



Balance in investments

MKB “Egyensúly Euro” Fund Investing into Fund

A flexible, cost-efficient solution for the management of Euro savings with return potential above bank deposit rates.

The investment fund units are available during the subscription period between 22 December 2014 and 14 January 2015, whilst following the end of this period, units can be continuously traded.

The Fund’s investment aim is to achieve a yield in Euro that is the closest possible to MKB “Egyensúly” Open-end Investment Fund’s yield determined in HUF.

Recommended investment period: 3-5 years

Investment strategy:

- In order to achieve the Fund’s objective, the Fund mostly invests into MKB “Egyensúly” Open-end Investment Fund and in addition, it may also hold sight and term deposits in HUF and in foreign currencies; debt securities with a refund guarantee; and collective investment securities denominated in either HUF or foreign currency.
- Furthermore, since the majority of the invested assets are denominated in HUF, it may enter into up-to-one-year EUR/HUF forward deals, that are rolled over on an ongoing basis, while its volume is adjusted to the FX volume of the assets.

According to its investment strategy, MKB “Egyensúly Euro” Fund Investing Into Fund invests into MKB “Egyensúly” Open-end Investment Fund with the largest weight, the major parameters of which are the following:

- The Fund is a bond-weighted diversified fund, with the Hungarian government security market as one of its major investment target. In addition, for the purpose of diversification, the Fund may also make investments into freely transferable foreign government securities, domestic and foreign mortgage bonds, domestic and foreign corporate and credit institution bonds, domestic and foreign equities and commodity related investments.

- In order to mitigate specific securities investment risks, the Fund strives to make investments in collective forms of investments.
- The investment strategy that the Fund Manager wishes to follow in respect of the Fund is based on allocation between asset groups, active position management that is based on short-, medium- and long-term market price movements.
- Benchmarks of the Fund:
 - 70% MAX Index
 - 10% RMAX Index
 - 10% MSCI All Country World Index
 - 5% MSCI Emerging Markets Index
 - 5% StoxxEurope600 Index.

Please find information on the historical yields of MKB “Egyensúly” Open-end Investment Fund at the branch network of MKB and the places of publication.

Whom do we recommend MKB “Egyensúly Euro” Fund Investing Into Fund?

- those who would like to be able to realize a higher yield than bank deposit rates while assuming reasonable risks,
- those who seek flexible, efficient solution for their medium- and long-term Euro investments,
- those who subscribe for the investment fund units on an MKB “Trezor” Long-term Investment Account, where the yield achieved by the Fund can be realized free of any taxes, in case the relevant conditions regarding long-term investment agreements as defined by law are met. *

The key risks regarding the Fund:

- **Concentration risk:** Since the Fund primarily makes investments into MKB “Egyensúly” Open-end Investment Fund according to its investment policy, the aggregated risk exposure may exceed 20% of the assets of the investment fund.
- **Interest rate risk:** The volatility of market yields may influence the unit price of the investment units of the Fund through the price fluctuations of interest-earning and derivative instruments.
- **Stock market risk:** Stock prices are highly volatile, which is also reflected in the yields of investment funds that also comprise equity investments.
- **Foreign exchange risk:** This risk applies when the currency of the fund differs from the currency of the instruments purchased by the fund. In this case, the performance of the fund is not determined solely by the volatility of the exchange rate of the invested assets in their own currency but also by fluctuations in the exchange rate between the two

currencies. The Fund strives to eliminate this risk through derivative deals. However, the hedging of this risk cannot be perfect, therefore the unhedged part entails an exchange rate risk.

- **Risk associated with the Issuer:** The insolvency of the issuer of the securities held by the investment funds exercises a negative influence on the price of investment fund units.
- Further information on the risks can be found in Section IV. of the Fund Prospectus.

In order to make a well-founded investment decision, please read carefully the Prospectus and Management Rules of the Fund, Special Information for Investors and the sections of the Bank's information on products and services constituting Investment Services and Supplementary Services that concern funds, and make enquiries about the costs of fund administration on a securities account. You can get access to the information documents at the branches of the distributor MKB Bank Zrt. and on the websites of www.mkb.hu (Savings/Investment Fund/MKB Open-end Investment Funds/ MKB "Egyensúly Euro" Fund Investing into Fund) and www.mkbalapkezeslo.hu.

*The exact information concerning the tax settlement or tax consequences can be stated only based on the Customer's individual circumstances and it may still change in the future. You will find detailed information on the tax advantage available in relation to MKB Trezor Accounts and MKB Pension Preliminary Saving Account on www.mkb.hu website.

This information constitutes marketing communication as defined in Section 137. of the Collective Investments Act but does not constitute an offer or an advice regarding investments or taxation law.

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