

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.; OTP Bank Nyrt.
Launch Date of the Fund: 16.03.1998
Currency: HUF
Launch Date of the B series: 26.10.2007
Currency: EUR
Benchmark: 90% CEECEUR Index + 10% ZMAX Index
Net Asset Value (HUF): 14 559 837 422
Net Asset Value per share: 3.949674
Net Asset Value of the B series (EUR): 880 933.01
Net Asset Value per share: 3.600524

Investment Policy of the Fund:

The Fund invests in equities issued by corporations of the Central-and-Eastern European region (primarily Hungary, Poland, The Czech Republic, Slovakia, secondly Lithuania, Estonia, Latvia, former Yugoslavian Republics, Romania, Bulgaria, Albania, Ukraine). The primary aspect in forming the Fund's portfolio is to optimize aggregate exposure of the securities. To minimize risk the fund manager selects the securities to be included in the portfolio with utmost care. Analyses concerning the securities' risk criteria are carried out and decisions are underpinned by thorough calculations. During the selection the liquidity of a given security plays an important role. The fund manager applies widespread diversification to handle the risk each security implies (in the given equity markets risk is further diversified by expanding mid-cap exposure) and periodically uses derivatives for hedging to further minimize risk. To ensure the accurate level of liquidity the Fund intends to hold Hungarian Government securities issued by the Hungarian Public Debt Management Agency and distributed within the framework of the primary government security distribution system. However, according to legal regulation the proportion of equities within the portfolio may be as high as 100%. The Fund's benchmark consist of 90% CEECEUR Index + 10% ZMAX Index.

Investment horizon:

Suggested minimum investment period



Risk Scale



Market Summary:

Equity markets were suffering in May because of concerns about the impact on global economic growth of Europe's

The asset allocation of the Fund, 31.05.2010

Hungarian Government Bonds	0.34%
Hungarian T-bills	0.00%
Hungarian Equities	18.89%
International Equities	75.96%
Current account	4.80%
Government paper repo	0.00%
Other assets	0.00%
Total investment assets	100.00%
Net corrected leverage	96.72%
Derivative products	0.00%

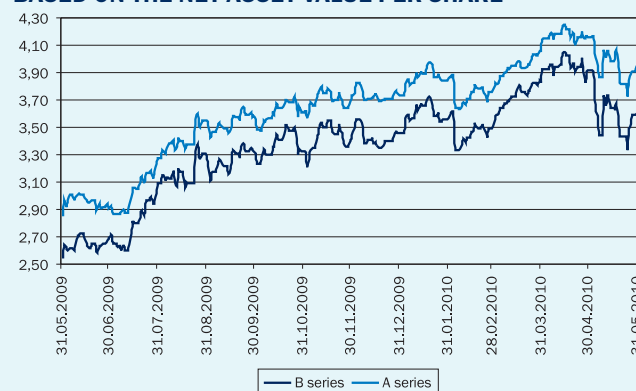
sovereign debt problems and China's efforts to cool the overheated housing market. Ironically, the drop in share prices came when macro and corporate earnings data improved. In May, Hungarian equities underperformed the CEE region declining by 10.8% (in HUF terms), Czech and Polish equity markets performed better falling by 7.3% and 4.1% in local currencies, respectively. Our current neutral view is maintained until there will be more signs that the potential contagion of sovereign problems will settle down and the strong recovery would continue (positive) or slow down the global economy.

NET Yield Performance of the Fund:

Time Horizon	12 months	2009 year	2008 year	2007 year	2006 year	2005 year
Net Return of the fund ^a HUF	38.26%	36.42%	-40.93%	20.99%	28.80%	35.42%
Net Return of the fund ^b EUR	41.38%	33.36%	-43.48%			
Benchmark performance*	33.52%	32.95%	-40.03%	8.80%	20.07%	34.00%

^a It shows the net performance of the fund until 31/05/10;
The Fund was launched on 16/03/98
^b It shows the net performance of the fund until 31/05/10;
The Fund was launched on 26/10/07
 * The net return of the benchmark index.

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.