



## Invesco International Equity Portfolio

### First Quarter

#### Portfolio Management Team

Invesco International Equity Portfolio uses a team-based approach in making investment decisions. The portfolio management team has an average of 18 years of industry experience.

Our investment process focuses on three areas, which include a financial and valuation assessment, global sector-based research based on primary company contact and team-based portfolio decisions.

#### Current Portfolio Positioning

International equity markets rebounded strongly in the first quarter of 2012, with the MSCI EAFE Index up 10.9%, following a difficult and volatile 2011. Improvements in global economic indicators and continued accommodative policy measures from central banks supported the stock rally. Some of the worst performing market segments over the last several years (financials, for example) led the way in the first quarter. Invesco International Equity Portfolio did not fully keep pace with the benchmark in this market environment.

Continental Europe was the best performing region in the first quarter, up 12.3%. Although sovereign debt concerns continue to weigh on the region, moves by the European Central Bank to ensure banking system liquidity and agreement on a second Greek bailout package provided support to markets. Within Continental Europe, Germany gained more than 20% during the quarter, while Spain underperformed, down 3.3%. Separately, the United Kingdom, one of 2011's more economically defensive markets, trailed broader indexes in the first quarter, up 7.6%.

Japan performed roughly in line with the benchmark during the quarter, gaining 11.3%. Japan's economic growth has recovered from last year's lows following the March 2011 earthquake, and the Japanese central bank has recently taken steps to expand quantitative easing and specifically target inflation. In local currency terms, the Japanese market gained nearly 20%, but an 8% decline in the yen versus the dollar reduced this performance.

During the first quarter, Invesco International Equity Portfolio benefited from strong stock selection in consumer staples, utilities and materials. Conversely, stock selection in the information technology, industrials and energy sectors detracted from performance. Within energy, the major integrated energy companies failed to keep pace with the market's sharp advance. The portfolio's overweight energy allocation also detracted, as the group lagged the broader market after finishing 2011 with momentum.

From a geographic perspective, the portfolio trailed the benchmark in select European markets, particularly Germany, Spain and France, but benefited from exposure to emerging markets, a non-benchmark allocation.

Though 2012 has gotten off to a strong start, many issues that plagued markets in 2011 remain unresolved and could continue to drive high volatility levels. Sovereign debt levels in Europe and across developed markets remain uncomfortably high, and global economic growth could stay muted as governments take additional steps to repair their balance sheets. However, corporate balance sheets are generally healthy, profitability and cash flow generation are at relatively high levels, and market valuations remain attractive in an historical context. Invesco's approach to building diversified portfolios with above-average profitability characteristics and discounted valuations should position the portfolio favorably for the long term.

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## Invesco International Equity Wrap Composite

Year	"Pure" Gross Return*	Net Return	MSCI EAFE® Index Return	Composite Dispersion	Number of Accounts**	Composite Assets (\$ millions)	Total Firm Assets (\$ billions)	% Wrap Accounts
2011	-14.14%	-16.72%	-12.14%	0.43%	1,481	\$256	\$479.8	100%
2010	5.59	2.48	7.75	0.31	739	150	475.3	100
2009	31.05	27.25	31.78	0.84	1,772	367	298.2	100
2008	-39.80	-41.66	-43.38	0.59	2,332	352	254.6	100
2007	8.33	5.15	11.17	0.07	15	787	328.6	100
2006	25.70	22.05	26.34	0.40	14	785	243.8	100
2005	13.06	9.74	13.54	0.42	14	627	174.6	100
2004	20.41	16.90	20.25	0.34	12	468	168.0	100
2003	33.06	29.21	38.59	0.59	12	424	161.4	100
2002	-11.68	-14.32	-15.94	0.35	10	392	9.3	100

### Annualized Compound Returns

as of March 31, 2012

Period	"Pure" Gross Return*	Net Return	MSCI EAFE Index Return	Period	"Pure" Gross Return*	Net Return	MSCI EAFE Index Return
1Q12	8.90	8.10	10.86	1 Year	-8.31%	-11.04%	-5.77%
				3 Years	14.40	11.05	17.13
				5 Years	-3.93	-6.79	-3.51
				10 Years	4.96	1.86	5.70
				Since Inception (11/30/93)	6.47	3.33	5.11

\* "Pure" gross of fees returns are supplemental to net returns. See note 5.

\*\* Effective Jan. 1, 2008, number of accounts represents the actual number of clients accounts. Prior to Jan. 1, 2008, the number of accounts represented the number of sponsor platforms for which Invesco managed money in this style.

### Invesco Worldwide has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

- Invesco Worldwide ("The Firm") manages a broad array of investment strategies around the world. The Firm comprises U.S.-based Invesco Advisers, Inc. and all wholly owned Invesco firms outside of North America. All entities within the Firm are directly or indirectly owned by Invesco Ltd. Affiliated GIPS-compliant firms of Invesco Ltd. include Invesco Trimark Ltd. and Atlantic Trust. Affiliated non-GIPS-compliant firms of Invesco Ltd. include Invesco Senior Secured Management, Inc. Invesco Private Capital, Inc. and Invesco PowerShares Capital Management LLC. Each is an SEC-registered investment adviser and is marketed as a separate entity. Invesco Great Wall Fund Management Co. Ltd (IGW) is a fund management company established under China Securities Regulatory Commission's approval. All affiliated assets are excluded from total Firm assets. On Dec. 31, 2009, Invesco Aim Advisors, Inc. (AIM), Invesco AIM Capital Management, Inc. (ACM), Invesco Aim Private Asset Management, Inc. (IAPAM) and Invesco Global Asset Management (N.A.), Inc. merged into Invesco Institutional (N.A.), Inc., which was then renamed Invesco Advisers, Inc. Prior to 2010, AIM, ACM and IAPAM were part of separate GIPS firms and not included in the Firm. On June 1, 2010, Invesco acquired Morgan Stanley Investment Management's (MSIM) retail asset business, including Van Kampen Investments. Through this transaction, Invesco acquired approximately \$119 billion in assets under management. Prior to the acquisition, MSIM was GIPS compliant and verified by an independent verifier through Dec. 31, 2008. Assets under management prior to 2010 have not been restated to reflect either the above-referenced investment adviser merger or the MSIM acquisition. Composite history and Firm assets prior to Jan. 1, 2010, are those of its respective components.
- Invesco Worldwide claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Invesco Worldwide has been independently verified for the periods Jan. 1, 2003 thru Dec. 31, 2010. The legacy firms that constitute Invesco Worldwide have been verified since 2001 or earlier. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.
- A complete list and description of Firm composites and performance results is available upon request. Additional information regarding policies for calculating and reporting returns is available upon request. All returns are expressed in U.S. dollars and are gross of nonreclaimable withholding tax, if applicable.
- For periods after Jan. 1, 2011, the Invesco International Equity Wrap Composite (previously named the Invesco International Equity Tax-Exempt Managed Accounts Composite) includes all discretionary, fee-paying wrap accounts patterned after the Invesco International Equity Model Portfolio, which targets to add value by focusing primarily on stock selection in the global equity markets that is driven by precise financial, valuation and global sector-based research criteria. We are committed to a long-term investment horizon based on low rates of portfolio turnover. Prior to Jan. 1, 2011, the composite included all discretionary, nontaxable, fee-paying wrap accounts. Risk management efforts are employed at the stock and portfolio level to seek predictable and consistent returns relative to the benchmark over time. The composite was created on Nov. 30, 1993.
- "Pure" gross of fees returns do not reflect the deduction of trading costs or any other expenses, and are supplemental to net returns. Performance results are presented both net and gross of total wrap fees. Net returns reflect the deduction of the maximum total wrap fee, which is currently 3.00% per annum. A model fee is the highest wrap fee a client could pay (3.00% annually as charged by the program sponsor, inclusive of up to a maximum investment advisory fee of 0.75%) is used. The total wrap fee includes all charges for trading costs, portfolio management, custody and other administrative fees. The standard wrap fee schedule currently in effect is as follows: 3.00% on total assets. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.
- The MSCI EAFE® Index (Europe Australasia Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US & Canada. The returns of the MSCI EAFE® (Net) Index are provided to represent the investment environment that existed during the time periods shown. The benchmark is used for comparative purposes only and generally reflects the risk or investment style of the product. The benchmark return is net of withholding taxes from a Luxembourg tax perspective.
- Prior to Jan. 1, 2009, the dispersion of annual returns is measured by the asset-weighted standard deviation of account returns included in the composite for the full year. For periods after Jan. 1, 2009, the dispersion of annual returns is measured by the equal-weighted standard deviation of account returns included in the composite for the full year.
- As of December 31, 2011, the three-year annualized ex-post standard deviation of the composite and benchmark are 21.97% and 22.72%, respectively. The three year annualized ex-post standard deviation measures the variability of the monthly returns of the composite and the benchmark over the preceding 36 months.
- Prior to Jan. 1, 2006, the Firm does not claim GIPS compliance for this composite because not all portfolios were allocated to this composite.

Past performance is not indicative of future results. As with any investment vehicle there is always potential for gains as well as the possibility of losses.

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## Supplemental Information to Invesco International Equity Wrap Composite

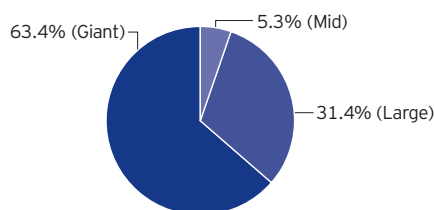
Portfolio Characteristics	Portfolio	MSCI EAFE Index
Number of Holdings	65	922
Weighted Average Return on Equity	15.0%	16.0%
Weighted Average 12-Month Forward P/E	9.4	11.3
Weighted Average 12-Month Trailing P/E	10.9	12.9
Weighted Average Price/Book	1.7	2.3
Weighted Average Dividend Yield	3.7%	3.5%
Weighted Average Market Cap (\$M)	\$49,527	\$54,176
Median Market Cap (\$M)	\$32,969	\$7,108
Annual Turnover Range	18.64%	N/A
Emerging Market Exposure	6.88%	N/A

Portfolio characteristics are subject to change.

Top Countries (% of total net assets)	Portfolio	MSCI EAFE Index
1. Japan	21.9	21.6
2. United Kingdom	18.5	22.4
3. France	9.6	8.8
4. Australia	8.6	8.4
5. Switzerland	7.3	8.6
6. Germany	5.6	8.6
7. Spain	4.9	2.9
8. Canada	4.2	0.0
9. Norway	3.8	0.9
10. Hong Kong	2.4	2.7

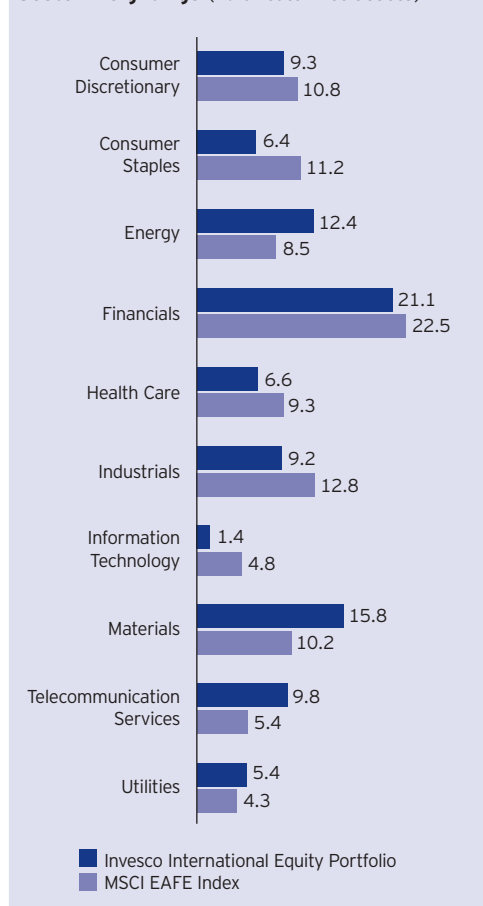
Performance Characteristics (five year)	
Alpha (vs. MSCI EAFE Index)	-2.26%
Beta (vs. MSCI EAFE Index)	0.92
R <sup>2</sup> (vs. MSCI EAFE Index)	0.95
Information Ratio	-0.34
Sharpe Ratio	-0.29
Standard Deviation	
Portfolio	21.55%
Benchmark	22.87%

## Market Capitalization Breakdown



Securities are grouped into giant, large, mid, small or micro cap depending on the company's region and the market capitalization breakpoints within that region, as determined by Morningstar.

## Sector Weightings (% of total net assets)



## Asset Allocation

	3/31/12	12/31/11	9/30/11
Stocks	97.5%	97.5%	97.5%
Cash/Other	2.5	2.5	2.5

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**Sample Portfolio** (Supplemental Information to Invesco International Equity Wrap Composite on Page 2)

<b>Top 10 Holdings</b>					<b>Other Sample Holdings (continued)</b>				
Ticker	Company	Sector	Country	% of Total Net Assets					
1. ITYBY	Imperial Tobacco Group	Consumer Staples	United Kingdom	4.08	HLDCY	Henderson Land Development Co. Ltd.	Financials		Hong Kong
2. ZFSVY	Zurich Financial Services	Financials	Switzerland	2.99	MQBKY	Macquarie Group Ltd.	Financials		Australia
3. SNY	Sanofi-Aventis	Health Care	France	2.91	MTU	Mitsubishi UFJ Financial Group Inc.	Financials		Japan
4. SCMWY	Swisscom AG	Telecommunication Services	Switzerland	2.88	MURGY	Muenchener RE Group AG	Financials		Germany
5. RDS.B	Royal Dutch Shell PLC	Energy	United Kingdom	2.82	SNMYY	Suncorp Group Ltd.	Financials		Australia
6. YARIY	Yara International ASA	Materials	Norway	2.66	TD	Toronto-Dominion Bank	Financials		Canada
7. NSANY	Nissan Motors	Consumer Discretionary	Japan	2.61	AZN	AstraZeneca PLC	Health Care		United Kingdom
8. RIO	Rio Tinto PLC	Materials	United Kingdom	2.51	GSK	GlaxoSmithKline PLC	Health Care		United Kingdom
9. BHP	BHP Ltd.	Materials	Australia	2.49	EJPRY	East Japan Railway Co.	Industrials		Japan
10. POAHY	Porsche Automobil Holding SE	Consumer Discretionary	Germany	2.47	DLAKY	Deutsche Lufthansa AG	Industrials		Germany
<b>Other Sample Holdings</b>					MSBHY	Mitsubishi Corp.	Industrials		Japan
MGDDY	Michelin	Consumer Discretionary	France		NPYY	Nippon Yusen Kabushiki Kaisha	Industrials		Japan
SNHFY	Steinhoff International Holdings Ltd.	Consumer Discretionary	South Africa		NPSKY	NSK Ltd.	Industrials		Japan
TTM	Tata Motors Ltd.-Spon Adr	Consumer Discretionary	India		VLOWY	Vallourec SA	Industrials		France
TM	Toyota Motor Corp.	Consumer Discretionary	Japan		AUO	Au Optronics Corp.	Information Technology		Taiwan
SVNDY	Seven & I Holdings Co. Ltd.	Consumer Staples	Japan		FUJIY	Fuji Film Holdings Corp.	Information Technology		Japan
TBLMY	Tiger Brands Ltd.	Consumer Staples	South Africa		EURNY	Eurasian Natural Resources Corp. PLC	Materials		United Kingdom
E	ENI SpA	Energy	Italy		HCMLY	Holcim Ltd.	Materials		Switzerland
OGZPY	Gazprom OAO	Energy	Russia		NDEKY	Nitto Denko Corp.	Materials		Japan
NXY	Nexen Inc.	Energy	Canada		PKX	POSCO	Materials		South Korea
PBR	Petroleo Brasileiro SA	Energy	Brazil		SZGPY	Salzgitter AG	Materials		Germany
REPYY	Repsol YPF SA	Energy	Spain		SHECY	Shin-Etsu Chemical Co. Ltd.	Materials		Japan
STO	StatoilHydro ASA	Energy	Norway		SOMMY	Sumitomo Chemical Co. Ltd.	Materials		Japan
SU	Suncor Energy Inc.	Energy	Canada		VALE	Vale SA	Materials		Brazil
TOT	Total SA	Energy	France		AMX	America Movil SAB de CV	Telecommunication Services		Mexico
ANZBY	Australia & New Zealand Banking Group Ltd.	Financials	Australia		CHL	China Mobile Ltd.	Telecommunication Services		Hong Kong
STD	Banco Santander Basil SA	Financials	Spain		NTT	Nippon Telegraph and Telephone Corp.	Telecommunication Services		Japan
BCS	Barclays PLC	Financials	United Kingdom		DCM	NTT DoCoMo Inc.	Telecommunication Services		Japan
BNPQY	BNP Paribas	Financials	France		TEF	Telefónica SA	Telecommunication Services		Spain
CHEUY	Cheung Kong Holdings Ltd.	Financials	Hong Kong		TLSYY	Telstra Corp. Ltd.	Telecommunication Services		Australia
CMAKY	China Minsheng Banking Corp. Ltd.	Financials	China		CIG	Companhia Energetica de Minas Gerais	Utilities		Brazil
DNSKY	Danske Bank A/S	Financials	Denmark		IBDRY	Iberdrola SA	Utilities		Spain
					IPRPY	International Power PLC	Utilities		United Kingdom
					NGG	National Grid PLC	Utilities		United Kingdom

This table illustrates the composition of a model portfolio as of the date listed and should not be considered as a recommendation to purchase or sell a particular security; additionally, there is no assurance that the securities purchased remain in the portfolio or that securities sold have not been repurchased. Past performance does not guarantee future results. Holdings may vary depending on program sponsor restrictions or specific client guidelines. Top 10 holdings and percentages are listed in the shaded area above and represent 28% of total holdings. For additional holdings disclosure, see the Global Industry Classification Standard disclosure on page 3. **To obtain a list of all recommendations made by Invesco Advisers, Inc. in this investment style during the last year, please contact Invesco Advisers, Inc. at 800 349 0953.** Investing in securities of foreign companies and governments involves considerations and potential risks not typically associated with investments in domestic corporations and obligations issued by the U.S. government. An investment could be subject to risks associated with changes in currency values; economic, political and social conditions; and the regulatory environment of the foreign country; as well as the difficulties of receiving current and accurate information.

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