

AEGON INTERNATIONAL

EQUITY FUND

GENERAL INFORMATION

ISIN code: HU-0000702485

Bloomberg code: AEGINEQ HB Equity **ISIN code (B series):** HU-0000705918

Bloomberg code (B series): AEGINEB 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 Magyarorsági 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; Concorde Értékpapír Zrt.

Launch Date of the Fund: 21.04.1999

Currency: HUF

Launch Date of the B series: 26.10.2007

Currency: EUR

Benchmark: 80% MSCI Equity 20% ZMAX **Net Asset Value (HUF):** 5 361 376 195 **Net Asset Value per share:** 0.650976

Net Asset Value of the B series (EUR): 56 047.82

Net Asset Value per share: 0.613275

Investment Policy of the Fund:

According to the purpose of the fund manager the Fund mainly invests in equities of the OECD markets, and by paying maximal attention to the compliance with the law, it keeps minimum 15% of the portfolio in liquid assets. Besides the legal regulations the fund manager focuses on safety and principles of the maximal diversification. On the grounds of this investment policy the fund is only allowed to buy public issued, investment-grade, listed securities.

Investment horizon:

Suggested minimum investment period

3 months	1 year	2 years	3 years	5 years
Risc Scale				
very low		moderate		high

Market Summary:

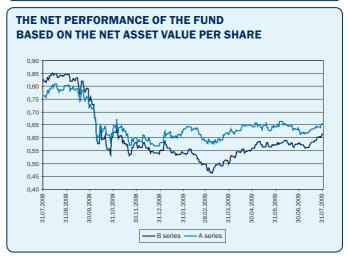
The correction, stagnation in equity markets ended in the first half of July and the prices started to gain again. Two-thirds of the companies presenting quarterly reports outperformed the expectations, while only one-forth of the companies underachieved. The general trend was a substantial drop in revenues coupled with drastic cost cuts, thus companies were able to increase their profit numbers. This trend can only be continued for a short period of time, since the cost cutting activity and the postponement of investments have left limited room to be resumed, and at the same time there does not seem to be a (significant) rise in consumption. As soon as companies refill their empty inventories the weakness of the global economy, the insufficient consumer demand, and the endeavour of indebted consumers to save more will all be apparent. The stocks

The asset allocation of the Fund, 31.07.2009						
Government paper repo	3.91%					
International Equities	79.59%					
Current account	0.31%					
Hungarian Government bonds	16.14%					
Other assets	0.04%					
Total investment assets	100.00%					
Derivative products	0.00%					
Net corrected leverage	81.21%					

are getting more and more expensive after the recent rally, and there seem to evolve high valuation levels again, especially in emerging markets (India, China, Brazil). On the Chinese domestic markets it is all about blowing a bubble again, which is caused by the state-directed money (billions of yüans) flow into the economy. This huge amount of money most likely flows into non-productive sectors, like real estate and equity. In spite of all these cautious signs it is likely that we are now over the bottom on the markets and the world economy seems to be turning around. The big questions are now whether the pace of the current steep growth is sustainable and what could cause a profit growth in the next 1-2 years. The equity underweight in the fund has been abolished, because of the recent rally.

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® HUF	-14.57%	-40.88%	-4.24%	1.90%	25.81%	-3.38%		
Net return of the Fund ^b EUR	-25.87%	-43.43%						
Benchmark performance*	-0.82%	-30.27%	-0.34%	4.88%	22.70%	-0.30%		
 a It shows the net performance of the fund until 31/07/09 The Fund was launched on 21/04/99 b It shows the net performance of the fund until 31/07/09 The Fund was launched on 26/10/07 * The net return of the benchmark index. 								



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.