

AEGON Central European Equity Fund institutional series

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:	95% CEECEUR Index + 5% ZMAX Index
ISIN code:	HU0000709530
Start:	2011.01.11
Currency:	HUF
Total Net Asset Value of the Fund:	13,425,431,597 HUF
Net Asset Value per unit:	3.711389 HUF

INVESTMENT POLICY OF THE FUND:

The Fund invests in equities issued by corporations of the Central European region (primarily Hungary, Poland, The Czech Republic, Romania, Slovenia, Croatia, secondly Austria, Russia, Turkey), but the Fund can also invest in emerging or developed regions' equities and other collective securities as well. The primary aspect in forming the Fund's portfolio is to optimize aggregate exposure of the securities. To minimize risk the fund manager selects the securities to be included in the portfolio with utmost care. Analyses concerning the securities' risk criteria are carried out and decisions are underpinned by thorough calculations. During the selection the liquidity of a given security plays an important role. The fund manager applies widespread diversification to handle the risk each security implies (in the given equity markets risk is further diversified by expanding mid-cap exposure) and periodically uses derivatives for hedging to further minimize risk. To ensure the accurate level of liquidity the Fund intends to hold Hungarian Government securities issued by the Hungarian Public Debt Management Agency and distributed within the framework of the primary government security distribution system. However, according to legal regulation the proportion of equities within the portfolio may be as high as 100%. The Fund's benchmark consist of 95% CEECEUR Index + 5% ZMAX Index.

DISTRIBUTORS

AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months
Investment note	-16.96 %
Net benchmark	-18.90 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2011.07.01 - 2012.06.30



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.

INVESTMENT HORIZON:

Suggested minimum investment period:



Risc Scale:



MARKET SUMMARY:

Global market sentiment in June was dominated by the escalation of the European banking and sovereign crisis, with Spain and Greece in focus this time. The risks associated with the outcome of Greek elections weighed on risk appetite in the first half of the month and the relief following the relatively benign result was painfully short-lived. Hesitation by European politicians regarding the Spanish bank recapitalization and the broader issue of moving toward a more complete monetary union that includes a common eurobond and a banking union dragged down sentiment during the month.

Despite the fluctuating developed markets, EMEA markets showed very strong performances last month. WIG20 index rose by 12.8%, outperformed the Czech index by 7.5%, but underperformed the Hungarian market by 0.5% in EUR terms. Oil sector was the best performer, Lotos gained by almost 20% and PKN rose by 12% due to the improving margins, while MOL lagged mainly due to the situation in Croatia. We maintain our construction stance of the region, although the macro situation still not supportive, the current valuation and positioning became favorable.

ASSET ALLOCATION OF THE FUND ON 06/30/2012

Asset type	Weight
International equities	79.01 %
Hungarian equities	15.43 %
Collective securities	2.24 %
T-bills	0.37 %
Current account	1.24 %
Receivables	0.98 %
Repos	0.91 %
Liabilities	-0.21 %
Market value of open derivative positions	0.11 %
total	100.00 %
Derivative products	3.96 %
Net corrected leverage	99.89 %

TOP 5 POSITIONS

KGHM Polska SA
PKO Bank
POWSZECHNY ZAKŁAD UBEZPIECZEŃ
Bank Pekao SA
ERSTE BANK

Assets with over 10% weight

There is no such instrument in the portfolio

Stocks by countries:

