

AEGON Russia Equity Fund

HUF series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Befektetési Jegy Forgalmazó Zrt.
Benchmark composition:	95% RXUSD Index + 5% ZMAX Index
ISIN code:	HU0000707401
Start:	2008.12.04
Currency:	HUF
Total Net Asset Value of the Fund:	5,856,964,462 HUF
Net Asset Value per unit:	2.201281 HUF

INVESTMENT POLICY OF THE FUND:

The AEGON Russia Equity Fund primarily targets the stock exchange-traded shares of companies that maintain an active presence in Russia or the other CIS states, or which generate a substantial proportion of their revenues in these countries. The Fund predominantly invests in equities, but its portfolio also contains bonds and discount treasury bills, currencies and money-market products, to ensure the Fund's liquidity. The equity investments are usually denominated in foreign currency; however the fund may hedge some or all of the currency risk arising from these liabilities by concluding forward or option transactions. Although the Russian and CIS market promises a high potential return, the value of investments may display a marked degree of fluctuation in the short term, and therefore it is advisable to treat the Fund as a long-term investment. The Fund Management primarily bases its investment decisions on its own fundamental analyses, but it also makes use of the information and analyses provided by other investment service providers, banks and independent research companies, in the interests of reducing risks and maximising returns. The Fund's benchmark: 95% RDX Extended Index USD + 5% ZMAX Index.

DISTRIBUTORS

AEGON Magyarország Befektetési Jegy Forgalmazó Zrt., BNP-Paribas Magyarországi Fióktelepe, Codex Értéktár és Értékpapír Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months	2010 year	2009 year
Investment note	11.81 %	35.75 %	78.23 %
Net benchmark	5.91 %	32.25 %	97.87 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2010.11.01 - 2011.10.31



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.

MARKET SUMMARY:

After two month of plunge, major equity markets gained more than 10 %, hitting one of the best month in 20 years. Investors sentiment improved as European leaders agreed to expand EFSF and a voluntary 50% writedowns on Greek debt. While details haven't been elaborated, the announcement was enough to calm down markets. Equity valuation deteriorated somewhat as earnings downgrades accelerated in October and major indices bounced back to mid-august levels. Despite the further liquidation of Russian equities in the first week of the month, market skyrocketed in October. Steel sector gained more than 30%, after 9 month of decline as earnings expectations of the sector remained relatively high and multiples fall near levels last seen in mid-2009. The only expectation was Norilsk Nickel, which closed the month in negative after buyback program has closed. Oil sector jumped by 20%, Brent price came above 110\$ and RUB remained weak which created a favorable environment for the sector. Russia's economy picked up strength in 3Q11, with real GDP posting 5.1% YoY growth, supported by strong consumer spending, which has benefited from a rapid slowdown in inflation.

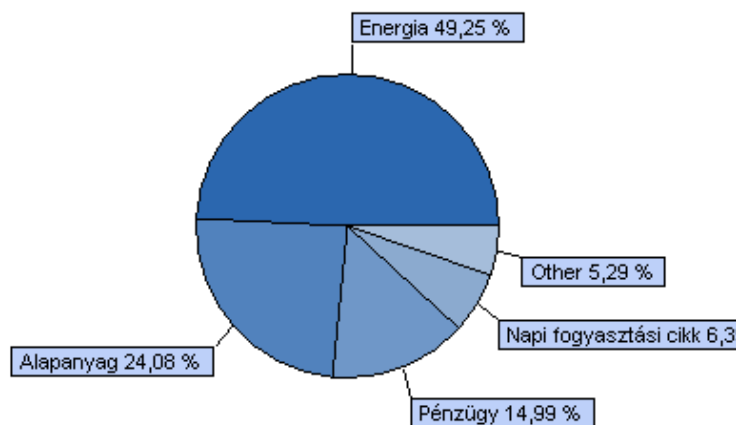
ASSET ALLOCATION OF THE FUND ON 10/31/2011

Asset type	Weight
International equities	100.20 %
Receivables	5.16 %
Liabilities	-3.70 %
Current account	1.44 %
Repos	0.70 %
Market value of open derivative positions	0.00 %
total	100,00 %
Derivative products	3.87 %
Net corrected leverage	100.00 %

TOP 5 POSITIONS

ROSNEFT
Gazprom GDR
SBERBANK-Sponsored GDR
LUKOIL
NOVATEK

Stocks by sectors:



INVESTMENT HORIZON:

Suggested minimum investment period:

☐ 3 months
 ☐ 1 year
 ☐ 2 years
 ☐ 3 years
 ☒ 5 years

Risc Scale:

☐ very low
 ☐ moderate
 ☒ high