

Aegon Central European Equity Fund institutional 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: 40% POLISH Traded IndexEUR + 15% HUNGARIAN TRD INDEXEUR + 15% AUSTRIAN Traded IndexEUR + 15% CZECH Traded IndexEUR + 10% Romanian Traded Index EUR + 5% ZMAX Index
 ISIN code: HU0000709530
 Start: 01/11/2011
 Currency: HUF
 Total Net Asset Value of the whole Fund: 20,977,657,166 HUF
 Net Asset Value of institutional series: 12,505,308,914 HUF
 Net Asset Value per unit: 6.092168 HUF

INVESTMENT POLICY OF THE FUND:

The objective of the fund is to invest in Central and Eastern European equities. The fund is offered for investors who would like to benefit from the long term performance of regional listed companies. The average equity exposure of the fund is 95%. A primary consideration when compiling the fund's portfolio is the need to optimize the aggregate risk of the securities to be included in the fund. In the interest of reducing the risk, the utmost care is taken when selecting the securities to include in the fund's portfolio. The fund buys shares issued by corporations from countries in the Central European region (primarily Hungary, Poland, the Czech Republic, Romania, Slovenia and Croatia, and secondarily, Austria, Russia and Turkey), but it may also invest in the shares of companies in other emerging and developed countries, as well as in other collective investment securities. The fund may hedge a part or all of its currency risks with forward currency positions. To ensure liquidity the fund aims to hold in its portfolio the government securities on behalf of the State of Hungary and bonds issued by the National Bank of Hungary, but in accordance with the statutory regulations the proportion of shares in the portfolio may be up to 100%.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Raiffeisen Bank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	4.64 %	1.71 %
2016	8.12 %	5.96 %
2015	-0.80 %	-2.82 %
2014	3.53 %	0.69 %
2013	-1.31 %	-4.66 %
2012	18.51 %	14.61 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 12/01/2016 - 11/30/2017



— Aegon Central European Equity 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.

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:

Overseas, the tax reform was in the limelight of the markets. At the beginning of the month, it was said that the start of the corporation tax cuts will be put off by 1 year and the Republican majority was also questionable, thus the American market has slumped somewhat. However, after the Senate accepted the draft of the tax reform, the market sentiment became better and the investors pulled the market to a new high level. In line with the expectations, Donald Trump has nominated Jerome Powell as the new chairman of the FED, it is expected that he will continue the current monetary policy. At the beginning of the month, the bank shares have plunged after the US yield curve continued to flatten, on the short side the interest rate rise, while on the long side the low inflation was priced in by the investors. At the end of the month, Powell highlighted that there is no need for further regulation of the financial sector and the existing rules should also be revised, it resulted a rise in the bank shares. There was a drop in the junk bond market in November, caused by the problems of the telecommunication companies, the accelerated outflow and the negative rumour of the issuance companies. In the month, North Korea has broken a two-month period of relative quiet by firing an intercontinental ballistic rocket.

November was a busy month in Europe, the German coalition talks has failed after the CDU/CSU could not agree with the Greens about several questions, but later Angela Merkel invited the German Social Democratic Party (SPD) to negotiate in the hope of forming a government. The first important Brexit agreement was born in November, according to the news, they agreed on the amount of the exit accounts, which could be somewhere between 45 and 55 billion Euros, the next critical issue is the question of the Irish / Northern Irish border.

The Euro strengthened against the Dollar in November, while the Euro was supported by the strong European PMI and the positive turn in the German coalition negotiations, the dollar's exchange rate was driven by expectations of interest rate hikes.

There was a little drop in the market of the energy sector, because the Norwegian national Fund could rid of their oil and gas related exposures to reduce their dependence of the sector. Despite this news, the crude oil has closed a positive month, after the oil reserves have fallen and Russia and the OPEC have extended the daily 1.8 million barrel oil production cuts by the end of 2018.

There was a weaker month in Central and Eastern Europe, the Romanian and the Czech market closed slightly in the negative territory, while the Hungarian, Polish and Austrian markets were underperformer in the region. In the fund, the Austrian and Hungarian papers are overweighted, while the Czech, Romanian and Polish markets are underweighted. Regarding the sectors, we are more optimistic on the banking and real estate sectors and less optimistic on the oil and gas related market growth. The fund underperformed in November due to the significant rise in the price of Opus and our underweighted position of it.

ASSET ALLOCATION OF THE FUND ON 11/30/2017

Asset type	Weight
International equities	74.21 %
Hungarian equities	17.18 %
Collective securities	1.89 %
Current account	6.89 %
Liabilities	-0.23 %
Receivables	0.08 %
total	100.00 %
Derivative products	6.60 %
Net corrected leverage	106.64 %

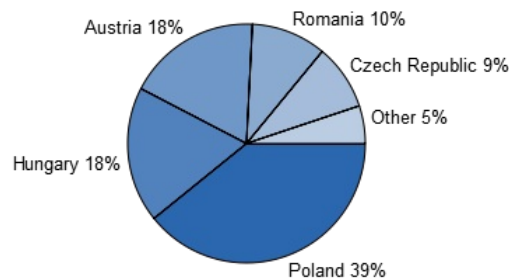
TOP 5 POSITIONS

PKO Bank
 Erste Bank
 Polski Koncern Naftowy
 Powszechny Zakład Ubezpieczeń
 Bank Pekao SA

Assets with over 10%weight

There is no such instrument in the portfolio

Stocks by countries:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 8.63 %
 Annualized standard deviation of the benchmark's weekly yields: 8.55 %