

Aegon Istanbul Equity Fund HUF series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	95% TR20I Index + 5% ZMAX Index
ISIN code:	HU0000707419
Start:	12/04/2008
Currency:	HUF
Total Net Asset Value of the whole Fund:	5,513,599,953 HUF
Net Asset Value of HUF series:	1,831,868,868 HUF
Net Asset Value per unit:	2.039861 HUF

INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields of the Turkish equity market, and to profit from Turkey's economic growth through share price gains and dividend income. Given the risk profiles of the equity investments, the fund is classified as a high-risk investment. The fund manager's intentions are that the fund's portfolio should consist predominantly of the publicly traded shares of foreign-domiciled companies. The primary investment targets are the stock exchange-traded shares of companies that maintain an active presence in Turkey, or that generate a substantial proportion of their revenues in the Turkish market. When building the fund's portfolio, beyond the minimum statutory requirements, the principles of safety and maximum diversification (the spreading of risk) are observed. The fund management company, exercising all due care, determines the means of utilising the fund's resources on the basis of its own judgement and decisions, while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation and by taking into account the macroeconomic environment of the investment markets, relying primarily on fundamental analysis. When compiling the portfolio, it is shares that determine the nature of the fund, and thus the proportion of shares that may be held in the fund at any given moment may reach the prevailing statutory maximum. When determining the weights, within the equity investments, of shares traded in the Turkish market, we aim to ensure that the fund - in line with our expectations with regard to future risks and yields - achieves its objective, which is to outperform the benchmark advertised by the fund, over the longer term. The fund records its assets in forint; the fund management company may, at its own discretion, choose to hedge all or a part of its currency risks with forward currency positions, in compliance with the applicable statutory requirements. Under the current legislation the proportion of shares in the portfolio may be up to 100%.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Citibank Europe plc Magyarországi Fióktelepe, Codex Tőzsdéügynökség és Értéktár Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., KBC Securities Magyarországi Fióktelepe, OTP Bank Nyrt., Quantis Alpha Befektetési Zrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	9.76 %	9.67 %
2015	-23.06 %	-25.86 %
2014	39.20 %	38.57 %
2013	-30.41 %	-28.22 %
2012	50.47 %	48.47 %
2011	-25.11 %	-25.89 %
2010	29.33 %	28.95 %
2009	77.63 %	86.05 %

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 30.84 %
Annualized standard deviation of the benchmark's weekly yields: 31.71 %

INVESTMENT HORIZON:

Suggested minimum investment period:

☐ 3 months
 ☐ 6 months
 ☐ 1 year
 ☐ 2 years
 ☐ 3 years
 ☐ 4 years
 ☒ 5 years

Risk and Reward Profile:

☐ very low
 ☐ low
 ☐ moderate
 ☐ intermediate
 ☐ significant
 ☐ high
 ☒ very high

MARKET SUMMARY:

Thanks to the expected monetary, fiscal stimulus and the positive change from previously pessimistic equity positions, equity markets soared in July after post-Brexit sell-off. Investors hope for further easing from Bank of England and the ECB, even though right now central banks rather wait for post-Brexit data. According to analyst consensus the probability of FED rate hike in September and December declined in the period. While in Japan significant monetary and fiscal stimulus is expected from the cooperation of government and central bank to boost struggling economy. Equities rally is also supported by US corporate earnings season reports as results of both revenues and net income outperformed pessimistic analysts expectations. The gain was led by the tech companies and except for the oil sector, all industries experienced positive results. For this reason the US equity market broke its all-time high levels several times. In July oil prices were declined because of the rising supply expectations and expected export growth in China and Libya. Turkish equity market was among the few markets that could not ride the rally in July as it closed the month in significant loss. The reason behind this was the failed military coup attempt in the country. After beating the coup attempt, President Erdogan announced a three-month state of emergency, which investors did not appreciate, as a result all Turkish assets plunged. Furthermore S&P cut Turkey's credit rating with a negative outlook.

ASSET ALLOCATION OF THE FUND ON 07/31/2016

Asset type	Weight
International equities	95.32 %
Current account	3.99 %
Receivables	0.20 %
Liabilities	-0.14 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

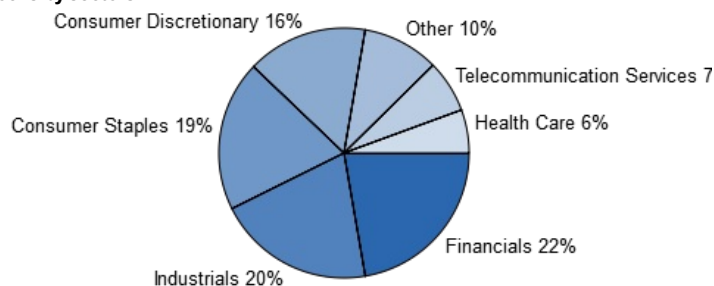
TOP 5 POSITIONS

BIRLESIK MAGAZALAR
ENKA INSAAT VE SANAYI AS
TURKIYE GARANTI BANKASI
AKBANK T.S.A.
Turk Prysmian Kablo A.S.

Assets with over 10% weight

BIRLESIK MAGAZALAR

Stocks by sectors:



NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 08/01/2015 - 07/31/2016



— Aegon Istanbul Equity Fund HUF 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.