

# AEGON CENTRAL EUROPEAN

EQUITY FUND

## GENERAL INFORMATION

**ISIN code:** HU-0000702501  
**ISIN code (B series):** HU-0000705926  
**Fund Manager:** AEGON Magyarország Befektetési Alapkezelő Zrt.  
**Custodian:** CITIBANK Rt.  
**Main distributor:** Concorde Értékpapír Zrt.  
**Distributors:** CIB Bank Zrt.; Citibank Zrt.; 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. AEGON Magyarország Befektetési Jegy Forgalmazó 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):** 8 354 675 691  
**Net Asset Value per share:** 4.377093  
**Net Asset Value of the B series (EUR):** 91 084.53  
**Net Asset Value per share:** 4.612108

## The asset allocation of the Fund, 31.08.2008

Hungarian Equities	43.78%
Hungarian T-bills	0.00%
Hungarian Government Bonds	12.28%
Hungarian Corporate Bonds	3.59%
International Equities	39.52%
Government paper repo	0.00%
Current account	0.34%
Other assets	0.49%
Total investment assets	100.00%
Derivative products	11.47%
Net corrected leverage	85.62%

3, 5, 10 years). The annualized yearly gain of the Fund for the last 10 years is higher than 16%. This is a performance we can be proud at. These were the years when the Russian crisis hit, when the internet bubble burst, when terrorists opened new wars. We also faced government crises, attack against the HUF in both directions, government securities collapses and many other difficulties. We believe that we will reach good gains also in the future by investing into cheap and well-managed firms. At the moment the following securities have the biggest weight in the Fund: Mtelekom, MOL, OTP. We avoid the pharmaceutical stocks and our investment policy is still very watchful.

## NET Yield Performance of the Fund:

Time Horizon	3 months	12 months	2007 year	2006 year	2005 year	2004 year	2003 year	From the Start
Net Return of the fund <sup>a</sup> HUF		-5.84%	20.99%	28.80%	35.42%	41.14%	23.99%	
Net Return of the fund <sup>b</sup> EUR	1.20%							-5.23%
Benchmark performance*	-6.70%	-12.94%	8.80%	20.07%	34.00%	34.50%	6.99%	-17.95%

<sup>a</sup> It shows the net performance of the fund until 31/08/08; The Fund was launched on 16/03/98  
<sup>b</sup> It shows the net performance of the fund until 31/08/08; 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

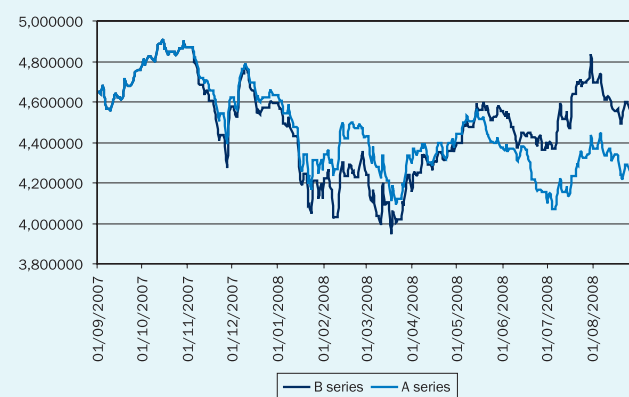
Risk Scale

very low   
 moderate   
 high

## Market Summary:

In 2008 the AEGON Central European Equity Fund fairly over-performs its benchmark again, but most likely this fact isn't enough to bring smiles back to the investors' faces. Almost every equity index performed very badly this year in the world, so the NAVPU of our Fund dropped also. However most of the equity markets and the NAVPUs of other equity funds were lowered by double-digit percentages, but the loss of our Fund is "only" in single-digit range. The AEGON Central European Equity Fund is the best performing equity fund in the Hungarian market (in

## 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.