

AEGON BESSA Derivative Fund

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Current capital protection period:	01/03/2014 - 01/05/2015
Capital protection::	0.008892 PLN
ISIN code:	HU0000705728
Start:	09/04/2007
Currency:	PLN
Total Net Asset Value of the whole Fund:	5,961,527 PLN
Net Asset Value of PLN series:	5,961,527 PLN
Net Asset Value per unit:	0.009633 PLN

INVESTMENT POLICY OF THE FUND:

The aim of the fund is to provide an alternative solution for those investors who are expecting a decline of the share prices on the Polish Stock Market. In case of declining share prices by its WIG20 short future exposure the fund ensures that the investor will get extra return on his investment. If the fund manager expects that the stock markets will go up than he reduces the option position, but if he sees higher risk in the stock markets than he will buy more put options for the WIG20 Index. Since the capital protection allows the fund manager to buy only limited amount of futures the maximum short exposure of the fund is 100% of the fund's net asset value. Since the fund is a dedicated bearish fund it intends to keep the WIG20 short exposure 20%-40% of net asset value, depends on the strategy of the Fund Manager. To protect the capital, the Fund mainly invests in Polish treasury bills, government bonds and other debt securities. The Fund offers 90% capital protection for the first trading day of the year under special condition. The 90% capital protection is ensured by the investment policy of the Fund, it does not mean a full capital protection.

DISTRIBUTORS

AEGON Towarzystwo Ubezpieczen na Zycie Spolka

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	-0.52 %	
2013	-0.94 %	
2012	-5.06 %	
2011	3.77 %	
2010	-3.52 %	
2009	-6.50 %	
2008	15.32 %	

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 3.55 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



MARKET SUMMARY:

Equity markets closed a rollercoaster month starting with steep declines followed by a solid recovery during the second half of October. European indices kept underperforming US ones as anaemic growth prospects and downward earnings revision once again weighed on equity prices. Monetary policies were in the limelight throughout October as the Fed announced the end of QE in line with expectations, while the Bank of Japan announced the expansion of monetary stimulus and the ECB went on with its bond buyback programme. The EUR tumbled to multi-year lows against the dollar weighing on commodities.

Polish macro data were mixed in October. Industrial production was better than expected and PMI improved slightly, but retail sales growth missed the expectations. The Polish equities closed the month in the red. Among individual names Jeronimo Martins fell the most on the news that the company cut back its store openings plan.

ASSET ALLOCATION OF THE FUND ON 10/31/2014

Asset type	Weight
Government bonds	59.39 %
T-bills	41.26 %
Liabilities	-0.11 %
Current account	-0.45 %
total	100,00 %
Derivative products	21.42 %
Net corrected leverage	121.43 %

TOP 5 POSITIONS

PLGB 2015/07/25 0% (Lengyel Állam)
PLGB 2015/04 5,5% (Lengyel Állam)
PLGB 2015/10 6,25% (Lengyel Állam)

Assets with over 10% weight

PLGB 2015/07/25 0% (Lengyel Állam)
PLGB 2015/04 5,5% (Lengyel Állam)
PLGB 2015/10 6,25% (Lengyel Állam)

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 11/01/2013 - 10/31/2014



— AEGON BESSA Derivative Fund — Capital protection

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.