

AEGON CENTRAL EUROPEAN

EQUITY FUND

GENERAL INFORMATION

ISIN code: HU-0000702501
Bloomberg code: AEGDEIN HB Equity
ISIN code (B series): HU-0000705926
Bloomberg code (B series): AEGDEIB HB Equity
Fund Manager: AEGON Magyarország Befektetési Alapkezelő Zrt.
Custodian: Citibank Europe plc Magyarországi fióktelepe
Main distributor: AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.
Distributors: CIB Bank Zrt.; Citibank Europe plc Magyarországi Fióktelepe; Codex Értéktár és Értékpapír Zrt.; Equilor Befektetési Zrt.; ERSTE Befektetési Zrt.; UniCredit Bank Hungary Zrt.; Raiffeisen Bank Zrt.; Magyar Takarékszövetkezeti Bank Zrt.; BNP Paribas Magyarországi Fióktelepe; Commerzbank Zrt.; Concorde Értékpapír Zrt.
Launch Date of the Fund: 16.03.1998
Currency: HUF
Launch Date of the B series: 26.10.2007
Currency: EUR
Benchmark: 80% CETOP 20 + 20% ZMAX
Net Asset Value (HUF): 16 828 764 491
Net Asset Value per share: 3.579911
Net Asset Value of the B series (EUR): 250 171.01
Net Asset Value per share: 3.323560

The asset allocation of the Fund, 30.09.2009

Hungarian Equities	13.15%
Hungarian T-bills	16.41%
Hungarian Government Bonds	0.30%
Hungarian Corporate Bonds	0.00%
International Equities	54.74%
Government paper repo	2.84%
Current account	0.48%
Other assets	12.09%
Total investment assets	100.00%
Derivative products	0.00%
Net corrected leverage	67.19%

formed, three of the four BRIC countries returned more than the world index: Brazil (+15.1%), Russia (+15.0%), India (+10.9%), and China (+4.2%). In CEE region, Hungarian BUX added 4.3% (64.6% YTD), Czech PX increased 1.4% (49.1% YTD) and Polish WIG20 declined by 4.1% (26.3% YTD) in HUF terms each. We expect a slight correction in equity prices during coming weeks due to profit taking after worse than expected macro numbers in the U.S. economy. Further direction of the markets will be determined by 3Q earnings season starting in early October. Equity allocation decreased to neutral at the end of the month, and stock selection turned more defensive, but a double digit correction in equity prices can provide attractive entry point for short and mid-term.

NET Yield Performance of the Fund:

Time Horizon	12 months	2008 year	2007 year	2006 year	2005 year	2004 year
Net Return of the fund ^a HUF	-10.43%	-40.93%	20.99%	28.80%	35.42%	41.14%
Net Return of the fund ^b EUR	-19.44%	-43.48%				
Benchmark performance*	-6.40%	-40.03%	8.80%	20.07%	34.00%	34.50%

^a It shows the net performance of the fund until 30/09/09; The Fund was launched on 16/03/98
^b It shows the net performance of the fund until 30/09/09; The Fund was launched on 26/10/07
 * The net return of the benchmark index.

Investment Policy of the Fund:

The primary aspect by forming the composition of the fund is to optimise the aggregate exposure of the securities. Besides keeping an eye on the macro economical background, the fund manager uses fundamental analyses to build a well-balanced long-term equity investment portfolio. The fund manager applies widespread diversification to minimize the risk of the portfolio, and periodically also uses derivative instruments to hedge. The AEGON Domestic Equity Fund changed its name at the end of December 2006 to AEGON Central European Equity Fund. The fund uses the new investment policy from 8 January 2007. From 1998 to 2006 the Fund invested only in Hungarian stocks, and from 2007 it started investing in CEE stocks. The reason of the change was the falling number of liquid Hungarian stocks due to mergers and delistings. Investing in CEE stock also lowers the risk of the portfolio. After managing one of the best performing domestic equity funds, we hope that we will reach similar outstanding performance in the future by investing in the CEE market. Certainly the fund changed its benchmark also from 80% RAX + 20% RMAX to 80% CETOP20 + 20% ZMAX.

Investment horizon:

Suggested minimum investment period



3 months



1 year



2 years



3 years



5 years

Risk Scale



very low



moderate



high

Market Summary:

The MSCI AC World Index rallied 4.4% in September and is now up 26.2% YTD and 66.3% from the March lows. As is usually the case in an upturn, Asia Pac ex-Japan (+9.4%) and Emerging Markets (+8.9%) were the best performing regions in September while Japan (-2.3%) and the USA (+3.7%) lagged. Europe returned +4.6% during the month to slightly outperform the global index. As Emerging Markets outper-

THE NET PERFORMANCE OF THE FUND BASED ON THE NET ASSET VALUE PER SHARE



Past performance is no guarantee of future results. This report should not be considered as an offer or investment advisory. The Fund Prospectus contains the detailed conditions of the investment. The distribution costs of the fund purchase can be found at the distributors.