

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:	01/03/2017 - 01/02/2018
Capital protection::	0.008891 PLN
ISIN code:	HU0000705728
Start:	09/04/2007
Currency:	PLN
Total Net Asset Value of the whole Fund:	6,064,579 PLN
Net Asset Value of PLN series:	6,064,579 PLN
Net Asset Value per unit:	0.009719 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

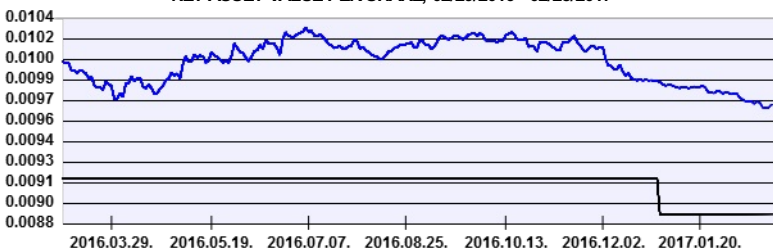
Aegon Towarzystwo Ubezpieczen na Zycie Spolka

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	-0.30 %	
2016	-2.34 %	
2015	4.05 %	
2014	-1.86 %	
2013	-0.94 %	
2012	-5.06 %	
2011	3.77 %	
2010	-3.52 %	
2009	-6.50 %	
2008	15.32 %	

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 02/29/2016 - 02/28/2017



— 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

MARKET SUMMARY:

Main equity indices performed well in February thanks to the improving macro environment. US equities were supported by the US government's promised tax reform, the inflow of money and the better-than-expected earnings. European stocks were also positively affected by European companies' favorable profit trends. However, the market closely watches risks in Europe. Because of the approaching European elections, investors paid more attention to the strengthening populist parties. Le Pen's support in France has increased in the last surveys, while in the Netherlands the Party for Freedom currently leads the polls. Besides, Greek debt problems are back again. EU and IMF were unable to agree on the necessary Greek reforms as EU officials claimed that IMF is too pessimistic about the path of Greek debt. For these reasons, investors preferred defensive sectors (healthcare and consumer staples stocks) to cyclical. Dollar strengthened in February since more and more central bankers emphasized the need for rate hike in light of the stable economic growth and rising inflation. As a result of European political uncertainties many investors bought safe have assets like gold and silver, which prices soared during the month.

The Polish market achieved one of the best returns in the region thanks to the positive macro trends and the good performance of bank and oil sector. The potential merger of Lotos and PKN supported the oil sector.

ASSET ALLOCATION OF THE FUND ON 02/28/2017

Asset type	Weight
T-bills	45.00 %
Government bonds	28.34 %
Current account	26.76 %
Liabilities	-0.17 %
Receivables	0.09 %
total	100,00 %
Derivative products	15.19 %
Net corrected leverage	113.28 %

TOP 5 POSITIONS

PLGB 2017/07/25 0% (Lengyel Állam)
 PLGB 2017/10 5,25% (Lengyel Állam)
 PLGB 2017/04 4,75% (Lengyel Állam)

Assets with over 10% weight

PLGB 2017/07/25 0% (Lengyel Állam)
 PLGB 2017/10 5,25% (Lengyel Állam)
 PLGB 2017/04 4,75% (Lengyel Állam)

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 4.23 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

