

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:	13,841,370,659 HUF
Net Asset Value of HUF series:	8,652,675,615 HUF
Net Asset Value per unit:	3.963483 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	9.80 %	-16.30 %	18.55 %	36.42 %	-40.93 %	20.99 %
Net benchmark	5.20 %	-20.44 %	13.47 %	32.39 %	-42.01 %	8.24 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2011.10.01 - 2012.09.30



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:

Regardless of the dismal macro environment, equity markets soared to multi-year highs in September. The rally was fuelled by an exceptionally strong set of stimulus: the BOJ announced further monetary easing, while the FED launched an open-ended MBS purchasing programme as well as keeping interest rates near zero as long as 2015. The ECB announced its bond purchasing programme, which boosted investor sentiment and drove down periphery yields. China initiated a new set of infrastructural programme, even though way less substantial than its predecessor introduced in 2009, still led to a surge in raw material linked equities. The USD kept declining on the news of monetary easing, while precious metals staged a massive rally in September.

Poland was the strongest performer among CEE countries in September, WIG20 jumped by 6.4% in EUR terms, while Hungarian BUX increased by 5.8% and the Czech PX fell by 1%. Cyclical outperformed materially, oil and gas sector increased by 11% on improving refinery margins, while among the financials, riskier banks (Erste, OTP) gained 10%, the more defensive Polish banks increased by 3.6%. For the next months we are more cautious on Polish market as the leading indicators (PMI, loan growth) indicate us weakening economy, while the current valuation level of the largest caps stretched in the last couple of months. Hungarian market is still relatively attractive, although systematic risk increased again.

ASSET ALLOCATION OF THE FUND ON 09/30/2012

Asset type	Weight
International equities	80.93 %
Hungarian equities	14.78 %
Collective securities	2.13 %
Receivables	1.33 %
Current account	0.54 %
Repos	0.40 %
Liabilities	-0.14 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

TOP 5 POSITIONS

PKO Bank
KGHM Polska SA
POWSZECHNY ZAKŁAD UBEZPIECZEŃ
Bank Pekao SA
PGE

Assets with over 10% weight

PKO Bank

Stocks by countries:

