

AEGON VALUE

DERIVATIVE FUND

GENERAL INFORMATION

ISIN code: HU-0000703988

Fund Manager: AEGON Magyarország Befektetési Alapkezelő Zrt.

Custodian: UniCredit Bank Hungary Zrt.

Main distributor: AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.

Distributors: CIB Bank 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.; Concorde Értékpapír Zrt.

Launch Date of the Fund: 13.02.2006

Currency: HUF

Benchmark: 100% RMAX

Net Asset Value (HUF): 1 602 059 968

Net Asset Value per share: 0.865033

Investment Policy of the Fund:

The goal of the fund is to buy investment assets that are very undervalued according to various economical/market factors. The fund concentrates on so called distressed assets that became rather cheap because of some explosion of psychological panic in the markets. The Fund is allowed to take long positions and open uncovered short positions on such assets that became extraordinary expensive in market euphoria. The position taking in very over/undervalued assets is usually unprofitable in short-term, but on the other hand it could get very rewarding in long-term. The fund doesn't use stop-loss orders, since it hasn't got a commercial approach, so the volatility of the NAVPU can get pretty high. To lower the volatility, the portfolio manager pays big attention to the size, mix and correlation of the positions. The investment policy of the fund isn't trend following, but it is contrarian. A contrarian believes that certain crowd behavior among investors can lead to exploitable mispricings in securities markets. For example, widespread pessimism about a stock can drive a price so low that it overstates the company's risks, and understates its prospects for returning to profitability. Identifying and purchasing such distressed stocks, and selling them after the company recovers, can lead to above-average gains. Similarly, widespread optimism can result in unjustifiably high valuations that will eventually lead to drops, when those high expectations don't pan out. Avoiding investments in over-hyped investments reduces the risk of such drops. These general principles can apply whether the investment in question is an individual stock, an industry sector, or an entire market or asset class. The Fund mainly invests into equities, bonds, money market indexes, commodities, currencies, but the investment possibilities of the fund are extremely wide, and it can invest into any kind of capital market instrument. The fund is allowed to use leverage by investing into derivatives and futures. Leverage has the potential to enlarge profits or losses by the same magnitude. The greater the amount of leverage on capital you apply, the higher the risk that you will assume. The fund's benchmark index is the RMAX index. The main goal of the portfolio manager is to over perform the benchmark yearly by 5%–10%.

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 international stock market was under a heavy pressure in February too. The MSCI World Index fell 10.5% (calculated in USD), or decreased by 9% (calculated in HUF) during the month. Meanwhile the Hungarian MAX Composite index also lost 3.7%. These numbers show us that not only the Hungarian, but also the global financial system and the global economy

The asset allocation of the Fund, 28.02.2009

Hungarian Government Bonds	47.92%
Corporate Bonds	14.02%
Hungarian Equities	0.00%
International Equities	0.00%
Hungarian T-bills	0.00%
Government paper repo	4.41%
Current account	27.36%
Other assets	6.28%
Total investment assets	100.00%
Net corrected leverage	20.66%
Derivative products	0.00%

are in a downtrend. However we see a lot of stimulus plans and rescue packages, but these moves will also generate problems in the future. (High tax levels, increasing debt levels, increasing inflation etc.)

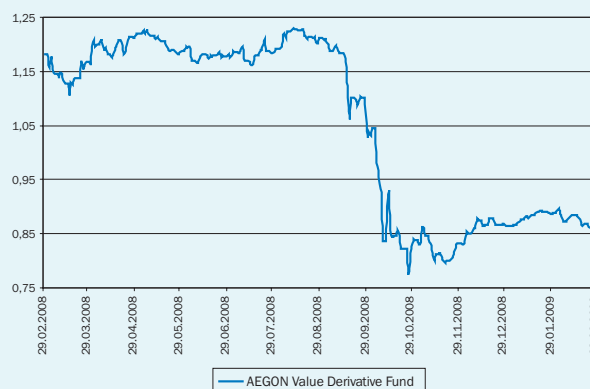
The AEGON Value Derivative Fund closed February with a 2.56% loss, which is much more smaller than the decline in the market was. In the first part of the month the Fund increased its bond investments, since we hoped for a positive reaction from the market on the Gyurcsány package. Unfortunately the new reform package wasn't enough to calm the foreign investors down. They are still concerned about the very high level of foreign debt of Hungary, and the selling pressure is still on. This fact affects the Hungarian capital market in a pretty negative way. So we had to decrease the weight and the duration of the government bond portfolio, to limit the possible losses of further yield lifts. The Fund didn't open equity positions (neither long, nor short) during the month, since the market volatility is extremely high. The Fund invests and keeps so called distressed assets, assets that usually got extremely cheap in a crisis, and offer very significant long term gain potential to the investors.

NET Yield Performance of the Fund:

Time horizon	12 months*	2008 year	2007 year
Net return of the Fund*	-26.85%	-27.40%	6.57%
Benchmark performance**	6.10%	6.70%	5.92%

* It shows the net performance of the fund until 28/02/09
The Fund was launched on 13/02/06
** 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.