

AEGON Polish Bond Fund institutional series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% TBSP Index
ISIN code:	HU0000710942
Start:	08/07/2012
Currency:	PLN
Total Net Asset Value of the whole Fund:	1,081,867,255 HUF
Net Asset Value of institutional series:	13,308,341 PLN
Net Asset Value per unit:	1.087674 PLN

INVESTMENT POLICY OF THE FUND:

The aim of launching the investment fund was to give investors access to the Polish bond market, and for it to function as a relatively stable, medium-risk investment in the long term, offering our customers higher yields than those attainable on bank deposits without the need for them to tie up their savings for a fixed period. The investment opportunities available to the fund are wide-ranging, so the portfolio manager has a broad remit and there is scope to build up the optimal portfolio. We aim to achieve the highest return at the lowest risk. When making investment decisions we make equal use of fundamental analysis and technical analysis tools, and always take into account the prevailing mood of investors in the market. The portfolio manager determines the potential investment opportunities on the basis of the macroeconomic forecasts, the likely yield curve and the expected return on the curve and market volatility, then selects the investments that can be regarded as safe and that ensure a relatively high yield in return for the undertaken risk.

DISTRIBUTORS

AEGON Towarzystwo Ubezpieczen na Zycie Spolka

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	4.98 %	6.14 %
2013	0.46 %	1.99 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 05/01/2013 - 04/30/2014



— AEGON Polish Bond Fund institutional series — Benchmark

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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	4.85 %
Annualized standard deviation of the benchmark's weekly yields:	4.54 %

MARKET SUMMARY:

Polish bond market was supported by improving growth and benign inflation outlook, which coupled with a stable, low yield of developed market bonds. In addition, stable zloty and the dovish, but credible NBP were supportive of good price action too, after the geopolitical tensions coming from Ukraine had a mild effect on Polish bond market. Technical picture is favorable too: debt management agency issued more than 80% of the planned amount for 2014, which means: significant supply cannot be expected. Yield curve bull flattened: yields moved downward by 5-20 bps.

ASSET ALLOCATION OF THE FUND ON 04/30/2014

Asset type	Weight
Government bonds	72.42 %
Corporate bonds	21.21 %
Current account	6.53 %
Liabilities	-0.01 %
Market value of open derivative positions	-0.13 %
total	100.00 %
Derivative products	14.31 %
Net corrected leverage	115.15 %

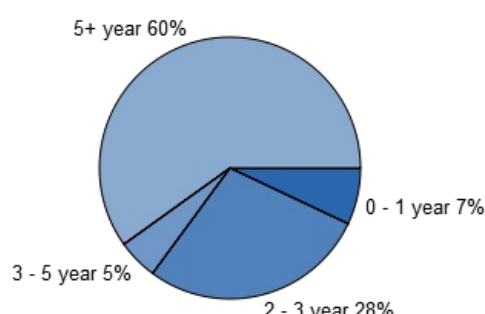
TOP 5 POSITIONS

PLGB 2019/10 5,50% (Lengyel Állam)
PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2020/10 5,25% (Lengyel Állam)
PLGB 2016/10 4,75% (Lengyel Állam)
PLGB 2022/09 5,75% (Lengyel Állam)

Assets with over 10% weight

PLGB 2019/10 5,50% (Lengyel Állam)
PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2020/10 5,25% (Lengyel Állam)
PLGB 2016/10 4,75% (Lengyel Állam)

Bonds by tenor:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

