

CENTRAL EUROPEAN EQUITY FUND INC /MD/  
Form DEFA14A  
May 16, 2003

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES  
EXCHANGE ACT OF 1934

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

Preliminary proxy statement.

Definitive proxy statement.

Definitive additional materials.

Soliciting material under Rule 14a-12.

Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2)).

THE CENTRAL EUROPEAN EQUITY FUND, INC.

-----  
(Name of Registrant as Specified in Its Charter)

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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of filing fee (check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

[LOGO OMITTED]

CEE  
LISTED  
NYSE

THE CENTRAL EUROPEAN EQUITY FUND

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EXCHANGE-TRADED CLOSED-END FUND

FUND PROFILE

THE CENTRAL EUROPEAN EQUITY FUND (CEE) is an actively managed Exchange-Traded Closed-End Fund that invests primarily in equities of Central and Eastern Europe. Its benchmark is comprised of 85% CECE Index and 15% of the Russian RTX Index. Both indices are calculated by the Vienna Stock Exchange. The Central European Equity Fund is managed by the Deutsche Bank Group.

Hanspeter Ackermann, CIO of the Central European Equity Fund, manages the portfolio with specialists at Deutsche Asset Management International in Frankfurt and Warsaw providing advice.

COMMENTS FROM THE CIO

- 
- o The Central Europe region significantly outperformed developed markets for the six-month period ending April 30, 2003. The CECE Index rose 12.7%, while the S&P 500 Index rose 3.5% and the MSCI Europe Index rose 2.7%.
  - o Admission to the European Union remains on track, as public referenda continue to be passed and membership criteria are met. We believe this will continue to be healthy for the markets as has happened with Spain, Portugal and Greece before they were admitted.
  - o Russia's GDP rose at an annualized rate of 6.4% during the first quarter. Growth was achieved through a continued improvement in the oil and metal sectors as well as in engineering and processing industries.
  - o Investment and consolidation in the oil industry is picking up. With the world's second largest oil & gas reserves, Russia is becoming a major player. We believe this is an attractive area to invest in now.

PORTFOLIO SECTOR BREAKDOWN AS OF APRIL 30, 2003

[GRAPHIC OMITTED]

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC AS FOLLOWS:

|                    |      |
|--------------------|------|
| Media              | 1.7% |
| Electric Utilities | 1.8% |
| Real Estate        | 1.8% |

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|  |       |
|--|-------|
| Wireless Telecommunication Services    | 1.9%  |
| Industrial Conglomerates               | 3.5%  |
| Metals & Mining                        | 3.7%  |
| Others                                 | 6.7%  |
| Pharmaceuticals                        | 7.0%  |
| Diversified Telecommunication Services | 22.7% |
| Oil & Gas                              | 24.5% |
| Banks                                  | 24.7% |

COUNTRY BREAKDOWN AS OF APRIL 30, 2003

[GRAPHIC OMITTED]

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC AS FOLLOWS:

|                |       |
|----------------|-------|
| Croatia        | 0.8%  |
| Austria        | 1.3%  |
| Czech Republic | 12.7% |
| Russia         | 16.3% |
| Hungary        | 29.7% |
| Poland         | 39.2% |

TOP TEN HOLDINGS AS OF APRIL 30, 2003

% OF PORTFOLIO

|    |                             |       |
|----|-----------------------------|-------|
| 1  | Telekomunikacja Polska      | 10.4% |
| 2  | OTP Bank                    | 8.5%  |
| 3  | Bank Pekao                  | 8.3%  |
| 4  | Matav                       | 8.0%  |
| 5  | Polski Koncern Naftowy      | 7.3%  |
| 6  | Mol Magyar Olaj-ES Gazipari | 7.1%  |
| 7  | Gedeon Richter              | 5.2%  |
| 8  | Yukos                       | 4.7%  |
| 9  | Lukoil                      | 4.5%  |
| 10 | Cesky Telecom               | 3.7%  |
|    | Total                       | 67.7% |

TOTAL RETURN PERFORMANCE AS OF APRIL 30, 2003

|                        | FOR THE SIX MONTHS ENDED |            |             |           | FOR THE FISCAL YEARS ENDED OCTOBER |             |            |        |
|------------------------|--------------------------|------------|-------------|-----------|------------------------------------|-------------|------------|--------|
|                        | APRIL 30, 2003           | 2002       | 2001        | 2000      | 1999                               | 1998        | 1997       | 1996   |
| Net Asset Value        | 12.93%                   | 17.05%     | -14.31%     | 0.94%     | 2.48%                              | -26.09%     | 22.41%     | 20.00% |
| Market Value           | 11.70%                   | 23.43%     | -7.79%      | -5.00%    | -3.29%                             | -22.89%     | 28.93%     | 25.00% |
| Benchmark              | 12.73% (1)               | 14.68% (2) | -20.40% (3) | 2.05% (4) | 19.31% (4)                         | -24.68% (4) | 22.70% (5) | 14.00% |
| PER SHARE DISTRIBUTION | \$0.00                   | \$0.00     | \$0.23      | \$0.00    | \$0.00                             | \$0.16      | \$6.57     | \$2.00 |

[LOGO OMITTED]

CEE  
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NYSE

THE CENTRAL EUROPEAN EQUITY FUND

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EXCHANGE-TRADED CLOSED-END FUND

FUND STATISTICS AS OF APRIL 30, 2003

THE CENTRAL EUROPEAN EQUITY FUND, INC. (CEE)  
WWW.CEEFUND.COM  
1-800-437-6269

HANSPETER ACKERMANN, Chief Investment Officer and  
Senior Portfolio Manager (with Deutsche Bank since 1996)  
INITIAL OFFERING: 2/27/90  
OBJECTIVE: Seeks long-term capital appreciation through investment in  
Central European equity securities.  
PORTFOLIO: Primarily Central European equity securities.  
PORTFOLIO COMPOSITION: Common stocks 99.5%,  
Preferred stocks 0.5%  
CUSIP NUMBER: 153436100  
TOTAL NET ASSETS: \$141.3 million  
SHARES OUTSTANDING: 7,854,163  
MARKET VALUE: \$14.80 NAV: \$17.99  
NUMBER OF EQUITY ISSUES: 48  
2002 DIVIDEND: \$0  
EXPENSE RATIO: 1.55% PORTFOLIO TURNOVER: 57.8% (both for FY 2002)  
DIVIDEND REINVESTMENT PLAN, VOLUNTARY CASH PURCHASE PLAN

CONTACT:

THE CENTRAL EUROPEAN EQUITY FUND, INC.  
C/O DEUTSCHE BANK SECURITIES INC.

ROBERT R. GAMBEE  
Chief Operating Officer

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