

Aegon International Bond Fund

GENERAL INFORMATION

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| Fund Manager: | AEGON Hungary Fund Manager Ltd. |
| Custodian: | Citibank Europe plc Magyarországi Fióktelepe |
| Main distributor: | AEGON Hungary Fund Manager Ltd. |
| Benchmark composition: | 80% Merrill Lynch Global Government Bond Index II ex-Japan USD (total return) + 20% ZMAX Index |
| ISIN code: | HU0000702477 |
| Start: | 04/21/1999 |
| Currency: | HUF |
| Total Net Asset Value of the whole Fund: | 1,165,980,112 HUF |
| Net Asset Value of HUF series: | 1,165,980,112 HUF |
| Net Asset Value per unit: | 1.953155 HUF |

INVESTMENT POLICY OF THE FUND:

The fund aims to create an explicitly defensive investment portfolio for its investors, and typically invests in developed-market government bonds, and related exchange-traded derivative transactions, in the interest of achieving the highest possible return with the assumption of currency risk. The fund primarily aims for a portfolio consisting of the publicly issued bonds of foreign governments and foreign-domiciled companies. When building the fund's portfolio, beyond the minimum statutory requirements, the principles of safety and maximum diversification (the spreading of risk) are observed. Accordingly, when purchasing international securities the fund only selects publicly issued securities that are listed on foreign stock exchanges. The proportion of non-investment-grade securities is maintained at a low level, and if the planned ratio is overstepped due to the downgrading of a given issuer the fund restores it under the conditions stipulated by the relevant legal provisions. The fund management company, exercising all due care, based on its own judgement and decisions, and while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation, determines the means of utilising the fund's resources, and the weights of the various investments within the portfolio, with a view to ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term. In the course of its operation, however, the fund is managed on the premise that when compiling the portfolio, it is bonds that determine the nature of the fund. Accordingly, the proportion of bonds that may be kept in the fund at any given moment may reach the prevailing statutory maximum. When compiling the bond portfolio, taking into account the macroeconomic environment of the investment markets, the aim is to build up a long-term investment portfolio primarily on the basis of fundamental analyses. To ensure liquidity, the fund may purchase Hungarian government securities (primarily discount treasury bills) and MNB bonds; however, in accordance with the current statutory regulations the proportion of foreign bonds in the portfolio may be up to 100%. The fund management company is permitted, at its own discretion, to hedge all or a part of its currency risks with forward currency positions, in compliance with the statutory conditions.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Codex Tőzsdeügynökség és Értéktár Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 09/01/2017 - 08/31/2018



— Aegon International Bond Fund — 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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 5.94 %
Annualized standard deviation of the benchmark's weekly yields: 5.90 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



MARKET SUMMARY:

Growth divergence remains a material issue for the global economy and thus for markets. Consensus China Q3 GDP growth forecast on the downside following weak IP/FAI/credit data, with further downside risks for Q4. Developed Markets growth revisions have been modestly positive in the past weeks with rotation moving further towards the US and away from the Euro area, whereas 2018 EM cumulative growth revisions turned negative lately. US equities have remained resilient amidst rising geopolitical and trade risks. The S&P500 has essentially reversed post-Feb loss on the back of strong earnings delivery, upbeat guidance, and accelerating investment activity. Bonds were mixed this month amid headlines around Turkey, Italian politics and the upcoming US-China trade talks. Escalating trade tensions, a slowdown in Chinese activity and continued dollar strength were the main factors driving the sharp sell-off in both base and precious metals so far. We haven't changed the composition of the fund in August.

ASSET ALLOCATION OF THE FUND ON 08/31/2018

| Asset type | Weight |
|------------------------|----------|
| Government bonds | 68.35 % |
| Corporate bonds | 14.65 % |
| T-bills | 14.22 % |
| Current account | 2.94 % |
| Liabilities | -0.18 % |
| Receivables | 0.03 % |
| total | 100.00 % |
| Derivative products | 60.39 % |
| Net corrected leverage | 116.06 % |

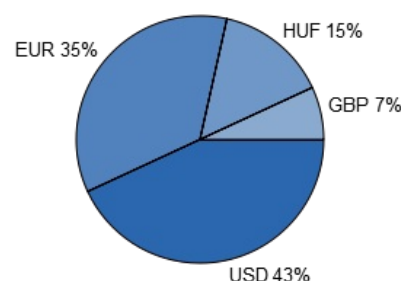
TOP 5 POSITIONS

USGB 2042/02 3,125% (Amerikai Egyesült Államok)
USGB 2022/08 1,625% (Amerikai Egyesült Államok)
D190227 (Államadósság Kezelő Központ Zrt.)
USGB 2031/02 5,375% (Amerikai Egyesült Államok)
UKGB 2025/03 5% (Egyesült Királyság)

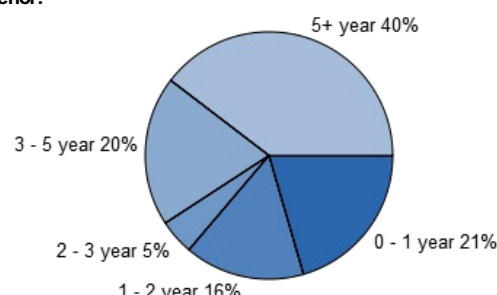
Assets with over 10% weight

USGB 2042/02 3,125% (Amerikai Egyesült Államok)
USGB 2022/08 1,625% (Amerikai Egyesült Államok)

Currency exposure:



Bonds by tenor:



NET YIELD PERFORMANCE OF THE SERIES:

| Interval | Yield of note | Benchmark yield |
|------------|---------------|-----------------|
| From start | 3.52 % | 4.26 % |
| 2017 | -5.90 % | -4.07 % |
| 2016 | 1.07 % | 2.24 % |
| 2015 | 3.72 % | 4.09 % |
| 2014 | 21.94 % | 22.76 % |
| 2013 | -3.51 % | -4.21 % |
| 2012 | -2.48 % | -3.23 % |
| 2011 | 19.06 % | 17.60 % |
| 2010 | 6.45 % | 10.65 % |
| 2009 | 3.56 % | -0.17 % |
| 2008 | 7.24 % | 15.18 % |