

AEGON CENTRAL EUROPEAN

EQUITY FUND

GENERAL INFORMATION

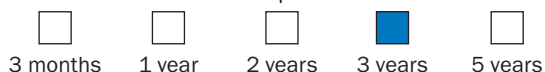
ISIN code: HU-0000702501
ISIN code (B series): HU-0000705926
Fund Manager: AEGON Magyarország Befektetési Alapkezelő Zrt.
Custodian: CITIBANK Rt.
Main distributor: AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.
Distributors: CIB Bank Zrt.; Citibank Zrt.; Codex Értéktár és Értékpapír Zrt.; Equilor Befektetési Zrt.; ERSTE Befektetési Zrt.; Uni-Credit 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): 4 750 913 076
Net Asset Value per share: 2.972898
Net Asset Value of the B series (EUR): 60 861,81
Net Asset Value per share: 2.857899

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 and 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 form 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 mergers and delistings. Investing in CEE stock also lowers the risk of the portfolio. After managing one of the best performing domestic equity fund, 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



Risc Scale



Market Summary:

CEE equity markets' movement were pretty horrific year-to-date (BUX -48%, PX -44%, WIG20 -42%, all in HUF, total return) and finally October has confirmed its reputation as one of the most punishing months for equity investors as well, with stocks suffering their worst monthly losses in 21 years in the US and their weakest ever in Japan. As the worst crisis since the 1930s forced co-ordinated central bank interest rate cuts and government backing for banks in many countries, the only haven for investors has been short-dated U.S. government bonds and cash. The euro's monthly performance against both the dollar and the yen was the weakest since the currency was created in 1999. Oil prices, meanwhile, suffered their worst monthly loss yet, as did most other commodities and low-rated US and European corporate bonds. Stocks and bonds in emerging markets such as Brazil, Russia, India and China came close to posting a record monthly loss in October, dashing hopes that such economies would avoid the global downturn.

The asset allocation of the Fund, 31.10.2008

Hungarian Equities	45.20%
Hungarian T-bills	0.00%
Hungarian Government Bonds	2.38%
Hungarian Corporate Bonds	5.86%
International Equities	42.49%
Government paper repo	0.00%
Current account	6.28%
Other assets	-2.21%
Total investment assets	100.00%
Derivative products	15.70%
Net corrected leverage	88.86%

In October a sharp fall in global risk appetite reached the CEE region. The institutional asset liquidation and speculative flows against Hungary, Poland and to a lesser extent, the Czech Republics led to a dislocation of the sovereign bond markets of the countries, both in foreign and in local currency and the regional equity markets were under heavy international selling pressure. So recession will be with us until well into 2009, but the market is doing its best to discount much of the pain to come in our view. In terms of valuation the markets look very cheap, but in order to avoid value trap we use normalized earnings, which tell us today's trailing PE are back at early 1980 levels so we still think that the current turbulent market can provide good entry levels for long term investors that is why we intend to keep the current slight overweight position of the fund.

NET Yield Performance of the Fund:

Time Horizon	12 months	2007 year	2006 year	2005 year	2004 year	2003 year
Net Return of the fund ^a HUF	-38.97%	20.99%	28.80%	35.42%	41.14%	23.99%
Net Return of the fund ^a EUR	-41.30%					
Benchmark performance*	-38.33%	8.80%	20.07%	34.00%	34.50%	6.99%

^a It shows the net performance of the fund until 31/10/08;
The Fund was launched on 16/03/98
^b It shows the net performance of the fund until 31/10/08;
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.