528	1,138,000	1,248,113		110,113
INR	01/22/10	17,153,580	367,000	368,150		1,150
JPY	01/19/10	154,131,488	1,722,140	1,655,046	67,094	
JPY	01/21/10	131,279,049	1,458,000	1,409,674	48,326	
JPY	02/09/10	7,732,776	86,000	83,043	2,957	
MXN	02/09/10	19,285,480	1,436,000	1,468,235		32,235
MYR	01/04/10	2,628,347	767,400	767,625		225
PLN	01/15/10	5,033,672	1,771,488	1,756,788	14,700	
RUB	01/11/10	23,068,843	767,427	761,009	6,418	
RUB	01/12/10	5,981,760	201,000	197,330	3,670	
UGX	01/05/10	867,180,000	456,411	456,080	331	
Total Forward Currency Sale Contracts			\$51,864,105	\$51,175,880	910,017	221,792

Gross unrealized appreciation/depreciation on Forward Currency Purchase and Sale Contracts

\$ 1,584,362 \$ 794,140

The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Notes to Portfolio of Investments

December 31, 2009

- (a) Non-income producing security.
 (b) For federal income tax purposes, the aggregate cost was \$186,107,914, aggregate gross unrealized appreciation was \$21,831,012, aggregate gross unrealized depreciation was \$25,239,824, and the net unrealized depreciation was \$3,408,812.
 (c) Segregated security for forward currency contracts.
 (d) Principal amount denominated in respective country's currency.

Security Abbreviations:

ADR American Depositary Receipt
 NTN-F Brazil Sovereign Nota do Tesouro Nacional Series F

Currency Abbreviations:

BRL	Brazilian Real	KRW	South Korean Won
CNY	Chinese Renminbi	MXN	Mexican New Peso
COP	Colombian Peso	MYR	Malaysian Ringgit
CZK	Czech Koruna	PHP	Philippine Peso
EUR	Euro	PLN	Polish Zloty
GHC	Ghanaian Cedi	RON	New Romanian Leu
HUF	Hungarian Forint	RUB	Russian Ruble
IDR	Indonesian Rupiah	TRY	New Turkish Lira
ILS	Israeli Shekel	TWD	New Taiwan Dollar
INR	Indian Rupee	UGX	Ugandan Shilling
JPY	Japanese Yen	ZMK	Zambian Kwacha
KES	Kenyan Shilling		

Portfolio holdings by industry (as percentage of net assets):

Alcohol & Tobacco	7.5%
Banking	12.4
Computer Software	8.7
Energy Integrated	10.3
Financial Services	4.3
Food & Beverages	3.3
Gas Utilities	2.0
Housing	1.6
Insurance	1.2
Manufacturing	4.0
Pharmaceutical & Biotechnology	15.1
Retail	4.8
Semiconductors & Components	2.3
Technology Hardware	8.4
Telecommunications	5.5
Subtotal	91.4
Foreign Government Obligations	16.2
Suprationals	0.4
Short-Term Investment	2.1

Total Investments

110.1%

The accompanying notes are an integral part of these financial statements.

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Lazard Global Total Return & Income Fund, Inc.

Statement of Assets and Liabilities

December 31, 2009

ASSETS

Investments in securities, at value (cost \$186,107,769)	\$ 182,699,102
Foreign currency, at value (cost \$585,407)	588,194
Dividends and interest receivable	1,473,994
Gross unrealized appreciation on forward currency contracts	1,584,362
 Total assets	 186,345,652

LIABILITIES

Payables for:	
Management fees	153,908
Accrued directors' fees	318
Line of credit outstanding	19,336,000
Gross unrealized depreciation on forward currency contracts	794,140
Other accrued expenses and payables	163,189
 Total liabilities	 20,447,555

Net assets	\$ 165,898,097
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NET ASSETS

Paid in capital (Note 2(i))	\$ 173,553,469
Distributions in excess of net investment income (Note 2(i))	(533,754)
Accumulated net realized loss	(4,523,861)
Net unrealized appreciation (depreciation) on:	
Investments	(3,408,667)
Foreign currency and forward currency contracts	810,910
 Net assets	 \$ 165,898,097

Shares of common stock outstanding*	9,605,237
Net asset value per share	\$ 17.27
Market value per share	\$ 14.89

* \$0.001 par value, 500,000,000 shares authorized for the Fund.

The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Statement of Operations

For the Year Ended December 31, 2009

INVESTMENT INCOME

Income:

Dividends (net of foreign withholding taxes of \$202,390)	\$ 4,337,355
Interest (net of foreign withholding taxes of \$7,589)	2,603,150
Total investment income	6,940,505

Expenses:

Management fees (Note 3)	1,494,477
Professional services	124,805
Shareholders reports	95,193
Custodian fees	90,161
Administration fees	70,894
Shareholders services	43,582
Shareholders meeting	21,749
Directors fees and expenses	15,125
Other	54,347
Total gross expenses before interest expense	2,010,333
Interest expense	278,452
Total expenses	2,288,785
Net investment income	4,651,720

NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS, FOREIGN CURRENCY AND FORWARD CURRENCY CONTRACTS

Net realized loss on:	
Investments (net of foreign capital gains taxes of \$25,027)	(5,476,791)
Foreign currency and forward currency contracts	(48,957)
Total net realized loss on investments, foreign currency and forward currency contracts	(5,525,748)
Net change in unrealized appreciation on:	
Investments	34,885,684
Foreign currency and forward currency contracts	1,428,252
Total net change in unrealized appreciation on investments, foreign currency and forward currency contracts	36,313,936
Net realized and unrealized gain on investments, foreign currency and forward currency contracts	30,788,188
Net increase in net assets resulting from operations	\$ 35,439,908

The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Statements of Changes in Net Assets

	Year Ended December 31, 2009	Year Ended December 31, 2008
INCREASE (DECREASE) IN NET ASSETS		
Operations:		
Net investment income	\$ 4,651,720	\$ 6,316,669
Net realized gain (loss) on investments, foreign currency and forward currency contracts	(5,525,748)	3,136,484
Net change in unrealized appreciation (depreciation) on investments, foreign currency and forward currency contracts	36,313,936	(89,847,161)
Net increase (decrease) in net assets resulting from operations	35,439,908	(80,394,008)
Distributions to Stockholders:		
From net investment income (Note 2(i))	(702,650)	(9,896,419)
From net realized gains (Note 2(i))		(3,151,478)
Return of capital (Note 2(i))	(8,864,743)	(657,815)
Net decrease in net assets resulting from distributions	(9,567,393)	(13,705,712)
Total increase (decrease) in net assets	25,872,515	(94,099,720)
Net assets at beginning of year	140,025,582	234,125,302
Net assets at end of year*	\$ 165,898,097	\$ 140,025,582
*Includes distributions in excess of net investment income of (Note 2(i))	\$ (533,754)	\$ (3,175,241)
Transactions in Capital Shares:		
Common shares outstanding at beginning of year	9,605,237	9,605,237
Common shares outstanding at end of year	9,605,237	9,605,237

The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Statement of Cash Flows

For the Year Ended December 31, 2009

INCREASE (DECREASE) IN CASH AND FOREIGN CURRENCY

Cash flows from operating activities:

Net increase in net assets from operations	\$ 35,439,908
Adjustments to reconcile net increase in net assets from operations to net cash provided in operating activities	
Increase in interest and dividends receivable	(85,325)
Accretion of bond discount and amortization of bond premium	(647,559)
Inflation index adjustment	(77,070)
Increase in other accrued expenses and payables	47,795
Net realized loss on investments, foreign currency and forward currency contracts	5,525,748
Net change in unrealized appreciation on investments, foreign currency and forward currency contracts	(36,313,936)
Purchase of long-term investments	(39,928,215)
Proceeds from disposition of long-term investments	53,051,969
Purchase of short-term investments, net	(2,618,348)
Net cash provided in operating activities	14,394,967

Cash flows from financing activities:

Cash distribution paid (Note 2(i))	(9,567,393)
Gross drawdowns in line of credit balance	11,800,000
Gross paydowns in line of credit balance	(16,514,000)
Net cash used in financing activities	(14,281,393)

Effect of exchange rate changes on cash	15,944
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Net increase in cash and foreign currency	129,518
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Cash and foreign currency:

Beginning balance	458,676
Ending balance	\$ 588,194

Supplemental disclosure of cash flow information:

Cash paid during the year for interest	\$ (277,573)
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The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Financial Highlights

Selected data for a share of common stock outstanding throughout each year

	Year Ended				
	12/31/09	12/31/08	12/31/07	12/31/06	12/31/05
Net asset value, beginning of year	\$ 14.58	\$ 24.37	\$ 23.77	\$ 21.10	\$ 21.72
Income (loss) from investment operations:					
Net investment income	0.48	0.66	0.42	0.40	0.23
Net realized and unrealized gain (loss)	3.21	(9.02)	1.84	4.61	0.40
Total from investment operations	3.69	(8.36)	2.26	5.01	0.63
Less distributions from:					
Net investment income (Note 2(i))	(0.08)	(1.03)	(1.15)	(1.12)	(1.25)
Net realized gains (Note 2(i))		(0.33)	(0.51)	(1.22)	
Return of capital (Note 2(i))	(0.92)	(0.07)			
Total distributions	(1.00)	(1.43)	(1.66)	(2.34)	(1.25)
Net asset value, end of year	\$ 17.27	\$ 14.58	\$ 24.37	\$ 23.77	\$ 21.10
Market value, end of year	\$ 14.89	\$ 11.83	\$ 23.34	\$ 22.58	\$ 18.56
Total Return based upon:					
Net asset value (a)	26.90%	(35.33)%	9.74%	24.46%	3.18%
Market value (a)	36.72%	(44.43)%	11.35%	35.64%	2.38%
Ratios and Supplemental Data:					
Net assets, end of year (in thousands)	\$ 165,898	\$ 140,026	\$ 234,125	\$ 228,274	\$ 202,667
Ratios to average net assets:					
Net expenses	1.61%	1.83%	1.58%	1.50%	1.63%
Gross expenses	1.61%	1.83%	1.58%	1.51%	1.63%
Gross expenses excluding interest expense	1.42%	1.45%	1.42%	1.43%	1.51%
Net investment income	3.28%	3.26%	1.71%	1.76%	1.12%
Portfolio turnover rate	25%	25%	28%	38%	18%

(a) Total return based on per share market price assumes the purchase of common shares at the closing market price on the business day immediately preceding the first day, and sales of common shares at the closing market price on the last day, of each period indicated; dividends and distributions are assumed to be reinvested in accordance with the Fund's Dividend Reinvestment Plan. The total return based on net asset value, or NAV, assumes the purchase of common shares at the net asset value, beginning of period and sales of common shares at the net asset value, end of period, for each of the periods indicated; distributions are assumed to be reinvested at NAV. Past performance is not indicative, or a guarantee, of future results; the investment return, market price and net asset value of the Fund will fluctuate, so that an investor's shares in the Fund, when sold, may be worth more or less than their original cost. The returns do not reflect the deduction of taxes that a stockholder would pay on the Fund's distributions or on the sale of Fund shares.

The accompanying notes are an integral part of these financial statements.

Lazard Global Total Return & Income Fund, Inc.

Notes to Financial Statements

December 31, 2009

1. Organization

Lazard Global Total Return & Income Fund, Inc. (the Fund) was incorporated in Maryland on January 27, 2004 and is registered under the Investment Company Act of 1940, as amended (the Act), as a diversified, closed-end management investment company. The Fund trades on the NYSE under the ticker symbol LGI and commenced operations on April 28, 2004. The Fund's investment objective is total return, consisting of capital appreciation and income.

2. Significant Accounting Policies

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of significant accounting policies:

(a) *Valuation of Investments* Market values for securities are generally based on the last reported sales price on the principal exchange or market on which the security is traded, generally as of the close of regular trading on the NYSE (normally 4:00 p.m. Eastern time) on each valuation date. Any securities not listed, for which current over-the-counter market quotations or bids are readily available, are valued at the last quoted bid price or, if available, the mean of two such prices. Securities listed on foreign exchanges are valued at the last reported sales price except as described below; securities listed on foreign exchanges that are not traded on the valuation date are valued at the last quoted bid price. Forward currency contracts are valued at the current cost of offsetting the contracts.

Bonds and other fixed-income securities that are not exchange-traded are valued on the basis of prices provided by pricing services which are based primarily on institutional trading in similar groups of securities, or by using brokers' quotations.

If a significant event materially affecting the value of securities occurs between the close of the exchange or market on which the security is principally traded and the time when the Fund's net asset value is calculated, or when current market quotations otherwise are determined not to be readily available or reliable, such securities will be valued at their fair values as determined by, or in accordance with procedures approved by, the Board of Directors (the Board). The Valuation Committee of the Investment Manager may evaluate a variety of factors to determine the fair value of securities for which current market quotations are determined not to be readily available or reliable. These factors include, but are not limited to, the type of security, the value of comparable securities, observations from

financial institutions and relevant news events. Input from the Investment Manager's analysts will also be considered.

(b) *Portfolio Securities Transactions and Investment Income* Portfolio securities transactions are accounted for on trade date. Realized gain (loss) on sales of investments are recorded on a specific identification basis. Dividend income is recorded on the ex-dividend date and interest income is accrued daily. The Fund amortizes premiums and accretes discounts on fixed-income securities using the effective yield method.

The Fund may be subject to taxes imposed by foreign countries in which it invests. Such taxes are generally based upon income earned or capital gains, realized or unrealized. The Fund accrues and applies such taxes to net investment income, net realized gains and net unrealized gains concurrent with the recognition of income or capital gains (realized and unrealized) from the applicable portfolio securities.

(c) *Repurchase Agreements* In connection with transactions in repurchase agreements, the Fund's custodian takes possession of the underlying collateral securities, the fair value of which, at all times, is required to be at least equal to the principal amount, plus accrued interest, of the repurchase transaction. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the Fund may be delayed or limited.

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(d) Securities Lending The Fund may lend securities to qualified borrowers in order to earn additional income. The terms of the lending agreements require that loans are secured at all times by cash, U.S. Government securities or irrevocable letters of credit in an amount at least equal to 102% of the market value of domestic securities loaned (105% in the case of foreign securities), plus accrued interest and dividends, determined on a daily basis. Cash collateral received is invested in State Street Navigator Securities Lending Prime Portfolio, a regulated investment company offered by State Street Bank and Trust Company (State Street). If the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, the Fund could experience delays and costs in recovering the securities loaned or in gaining access to the collateral.

At December 31, 2009, there were no securities out on loan.

(e) Leveraging The Fund uses leverage to invest Fund assets in currency investments, primarily using forward currency contracts and by borrowing under a credit facility with State Street, up to a maximum of 33 % of the Fund s total leveraged assets. If the assets of the Fund decline due to market conditions such that this 33 % threshold will be exceeded, leverage risk will increase.

Lazard Global Total Return & Income Fund, Inc.

Notes to Financial Statements (continued)

December 31, 2009

If the Fund is able to realize a higher return on the leveraged portion of its investment portfolio than the cost of such leverage together with other related expenses, the effect of the leverage will be to cause the Fund to realize a higher net return than if the Fund were not so leveraged. There is no assurance that any leveraging strategy the Fund employs will be successful.

Using leverage is a speculative investment technique and involves certain risks. These include higher volatility of net asset value, the likelihood of more volatility in the market value of the Fund's common stocks and, with respect to borrowings, the possibility either that the Fund's return will fall if the interest rate on any borrowings rises, or that income will fluctuate because the interest rate of borrowings varies.

If the market value of the Fund's leveraged currency investments declines, the leverage will result in a greater decrease in net asset value, or less of an increase in net asset value, than if the Fund were not leveraged. Such results also will tend to have a similar effect on the market price of the Fund's common stocks. To the extent that the Fund is required or elects to prepay any borrowings, the Fund may need to liquidate investments to fund such prepayments. Liquidation at times of adverse economic conditions may result in capital losses and may reduce returns.

(f) Foreign Currency Translation and Forward Currency Contracts The accounting records of the Fund are maintained in U.S. dollars. Portfolio securities and other assets and liabilities denominated in a foreign currency are translated daily into U.S. dollars at the prevailing rates of exchange. Purchases and sales of securities, income receipts and expense payments are translated into U.S. dollars at the prevailing exchange rates on the respective transaction dates.

The Fund does not isolate the portion of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in their market prices. Such fluctuations are included in net realized and unrealized gain (loss) on investments. Net realized gain (loss) on foreign currency and forward currency contracts represents net foreign currency gain (loss) from forward currency contracts, disposition of foreign currencies, currency gain (loss) realized between the trade and settlement dates on securities transactions, and the difference between the amount of dividends, interest and foreign withholding taxes recorded on the Fund's accounting records and the U.S. dollar equivalent amounts actually received or paid. Net unrealized appreciation (depreciation) on foreign currency gain (loss) arises from changes in the value of assets and liabilities, other than investments in securities, as a result of changes in exchange rates.

A forward currency contract is an agreement between two parties to buy or sell currency at a set price on a future date. Upon entering into these contracts, risks may arise from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in the value of the foreign currency relative to the U.S. dollar.

The U.S. dollar value of forward currency contracts is determined using forward exchange rates provided by quotation services. Daily fluctuations in the value of such contracts are recorded as unrealized gain (loss). When the contract is closed, the Fund records a realized gain (loss) equal to the difference between the value at the time it was opened and the value at the time it was closed. Such gain (loss) is disclosed in realized and unrealized gain (loss) on foreign currency in the Fund's accompanying Statement of Operations.

(g) Structured Investments The Fund may invest in structured investments, whose values are linked either directly or inversely to changes in foreign currencies, interest rates, commodities, indices, or other underlying instruments. The Fund may use these investments to increase or decrease its exposure to different underlying instruments, to gain exposure to markets that might be difficult to invest in through conventional securities or for other purposes. Structured investments may be more volatile than their underlying instruments, but any loss is limited to the amount of the original investment.

(h) Federal Income Tax Policy It is the Fund's policy to comply with the requirements of Subchapter M of the Internal Revenue Code (the Code) applicable to regulated investment companies and to distribute substantially all of its taxable income to its stockholders. Therefore, no provision for federal income taxes is required. The Fund files tax returns with the U.S. Internal Revenue Service and

various states.

At December 31, 2009, the Fund had \$4,523,716 of unused realized capital loss carryforwards, expiring in 2017.

Under current tax law, certain capital and net foreign currency losses realized after October 31 within the taxable year may be deferred and treated as occurring on the first day of the following tax year. For the tax year ended December 31, 2009, the Fund had no net capital and currency losses arising between November 1, 2009 and December 31, 2009.

Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years (2006 - 2008), or expected to be taken in the Fund's 2009 tax returns.

Lazard Global Total Return & Income Fund, Inc.

Notes to Financial Statements (continued)

December 31, 2009

(i) *Dividends and Distributions* The Fund intends to declare and to pay dividends monthly from net investment income. Distributions to stockholders are recorded on the ex-dividend date. During any particular year, net realized gains from investment transactions in excess of available capital loss carryforwards would be taxable to the Fund, if not distributed. The Fund intends to declare and distribute these amounts, at least annually, to stockholders; however, to avoid taxation, a second distribution may be required.

Income dividends and capital gains distributions are determined in accordance with federal income tax regulations which may differ from GAAP. These book/tax differences, which may result in distribution reclassifications, are primarily due to differing treatments of foreign currency transactions and wash sales. The book/tax differences relating to stockholder distributions resulted in reclassifications among certain capital accounts as follows:

Paid in Capital	Distribution in excess of Net Investment Income	Accumulated Net Realized Loss
\$(8,864,743)	\$7,557,160	\$1,307,583

The Fund has implemented a Level Distribution Policy to seek to maintain a stable monthly distribution, subject to oversight of the Fund's Board. Under the Fund's Level Distribution Policy, the Fund intends to make regular monthly distributions at a fixed rate per share. If for any monthly distribution, net investment income and net realized short-term capital gain were less than the amount of the distribution, the difference would generally be distributed from the Fund's assets. In addition, in order to make such distributions, the Fund might have to sell a portion of its investment portfolio at a time when independent investment judgment might not dictate such actions.

In July 2005, the Investment Manager, on behalf of itself and the Fund, filed an exemptive application with the Securities and Exchange Commission (the "SEC"), amended in July 2009, seeking an order under the Act facilitating the implementation of a distribution policy that may include multiple long-term capital gains distributions ("Managed Distribution Policy"). There is no assurance that exemptive relief will ultimately be granted. If the Investment Manager, on behalf of itself and the Fund, receives the requested relief, the Fund may, subject to the determination of its Board, implement a Managed Distribution Policy.

Concurrent with the monthly distributions paid from April 2009 through December 2009, the Fund issued notices pursuant to Section 19(a) of the Act (the "Section 19(a) Notices") stating that the Fund currently estimates that it has distributed more than its net investment income and realized capital gains. Based on these estimates, it is possi-

ble that some or all of the amounts distributed may represent a return of capital. The Section 19(a) Notices may also be viewed at www.LazardNet.com.

The amounts and sources of distributions shown on the Section 19(a) Notices are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the cumulative distributions for tax reporting purposes will depend upon the Fund's investment experience during the year and may be subject to changes based on tax regulations. The Fund will send stockholders a Form 1099-DIV for the calendar year explaining how to report these distributions for federal income tax purposes.

The tax character of dividends and distributions paid during the years ended December 31, was as follows:

	2009	2008
Ordinary Income	\$ 702,650	\$ 10,245,363
Long-Term Capital Gain		2,802,534
Return of Capital	8,864,743	657,815

Total \$ 9,567,393 \$ 13,705,712

At December 31, 2009, the components of accumulated losses on a tax basis were \$0 of undistributed ordinary income, \$0 of undistributed long-term capital gain and \$3,131,656 of net unrealized depreciation.

(j) Estimates The preparation of financial statements in conformity with GAAP requires the Fund to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

(k) Subsequent Events Management has performed its evaluation of subsequent events through March 1, 2010, the date these financial statements were issued, and has determined that there were no subsequent events requiring adjustment or disclosure in the financial statements.

3. Investment Management Agreement

The Fund has entered into an investment management agreement (the *Management Agreement*) with the Investment Manager. Pursuant to the Management Agreement, the Investment Manager regularly provides the Fund with investment research, advice and supervision and furnishes continuously an investment program for the Fund consistent with its investment objective and policies, including the purchase, retention and disposition of securities.

The Fund has agreed to pay the Investment Manager an annual investment management fee of 0.85% of the Fund's

Lazard Global Total Return & Income Fund, Inc.

Notes to Financial Statements (continued)

December 31, 2009

average daily Total Leveraged Assets (the Fund's total assets including Financial Leverage (defined below)) for the services and facilities provided by the Investment Manager, payable on a monthly basis. The fee paid to the Investment Manager will be higher when the Investment Manager uses Currency Commitments and Borrowings (Financial Leverage) to make Currency Investments, rather than by reducing the percentage of Net Assets (the Fund's assets without taking into account Financial Leverage) invested in Global Equity Investments for the purposes of making Currency Investments. Global Equity Investments refers to investments in the Fund's global equity strategy, consisting of equity securities of companies with market capitalizations of \$5 billion or greater domiciled in those countries that comprise the Morgan Stanley Capital International (MSCI®) World® Index. Currency Investments refers to investments in the Fund's emerging income strategy, consisting of emerging market currencies (primarily by entering into forward currency contracts), or instruments whose value is derived from the performance of an underlying emerging market currency, but also may invest in debt obligations, including government, government agency and corporate obligations and structured notes denominated in emerging market currencies. Currency Commitments are the aggregate financial exposures created by forward currency contracts in excess of that represented in the Fund's Net Assets, and Borrowings refers to the borrowings under the Fund's credit facility. Assuming Financial Leverage in the amount of 33 % of the Fund's Total Leveraged Assets, the annual fee payable to the Investment Manager would be 1.28% of Net Assets (i.e., not including amounts attributable to Financial Leverage).

The following is an example of this calculation of the Investment Manager's fee, using very simple illustrations. If the Fund had assets of \$1,000, it could invest \$1,000 in Global Equity Investments and enter into \$500 in forward currency contracts (because the Fund would not have to pay money at the time it enters into the currency contracts). Similarly, the Fund could invest \$1,000 in Global Equity Investments, borrow \$500 and invest the \$500 in foreign currency denominated bonds. In either case, the Investment Manager's fee would be calculated based on \$1,500 of assets, because the fee is calculated based on Total Leveraged Assets (Net Assets plus Financial Leverage). In our example, the Financial Leverage is in the form of either the forward currency contracts (Currency Commitments) or investments from Borrowings. The amount of the Financial Leverage outstanding, and therefore the amount of Total Leveraged Assets on which the Investment Manager's fee is based, fluctuates daily based on changes in value of the Fund's portfolio holdings, including

changes in value of the currency involved in the forward currency contracts and foreign currency denominated bonds acquired with the proceeds of Borrowings. However, the Investment Manager's fee will be the same regardless of whether Currency Investments are made with Currency Commitments or with Borrowings (without taking into account the cost of Borrowings).

This method of calculating the Investment Manager's fee is different than the way closed-end investment companies typically calculate management fees. Traditionally, closed-end investment companies calculate management fees based on Net Assets plus Borrowings (excluding Financial Leverage obtained through Currency Commitments). The Investment Manager's fee is different because the Fund's leverage strategy is different than the leverage strategy employed by many other closed-end investment companies. Although the Fund may employ Borrowings in making Currency Investments, the Fund's leverage strategy relies primarily on Currency Commitments, rather than relying exclusively on borrowing money and/or issuing preferred stock, as is the strategy employed by most closed-end investment companies. The Investment Manager's fee would be lower if its fee were calculated only on Net Assets plus Borrowings, because the Investment Manager would not earn fees on Currency Investments made with Currency Commitments (forward currency contracts). Using the example above, where the Fund has assets of \$1,000 and invests \$1,000 in Global Equity Investments and \$500 in forward currency contracts, the following table illustrates how the Investment Manager's fee would be different if it did not earn management fees on these types of Currency Investments. A discussion of the most recent review and approval by the Fund's Board of the Management Agreement (including the method of calculating the Investment Manager's fee) is included under Other Information Board Consideration of Management Agreement.

Beginning assets of \$1,000

**Fund's management
fee based on
Total Leveraged
Assets (includes
Currency**

**Typical
management
fee formula,
calculated excluding
Currency**

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	Commitments)	Commitments
Global Equity Investments (Net Assets)	\$ 1,000	\$ 1,000
Currency Commitments	\$ 500	\$ 500
Assets used to calculate management fee	\$ 1,500	\$ 1,000
Management fee (0.85%)	\$ 12.75	\$ 8.50

Investment Manager Fee Conflict Risk The fee paid to the Investment Manager for investment management services will be higher when the Fund uses Financial Leverage,

Lazard Global Total Return & Income Fund, Inc.

Notes to Financial Statements (continued)

December 31, 2009

whether through forward currency contracts or Borrowings, because the fee paid will be calculated on the basis of the Fund's assets including this Financial Leverage. Consequently, the Investment Manager may have a financial interest for the Fund to utilize such Financial Leverage, which may create a conflict of interest between the Investment Manager and the stockholders of the Fund.

The Fund has implemented procedures to monitor this potential conflict.

4. Administration Agreement

The Fund has entered into an administration agreement with State Street to provide certain administrative services. The Fund bears the cost of such services at a fixed annual rate of \$42,500, plus 0.02% of average daily net assets up to \$1 billion and 0.01% of average daily net assets over \$1 billion.

5. Directors Compensation

Certain Directors of the Fund are officers of the Investment Manager. The Fund pays each Director who is not an affiliated person of the Investment Manager or any of its affiliates an annual aggregate fee of \$60,000, plus \$4,000 per meeting attended in person (\$1,500 per meeting attended by telephone) for the Fund, The Lazard Funds, Inc., Lazard Retirement Series, Inc. and Lazard World Dividend & Income Fund, Inc. (collectively, the Lazard Funds), each a registered management investment company advised by the Investment Manager, and reimburses them for travel and other out of pocket expenses for attending Board and committee meetings. These Directors also are paid \$1,000 for each committee, subcommittee or other special meetings not held in conjunction with a Board meeting, as specifically authorized by the Board and held in connection with delegated Fund business. The Chairman of the Audit Committees of the Boards of the Lazard Funds also receives an additional annual fee of \$5,000.

6. Securities Transactions and Transactions with Affiliates

Purchases and sales of portfolio securities (excluding short-term investments) for the year ended December 31, 2009 were \$39,928,215 and \$53,051,969, respectively.

For the year ended December 31, 2009, no brokerage commissions were paid to affiliates of the Investment Manager or other affiliates of the Fund for portfolio transactions executed on behalf of the Fund.

7. Line of Credit

The Fund had a \$40 million Line of Credit Agreement (the Agreement) with State Street primarily to borrow to invest Fund assets in Currency Investments. Upon the

annual renewal of the Agreement, effective April 24, 2009, the amount of the commitment has been decreased to \$30 million. The Fund may borrow the lesser of \$30 million or 33% of its Total Leveraged Assets. Interest on borrowings is payable at the Federal Funds rate plus 0.50% from January 1, 2009 to April 23, 2009 and at the higher of the Federal Funds rate or Overnight LIBOR rate plus 1.25% from April 24, 2009 to December 31, 2009, on an annualized basis. Under the Agreement, the Fund has also agreed to pay a 0.10% per annum fee from January 1, 2009 to April 23, 2009 and a 0.15% per annum fee from April 24, 2009 to December 31, 2009, on the unused portion of the commitment, payable quarterly in arrears. During the year ended December 31, 2009, the Fund had borrowings under the Agreement as follows:

**Average Daily
Loan Balance**

**Maximum Daily
Loan Outstanding**

**Weighted Average
Interest Rate**

\$23,104,685

\$27,750,000

1.23%

8. Foreign Securities Investment Risks

The Fund invests in securities of foreign entities and in instruments denominated in foreign currencies which involve risks not typically associated with investments in domestic securities. Foreign investments carry special risks, such as exposure to currency fluctuations, less developed or less efficient trading markets, political instability, a lack of company information, differing auditing and legal standards, and, potentially, less liquidity. The Fund's investments in emerging market countries are exposed to additional volatility. The Fund's performance will be influenced by political, social and economic factors affecting companies in emerging market countries. Emerging market countries generally have economic structures that are less diverse and mature, and political systems that are less stable, than those of developed countries.

9. Contractual Obligations

The Fund enters into contracts in the normal course of business that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. Management has reviewed the Fund's existing contracts and expects the risk of loss to be remote.

10. Fair Value Measurements

Fair value is defined as the price that the Fund would receive to sell an asset, or would pay to transfer a liability, in an orderly transaction between market participants at the date of measurement. Fair Value Measurements and Disclosures provisions of GAAP also establish a framework for measuring fair value, and a three-level hierarchy for fair value measurement that is based upon the transparency of

Lazard Global Total Return & Income Fund, Inc.

Notes to Financial Statements (continued)
December 31, 2009

inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer, broadly, to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's own assumptions about the assumptions that market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances. Each investment's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the overall fair value measurement. The three-level hierarchy of inputs is summarized below.

Level 1 unadjusted quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including unadjusted quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)
 The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in these securities.

The following table summarizes the valuation of the Fund's investments by each fair value hierarchy level as of December 31, 2009:

Description	Unadjusted Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2009
Assets:				
Common Stocks*	\$ 151,686,199	\$	\$	\$ 151,686,199
Foreign Government Obligations		25,378,992	1,490,542	26,869,534
Supranationals			664,021	664,021
Short-Term Investment		3,479,348		3,479,348
Other Financial Instruments**				
Forward Currency Contracts		1,584,362		1,584,362
Total	\$ 151,686,199	\$ 30,442,702	\$ 2,154,563	\$ 184,283,464
Liabilities:				
Other Financial Instruments**				
Forward Currency Contracts	\$	\$ (794,140)	\$	\$ (794,140)

* Please refer to the Notes to Portfolio of Investments, on page 13, for valuation of investments by industry.

** Other financial instruments are derivative instruments which are valued at the unrealized appreciation/depreciation on the instruments.

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Following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining fair value during the year ended December 31, 2009:

Description	Balance as of December 31, 2008	Accrued Discounts (Premiums)	Realized Gain (Loss)	Change in Unrealized Appreciation	Purchases	Sales	Net Transfers In/(Out) of Level 3	Balance as of December 31, 2009	Net Change in Unrealized Appreciation from Investments Still Held at December 31, 2009
Corporate Bonds	\$ 937,154	\$ (229)	\$ (778,866)	\$ 730,953		\$ (889,012)		\$	\$
Foreign Government Obligations	1,631,136	62,254		642,609	1,660,947		(2,506,404)	1,490,542	59,532
Structured Notes	6,218,404	1,379	580,634	314,978		(7,115,395)			
Supranationals	576,033	12,188		75,800				664,021	75,800
Total	\$ 9,362,727	\$ 75,592	\$ (198,232)	\$ 1,764,340	\$ 1,660,947	\$ (8,004,407)	\$ (2,506,404)	\$ 2,154,563	\$ 135,332

Lazard Global Total Return & Income Fund, Inc.

Notes to Financial Statements (concluded)

December 31, 2009

11. Derivative Instruments

The Fund adopted provisions surrounding disclosures about derivative instruments and hedging activities which require qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative agreements.

The Fund may use derivative instruments, including forward currency contracts, to gain exposure to the local currency and interest rates of emerging markets or to hedge certain types of currency exposures.

For the year ended December 31, 2009, the cost of purchases and the proceeds from sales of forward currency contracts were \$641,529,382 and \$603,998,330, respectively.

The following tables summarize the fair value of derivative instruments on the Statement of Assets and Liabilities as of December 31, 2009 and the effect of derivative instruments on the Statement of Operations for the year ended December 31, 2009:

	Fair Value
Asset Derivatives	
Foreign Exchange Risk:	
Gross unrealized appreciation on forward currency contracts	\$ 1,584,362
Liability Derivatives	
Foreign Exchange Risk:	
Gross unrealized depreciation on forward currency contracts	\$ 794,140
Amount	
Realized Gain (Loss) on Derivatives Recognized in Income	
Foreign Exchange Risk:	
Net realized gain on forward currency contracts	\$ 8,513
Net Change in Unrealized Appreciation (Depreciation) on Derivatives Recognized in Income	
Foreign Exchange Risk:	
Net change in unrealized appreciation on forward currency contracts	\$ 1,363,019

12. New Accounting Pronouncement

On January 21, 2010, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2010-06. The ASU amends GAAP to add new requirements for disclosures about transfers into and out of Levels 1 and 2 and separate disclosures about purchases, sales, issuances, and settlements relating to Level 3 measurements. It also clarifies existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value. The application of ASU 2010-06 is required for fiscal years and interim periods beginning after December 15, 2009, except for disclosures about purchases, sales, issuances, and settlements relating to Level 3 measurements, which are required for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. At this time, the Fund's management is evaluating the implications of ASU 2010-06.

Lazard Global Total Return & Income Fund, Inc.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of
Lazard Global Total Return & Income Fund, Inc.:

We have audited the accompanying statement of assets and liabilities of Lazard Global Total Return & Income Fund, Inc. (the Fund), including the portfolio of investments, as of December 31, 2009, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control ove