

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:	10,283,750,716 HUF
Net Asset Value of institutional series:	99,768,463 PLN
Net Asset Value per unit:	1.247774 PLN

INVESTMENT POLICY OF THE FUND:

The aim of the investment fund is to give investors access to the Polish bond market and to function as a relatively stable, medium-risk investment already medium term, offering our customers stable real returns without the need to tie up their savings for a fixed period. The fund primarily invests into Zloty denominated Polish government bonds but the portfolio manager has some room to use other fixed income investments. We aim to maximise returns with the given risk level. Our investment decisions are based on fundamental research extended by technical research while we also take into account global market sentiment. Expected shifts in the yield curve based on our macro expectations are at the core of our investment process. Risk/return characteristics are also considered when we select suitable and safe investments. We aim to totally hedge any currency risk in the fund.

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	3.83 %	4.47 %
2017	4.17 %	4.77 %
2016	0.22 %	0.25 %
2015	0.83 %	1.68 %
2014	9.56 %	9.45 %
2013	0.46 %	1.99 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 07/01/2017 - 06/30/2018



— 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.

MARKET SUMMARY:

Polish yields have been quite stable during June moving in a tight 10-20 bps range despite all the stress seen in other CEE markets. Even the EURPLN move beyond 4.37 could not shake the market. Low issuance needs and a dovish central bank are still enough to keep the market stable but weaker currencies across the region are challenging the dovish stance of policymakers. 5-year yields and 10-year yields closed around the 2.20 and 3.20 level respectively, unchanged month-on-month.

ASSET ALLOCATION OF THE FUND ON 06/30/2018

Asset type	Weight
Government bonds	76.12 %
T-bills	10.57 %
Corporate bonds	9.73 %
Current account	3.50 %
Market value of open derivative positions	0.22 %
Liabilities	-0.14 %
total	100.00 %
Derivative products	17.69 %
Net corrected leverage	104.42 %

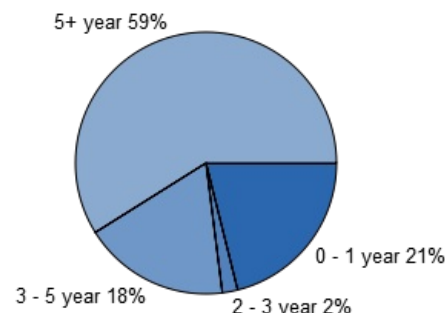
TOP 5 POSITIONS

PLGB 2025/07 3,25% (Lengyel Állam)
PLGB 2023/10/25 4% (Lengyel Állam)
PLGB 2021/07/25 1,75% (Lengyel Állam)
PLGB 2027/07/25 2,5% (Lengyel Állam)
PLGB 2019/04/25 0% (Lengyel Állam)

Assets with over 10% weight

PLGB 2025/07 3,25% (Lengyel Állam)
PLGB 2023/10/25 4% (Lengyel Állam)
PLGB 2021/07/25 1,75% (Lengyel Állam)
PLGB 2027/07/25 2,5% (Lengyel Állam)
PLGB 2019/04/25 0% (Lengyel Állam)

Bonds by tenor:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	1.85 %
Annualized standard deviation of the benchmark's weekly yields:	1.81 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

