

AEGON Domestic Bond Fund

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Befektetési Jegy Forgalmazó Zrt.
Benchmark composition:	100% MAX Index
ISIN code:	HU0000702493
Start:	1998.03.16
Currency:	HUF
Total Net Asset Value of the Fund:	48,883,754,638 HUF
Net Asset Value per unit:	3.154774 HUF

INVESTMENT POLICY OF THE FUND:

Only Hungarian Government Securities, debt securities guaranteed by the Hungarian state, corporate bonds, debt securities issued by local governments can get into the portfolio of the Fund. In order to decrease the risk of the portfolio, the fund manager analyses the risk factors of the securities and confirms the decisions taking with thorough calculations. When choosing a security, one of the most important factors is that the security should be liquid. Due to the professional diversification and the active portfolio management the Fund provides its investors with a low risk – high yield investment alternative.

DISTRIBUTORS

AEGON Magyarország Befektetési Jegy Forgalmazó Zrt., BNP-Paribas Magyarországi Fióktelepe, CIB Közép-Európai Nemzetközi Bank Zrt., Citibank Europe plc Magyarországi Fióktelepe, Codex Értéktár és Értékpapír Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months	2010 year	2009 year	2008 year	2007 year	2006 year
Investment note	0.46 %	6.34 %	11.72 %	2.47 %	4.56 %	7.06 %
Net benchmark	0.02 %	4.70 %	13.57 %	0.96 %	4.41 %	5.44 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2011.01.01 - 2011.12.31



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.

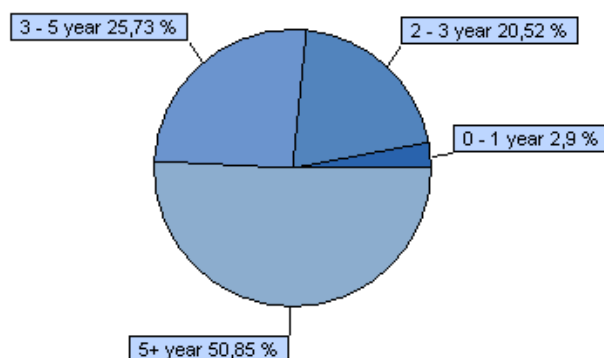
MARKET SUMMARY:

Global conditions did not deteriorate further in December, though a significant degree of anxiety remains concerning growth and the sustainability of debt in much of the developed world. This sustained negative sentiment was reflected in stubbornly wide spreads on risky assets, range trading in equities and a weakening of the euro against the US dollar in December. Hungarian newsflow was disastrous once again. The Hungarian government passed several laws in the past month that were heavily criticised both locally and at the international level, including laws threatening central bank independence and financial stability. These moves did nothing to bring the agreement with the IMF and the EU any closer, which is more urgent than ever, as Hungary is about to lose market access to funding with interest rates close to double digit in both HUF and EUR. EURHUF closed the year near its all time high. Our fund lost money on the month as yields soared at the end of the year. This loss was offset somewhat by a gain relative to benchmark. We closed this year of extreme market dislocations with a small gain.

ASSET ALLOCATION OF THE FUND ON 12/31/2011

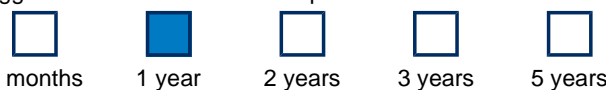
Asset type	Weight
treasury bonds	96.97 %
Corporate bonds	6.88 %
Mortgage debentures	0.19 %
T-bills	0.08 %
Liabilities	-4.28 %
Repos	0.36 %
Current account	0.23 %
Receivables	0.00 %
Market value of open derivative positions	-0.28 %
total	100.00 %
Derivative products	19.10 %
Net corrected leverage	100.28 %

Bondy by tenor:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risc Scale:

