

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.
Launch Date of the Fund: 1998.03.16
Currency: HUF
Launch Date of the B series: 2007.10.26
Currency: EUR
Benchmark: 90% CECEXEUR Index + 10% ZMAX Index
Net Asset Value (HUF): 13 960 046 765
Net Asset Value per share: 4.427362
Net Asset Value of the B series (EUR): 1 190 992.06
Net Asset Value per share: 3.986611

DISTRIBUTORS

	A SERIES	B SERIES
AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.	✓	✓
BNP Paribas Magyarországi Fióktelepe	✓	
CIB Bank Zrt.	✓	
Citibank Europe plc Magyarországi Fióktelepe	✓	✓
Codex Értéktár és Értékpapír Zrt.	✓	✓
Commerzbank Zrt.	✓	
Concorde Értékpapír Zrt.	✓	✓
Equilor Befektetési Zrt.	✓	
ERSTE Befektetési Zrt.	✓	
OTP Bank Nyrt.	✓	✓
Raiffeisen Bank Zrt.	✓	✓
Magyar Takarékszövetkezeti Bank Zrt.	✓	
UniCredit Bank Hungary Zrt.	✓	

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% CECEXEUR Index + 10% ZMAX Index.

INVESTMENT HORIZON:

Suggested minimum investment period



3 months



1 year



2 years



3 years



5 years

Risk Scale



very low



moderate



high

THE ASSET ALLOCATION OF THE FUND 31. 12. 2010.

T-bills	0.00%
Government Bonds	0.00%
Hungarian Equities	15.56%
International Equities	75.52%
Other assets	4.46%
Government paper repo	0.71%
Current account	3.86%
Liabilities	0.86%
Receivables	0.97%
Total investment assets	100.00%
Net corrected leverage	97.45%
Derivative products	0.00%

MARKET SUMMARY

The Fund over performed significantly its benchmark by achieving 20,4% gross profit in 2010., in contrast to the 15,5% gain of the reference index. Main factors of the great equity performances in 2010 were: emerging markets grew better than expected, FED has announced the 2nd QE, which contributed to the record capital flow to the equity market in an extent of around 83 bln USD. We believe in the positive trend and count with favorable yields on the share markets.

NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months	2010 year	2009 year	2008 year	2007 year	2006 year
Net return of the Fund ^a HUF	18,55%	18,55%	36,42%	-40,93%	20,99%	28,80%
Net return of the Fund ^b EUR	15,18%	15,18%	33,36%	-43,48%	-	-
Benchmark performance*	13,66%	13,66%	32,95%	-40,03%	8,80%	20,07%

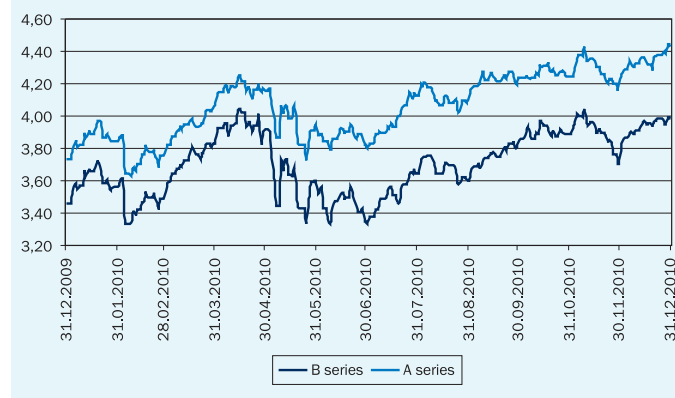
^a It shows the net performance of the fund until 31/12/10
The Fund was launched on 16/03/98

^b It shows the net performance of the fund until 31/12/10
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.