

AEGON Polish Bond Fund institutional 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:	100% TBSP Index
ISIN code:	HU0000710942
Start:	2011.12.23
Currency:	PLN
Total Net Asset Value of the Fund:	6,051,745 PLN
Net Asset Value per unit:	1.024560 PLN

INVESTMENT POLICY OF THE FUND:

The Polish Bond Fund has been started (previously called AEGON EMMA) with the investment aim to give investors' the opportunity to invest primary into the Polish government bond market. By choosing a security one of the important factors is that the security should be liquid. Thanks to the professional diversification and the active portfolio management the Polish Bond Fund provides its investors with a low-medium risk - pared with stable yield investment alternative. The investment possibilities of the Fund are very wide, so the portfolio manager has a widespread financial leeway to build up an optimal portfolio. We target the utmost yield by taking the lowest risk. By taking investment decisions we use fundamental and technical analysis, and we certainly keep an eye on the market sentiment as well. Our investment decisions are supported by a special investment-planning model, which is filled up with all the important macroeconomical data and indicators, like the anticipated level of inflation in Poland, GDP growth, it's credit ratings and so on. The portfolio manager generates a so-called risk - yield map, by focusing on the anticipated macroeconomic environment, the anticipated yield curve, and the above-mentioned model. When the map is ready, those risk-yield pairs will be chosen out which are considered to be safe and offer relative high yield at the same time. The Fund's benchmark consists of 100% Treasury BondSpot Poland Index.

DISTRIBUTORS

AEGON Towarzystwo Ubezpieczen na Zycie Spolka

NET YIELD PERFORMANCE OF THE FUND:

Time horizon	1 month	3 months	from start
Investment note	0.19 %	0.86 %	2.46 %
Net benchmark	0.12 %	1.03 %	3.03 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2011.06.01 - 2012.05.31



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:

Our fund advanced once again this month, though gains were limited to interest accrued as yield finished largely where they kicked off the month. May saw an escalation of negative market sentiment mainly on the perception that the euro area is not prepared to deal with a Greek exit. On 8 May the Polish central bank delivered a 25 bps rate hike taking the base rate to 4.75. This is another example of a backward-looking policy action, as the NBP reacted to present/past rates of inflation instead of forecasts. We do not expect more hikes because the economy is slowing as Europe enters into recession. The Polish local market was largely unaffected by both the unfavourable global backdrop and the domestic policy tightening and moved in a 20bps range, which is in line with what we have seen year-to-date.

ASSET ALLOCATION OF THE FUND ON 05/31/2012

Asset type	Weight
treasury bonds	93.49 %
T-bills	4.91 %
Current account	1.71 %
Liabilities	-0.07 %
total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.05 %

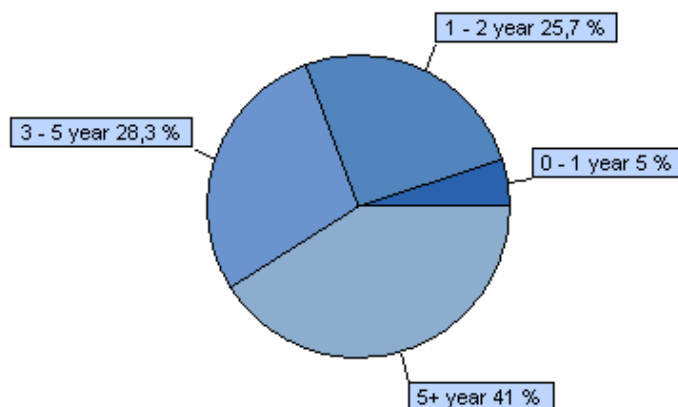
TOP 5 POSITIONS

PLGB 2017/10 5,25% (Lengyel Állam)
PLGB 2014/04 5,75% (Lengyel Állam)
PLGB 2015/10 6,25% (Lengyel Állam)
PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2016/10 4,75% (Lengyel Állam)

Assets with over 10% weight

PLGB 2017/10 5,25% (Lengyel Állam)
PLGB 2014/04 5,75% (Lengyel Állam)
PLGB 2015/10 6,25% (Lengyel Állam)
PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2016/10 4,75% (Lengyel Állam)

Bondy by tenor:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risc Scale:

