

AEGON Central European Equity Fund HUF 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% CECEXEUR Index + 5% ZMAX Index
ISIN code:	HU0000702501
Start:	1998.03.16
Currency:	HUF
Total Net Asset Value of the whole Fund:	12,966,105,654 HUF
Net Asset Value of HUF series:	8,104,442,246 HUF
Net Asset Value per unit:	3.581469 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% CECEXEUR Index + 5% ZMAX Index.

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., SPB Befektetési Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months	2011 year	2010 year	2009 year	2008 year	2007 year
Investment note	-18.62 %	-16.30 %	18.55 %	36.42 %	-40.93 %	20.99 %
Net benchmark	-21.95 %	-20.44 %	13.47 %	32.39 %	-42.01 %	8.24 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2011.08.01 - 2012.07.31



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.

INVESTMENT HORIZON:

Suggested minimum investment period:



Risc Scale:



MARKET SUMMARY:

Equity markets went through substantial swings and moderate appreciation in July. PMI indices kept deteriorating, particularly manufacturing activity had been bleak retreating to levels not seen since Q2 2009. The US corporate earnings season started with rather mixed results, but kept improving throughout July, delivering an overall positive earnings surprise both on the net profit and revenues level. However, the key focus had been on debt concerns and liquidity conditions as periphery yields once again skyrocketed. Equities staged a substantial rally as ECB President Mario Draghi made supportive comments about the eurozone, however, the announcement lacked details. Crude oil recovered following the huge correction in June, helped by both the civil war in Syria and the very low level of the Middle East premium in WTI prices. After the strong performance of June, Polish equity market dropped by 1.4% in July. The market underperformed its regional peers, Hungarian stocks gained by 2.1%, while the Czech market decreased by 1.1% in EUR terms. In Poland Kernel was the best performer, the Ukraine agriculture company gained by 14% on the back of the skyrocketing soft commodity prices. Among the most liquid names, KGHM underperformed the most as the stock went ex-dividend in July. In Hungary Egis overperformed as the pharma company reached very attractive levels compare to its peer group, while Magyar Telekom plunged again despite the considerable performance of the Hungarian bond market. The Czech market was flat last month, only NWR moved down significantly after the weak Q2 result.

ASSET ALLOCATION OF THE FUND ON 07/31/2012

Asset type	Weight
International equities	78.26 %
Hungarian equities	16.60 %
Collective securities	2.24 %
Receivables	2.43 %
Repos	0.89 %
Liabilities	-0.68 %
Market value of open derivative positions	0.17 %
Current account	0.10 %
total	100.00 %
Derivative products	2.42 %
Net corrected leverage	99.74 %

TOP 5 POSITIONS

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

Assets with over 10% weight

There is no such instrument in the portfolio

Stocks by countries:

