

AVIVA INVESTORS
FUNDS ICVC
SHORT REPORT

For the six months ended 30 September 2013

avivainvestors.co.uk

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THE GLOBAL BALANCED INCOME FUND

Investment Objective

To achieve a target income rate, after the deduction of applicable management fees and allowable additional fund expenses, equal to the greater of 7.00% per annum or the prevailing Bank of England Base Rate plus 2.50% per annum.

Investment Policy

Investment in a diversified portfolio of actively managed equities and bonds (including convertible bonds). The Fund will also use derivative instruments to generate additional income. The Manager may selectively sell short dated call options over securities in order to generate additional income by setting target 'strike' prices at which those securities may be sold in the future.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, units in collective investment schemes, derivatives including credit default swaps and forward transactions, money market instruments and deposits.

Risk Profile

Changes in interest rates or the credit ratings of companies issuing bonds will affect Fund performance and any income paid. The solvency of organisations in which the Fund invests can change and this can affect the Fund's capital and any income paid. We do not guarantee that the target rate will be achieved. All the income will be paid to you but it might be more or less than the target rate.

Fund Manager's Report

Market review

Global equities and convertibles climbed sharply as demand for riskier assets continued to be swelled by extremely loose monetary policy around the world and a steady improvement in global economic data. Shares began the period positively as better-than-expected economic data in the US and UK bolstered investor sentiment. They came off the boil briefly after the head of the US Federal Reserve (Fed) indicated stronger economic data may soon lead to the withdrawal of some of the extraordinary policy measures that have been supporting financial markets in recent years. However, some lost ground was recovered after the Fed decided to leave monetary stimulus intact after all.

Sterling-denominated corporate bonds produced negative returns, in tandem with underlying UK government debt, amid fears of tighter US monetary policy. UK ten-year government bond yields rose to a two-year high, with the market further undermined by a raft of strong UK economic data. Credit spreads narrowed as the improving economic landscape led investors to speculate corporate profits would likely rise and bankruptcy rates fall.

THE GLOBAL BALANCED INCOME FUND (CONTINUED)

Fund Manager's Report (continued)

Fund review

The Fund (share class A) returned 4.26 per cent, which compared with a median (average) return of -2.52 per cent generated by its peer group, the IMA 'Specialist' sector. The Fund simultaneously delivered investment income of 3.55 per cent and is therefore on course to meet its objective of generating annual after-tax income, net of management fees and other fund expenses, equal to the greater of 7.00 per cent, or the prevailing Bank of England Base Rate plus 2.50 per cent, per annum.

The Fund benefitted from having exposure to financial companies' shares which rallied strongly. BNP Paribas shares performed strongly as the company continued to make progress towards its goal of cutting €2bn in annual expenses by 2015. AIG shares also fared well after the insurer declared its first dividend since being bailed out by the US government. Technology bellwether Microsoft was another solid performer. Its shares were buoyed after it was announced in April that activist investor ValueAct Holdings had amassed a \$1.9bn stake. The announcement in August that chief executive Steve Ballmer would step down gave another boost to the stock, with investors anticipating a new boss would help the company shift its business away from personal computers towards mobile devices.

The main negative contributor was IBM, whose shares declined after the company missed profit estimates for the first time since 2005.

The Fund sold a number of call options (a derivative enabling the holder to choose to buy the underlying stock at a predetermined price), over the period, mainly targeting stocks which had already performed well and where the manager believed the potential for further gains was limited.

November 2013

Fund performance figures – source Lipper Hindsight, net of fees, net income reinvested.

Any opinions expressed are those of the fund manager. They should not be viewed as a guarantee of a return from an investment in the funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

THE GLOBAL BALANCED INCOME FUND (CONTINUED)

Fund Facts

Ex-dividend dates	Distribution dates
31 March	10 May
30 June	10 August
30 September	10 November
31 December	10 February

Ongoing Charges Figure*

30.09.13	
Share Class A	1.72%
Share Class I	1.22%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the period. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the period, except for those payments that are explicitly excluded (performance fees). The OCF includes transaction charges which were excluded from the Total Expense Ratios (TER) calculations provided previously. The OCF has replaced the TER.

Revenue Distributions – Income Shares

Interim distribution for the three months ended 30 September 2013.

	Pence per share payable 10.11.13	Pence per share paid 10.11.12
Share Class A	1.2214	1.1390
Share Class I	1.3241	1.2352

Revenue Distributions – Accumulation Shares

Interim distribution for the three months ended 30 September 2013.

	Pence per share payable 10.11.13	Pence per share paid 10.11.12
Share Class A	2.0672	1.7957
Share Class I	2.3074	1.9964

THE GLOBAL BALANCED INCOME FUND (CONTINUED)

Net Asset Value – Income Shares*¹

	Pence per share 30.09.13	Pence per share 31.03.13	Change
Share Class A	66.46	66.04	0.64%
Share Class I	67.16	66.76	0.60%

* Valued at bid market prices.

¹ The net asset value of income shares will exclude any income paid/payable to investors.

Net Asset Value – Accumulation Shares*

	Pence per share 30.09.13	Pence per share 31.03.13	Change
Share Class A	114.56	109.80	4.34%
Share Class I	119.34	114.15	4.55%

* Valued at bid market prices.

Total Return – Income Shares

	Fund ²
Share Class A	4.26%
Share Class I	4.46%

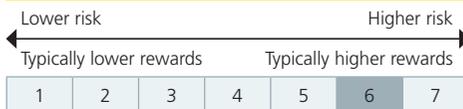
² Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) six months ended 30 September 2013.

Total Return – Accumulation Shares

	Fund ³
Share Class A	4.26%
Share Class I	4.47%

³ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) six months ended 30 September 2013.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the higher of the historic volatility of its share price, the historic volatility of its current asset classes or its intended maximum risk levels.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Where a third party appointed to manage transactions or ensure the safe keeping of assets fails in their duty a loss may occur.
- Financial derivatives may only require a low initial deposit relative to the asset exposure, a relatively small price movement in the underlying asset may result in substantial losses to the Fund.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

THE GLOBAL BALANCED INCOME FUND (CONTINUED)

Top Ten Holdings		
30.09.13		
Cemex 4.875% Conv 15/03/2015		2.12%
TUI Travel 4.9% 22/04/2017		2.00%
Maiden Holdings 7.25% Conv Preference 'B'		1.89%
Commonwealth Management Corporation 5.75% 04/07/2016		1.86%
Capitaland 2.1% 15/11/2016		1.78%
Dominion Resources Virginia		1.60%
Pennon Group 4.625% Conv 20/08/2014		1.48%
Gilead Sciences 1.625% 01/05/2016		1.25%
Vivus 4.5% Conv 01/05/2020		1.14%
Bayerische Motoren Werke		1.02%

31.03.13		
Cemex 4.875% Conv 15/03/2015		2.27%
Commonwealth Management Corporation 5.75% 04/07/2016		2.12%
Gilead Sciences 1.625% 01/05/2016		1.95%
Capitaland 2.1% 15/11/2016		1.86%
TUI Travel 4.9% 22/04/2017		1.83%
Alliance Data Systems 1.75% Conv 01/08/2013		1.56%
Pennon Group 4.625% Conv 20/08/2014		1.35%
Symantec 1% 15/06/2013		1.33%
British American Tobacco		1.25%
Amgen		1.23%

Portfolio Breakdown		
	30.09.13	31.03.13
United States of America	40.25%	41.49%
United Kingdom	22.00%	25.16%
France	5.21%	5.96%
Germany	3.81%	5.43%
Japan	3.38%	0.00%
Australia	3.34%	3.70%
Mexico	2.12%	2.27%
Singapore	1.78%	1.86%
Luxembourg	1.28%	1.02%
Ireland; Republic of	1.13%	1.68%
Other Countries	6.78%	4.57%
Total Investments	91.08%	93.14%
Net Other Assets	8.92%	6.86%
Net Assets	100.00%	100.00%

THE GLOBAL BALANCED INCOME FUND (CONTINUED)

Share Price Record – Income Shares			
Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class A	2008	91.88	44.75
	2009	72.68	42.67
	2010	75.79	64.22
	2011	73.66	58.17
	2012	67.81	61.61
	2013**	69.10	64.76
Class I	2008	92.75	45.18
	2009	73.45	43.08
	2010	76.49	64.87
	2011	74.40	58.74
	2012	68.51	62.22
	2013**	69.91	65.45

* Valued at mid market prices.

** Up to 30 September 2013.

Share Price Record – Accumulation Shares			
Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class A	2008	105.40	53.40
	2009	93.26	51.90
	2010	100.73	86.97
	2011	104.46	86.68
	2012	105.60	95.06
	2013**	116.34	105.82
Class I	2008	107.33	54.48
	2009	95.67	53.02
	2010	103.46	89.40
	2011	107.77	89.58
	2012	109.68	98.49
	2013**	121.18	109.92

* Valued at mid market prices.

** Up to 30 September 2013.

THE GLOBAL BALANCED INCOME FUND (CONTINUED)

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2008.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class A	2008	6.6474	72.35
	2009	4.1130	44.76
	2010	5.0344	54.79
	2011	5.3669	58.41
	2012	4.7306	51.49
	2013*	4.7478	51.68
Class I	2008	7.0861	76.41
	2009	4.4030	47.48
	2010	5.3937	58.16
	2011	5.6979	61.44
	2012	4.9744	53.64
	2013*	5.0911	54.89

* Up to 10 November 2013 (the interim distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2008.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class A	2008	7.5274	72.87
	2009	5.0575	48.96
	2010	6.6334	64.21
	2011	7.6287	73.85
	2012	7.2138	69.83
	2013*	7.8227	75.73
Class I	2008	8.0858	76.97
	2009	5.4815	52.18
	2010	7.2251	68.78
	2011	8.2056	78.11
	2012	7.9244	75.44
	2013*	8.5905	81.78

* Up to 10 November 2013 (the interim distribution payment date).

THE GLOBAL BALANCED INCOME FUND (CONTINUED)

Calendar Year Performance	
Total Return	Fund ⁴ %
2008	
Share Class A	(40.66)
Share Class I	(40.42)
2009	
Share Class A	51.93
Share Class I	52.65
2010	
Share Class A	6.97
Share Class I	7.44
2011	
Share Class A	(4.81)
Share Class I	(4.44)
2012	
Share Class A	10.50
Share Class I	10.96
2013*	
Share Class A	9.55
Share Class I	9.88

The value of an investment in The Global Balanced Income Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

⁴ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

* Up to 30 September 2013.

THE GLOBAL CAUTIOUS INCOME FUND

Investment Objective

To achieve a target income rate, after the deduction of applicable management fees and allowable additional fund expenses, equal to the greater of 5.50% per annum or the prevailing Bank of England Base Rate plus 1.00% per annum

Investment Policy

Investment is mainly in a diversified portfolio of bonds and also in actively managed equities. The Fund will also use derivative instruments to generate additional income. The Manager may selectively sell short dated call options over securities in order to generate additional income by setting target 'strike' prices at which those securities may be sold in the future.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, units in collective investment schemes, derivatives and forward transactions, money market instruments and deposits.

Risk Profile

Changes in interest rates or the credit ratings of companies issuing bonds will affect Fund performance and any income paid. The solvency of organisations in which the Fund invests can change and this can affect the Fund's capital and any income paid. We do not guarantee that the target rate will be achieved. All the income will be paid to you but it might be more or less than the target rate.

Fund Manager's Report

Market review

Global equities climbed sharply as demand for riskier assets continued to be swelled by extremely loose monetary policy around the world and a steady improvement in global economic data. Shares began the period positively as better-than-expected economic data in the US and UK bolstered investor sentiment. They came off the boil briefly after the head of the US Federal Reserve (Fed) indicated stronger economic data may soon lead to the withdrawal of some of the extraordinary policy measures that have been supporting financial markets in recent years. However, some lost ground was recovered after the Fed decided to leave monetary stimulus intact after all.

UK government bond prices fell, in line with other major debt markets, after the US central bank threatened to rein in policy. As US Treasury bond prices fell, ten-year gilt yields rose to a two-year high. The slide in gilts came as a raft of economic data indicated a nascent UK economic recovery was gathering speed. With gilt yields in danger of taking off, the Bank of England (BoE) attempted to quell fears of higher rates, stating that interest rates could remain at record lows for some time yet.

Sterling-denominated corporate bonds produced negative returns, in tandem with underlying UK government debt, amid fears of tighter US monetary policy. UK ten-year government bond yields rose to a two-year high, with the market further undermined by a raft of strong UK economic data. Credit spreads narrowed as the improving economic landscape led investors to speculate corporate profits would likely rise and bankruptcy rates fall.

THE GLOBAL CAUTIOUS INCOME FUND (CONTINUED)

Fund Manager's Report (continued)

Fund review

The Fund (share class A) returned 0.05 per cent which compared with a median (average) return of -2.52 per cent generated by its peer group, the IMA 'Specialist' sector. It simultaneously generated investment income of 2.24 per cent and is therefore on course to meet its objective of generating annual after-tax income, net of management fees and other fund expenses, equal to the greater of 4.40 per cent, or the prevailing Bank of England Base Rate plus 1.00 per cent, per annum.

The Fund benefitted from having exposure to financial companies' shares which rallied strongly. BNP Paribas shares performed strongly as the company continued to make progress towards its goal of cutting €2bn in annual expenses by 2015. AIG shares also fared well after the insurer declared its first dividend since being bailed out by the US government. Technology bellwether Microsoft was another solid performer. Its shares were buoyed after it was announced in April that activist investor ValueAct Holdings had amassed a \$1.9bn stake. The announcement in August that chief executive Steve Ballmer would step down gave another boost to the stock, with investors anticipating a new boss would help the company shift its business away from personal computers towards mobile devices.

The main negative contributor was IBM, whose shares declined after the company missed profit estimates for the first time since 2005.

The Fund sold a number of call options (a derivative enabling the holder to choose to buy the underlying stock at a predetermined price), over the period, mainly targeting stocks which had already performed well and where the manager believed the potential for further gains was limited.

November 2013

Fund performance figures – source Lipper Hindsight, net of fees, net income reinvested.

Any opinions expressed are those of the fund manager. They should not be viewed as a guarantee of a return from an investment in the funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

THE GLOBAL CAUTIOUS INCOME FUND (CONTINUED)

Fund Facts

Ex-dividend dates	Distribution dates
31 March	10 May
30 June	10 August
30 September	10 November
31 December	10 February

Ongoing Charges Figure*

30.09.13	
Share Class A	1.47%
Share Class I	0.97%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the period. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the period, except for those payments that are explicitly excluded (performance fees). The OCF includes transaction charges which were excluded from the Total Expense Ratios (TER) calculations provided previously. The OCF has replaced the TER.

Revenue Distributions – Income Shares

Interim distribution for the three months ended 30 September 2013.

	Pence per share payable 10.11.13	Pence per share paid 10.11.12
Share Class A	0.9784	0.9524
Share Class I	1.0681	1.0388

Revenue Distributions – Accumulation Shares

Interim distribution for the three months ended 30 September 2013.

	Pence per share payable 10.11.13	Pence per share paid 10.11.12
Share Class A	1.3850	1.2900
Share Class I	1.5659	1.4520

THE GLOBAL CAUTIOUS INCOME FUND (CONTINUED)

Net Asset Value – Income Shares*¹

	Pence per share 30.09.13	Pence per share 31.03.13	Change
Share Class A	85.24	87.10	(2.14)%
Share Class I	85.15	86.99	(2.12)%

* Valued at bid market prices.

¹ The net asset value of income shares will exclude any income paid/payable to investors.

Net Asset Value – Accumulation Shares*

	Pence per share 30.09.13	Pence per share 31.03.13	Change
Share Class A	122.11	121.94	0.14%
Share Class I	126.49	126.12	0.29%

* Valued at bid market prices.

Total Return – Income Shares

	Fund ²
Share Class A	0.09%
Share Class I	0.50%

² Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) six months ended 30 September 2013.

Total Return – Accumulation Shares

	Fund ³
Share Class A	0.05%
Share Class I	0.30%

³ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) six months ended 30 September 2013.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the higher of the historic volatility of its share price, the historic volatility of its current asset classes or its intended maximum risk levels.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Where a third party appointed to manage transactions or ensure the safe keeping of assets fails in their duty a loss may occur.
- Financial derivatives may only require a low initial deposit relative to the asset exposure, a relatively small price movement in the underlying asset may result in substantial losses to the Fund.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

THE GLOBAL CAUTIOUS INCOME FUND (CONTINUED)

Top Ten Holdings	
30.09.13	
Treasury 1% 07/09/2017	3.68%
Treasury 5% 07/03/2025	2.34%
Treasury 4.5% 07/03/2019	2.07%
Treasury 2.25% 07/03/2014	1.96%
European Investment Bank 5.375% 07/06/2021	1.80%
Treasury 2% 22/01/2016	1.66%
Treasury 4.75% 07/12/2038	1.61%
Treasury 4.75% 07/12/2030	1.33%
KFW International Finance 5.5% 18/06/2025	1.32%
HSBC Finance 6.25% 19/08/2019	1.32%

31.03.13	
Treasury 1% 07/09/2017	3.15%
Treasury 5% 07/03/2025	2.66%
Treasury 2% 22/01/2016	2.27%
Treasury 2.25% 07/03/2014	2.02%
European Investment Bank 5.375% 07/06/2021	1.75%
Treasury 4.75% 07/12/2038	1.60%
Treasury 4.5% 07/03/2019	1.44%
Treasury 1.75% 07/09/2022	1.36%
Treasury 4.25% 07/06/2032	1.36%
KFW International Finance 5.5% 18/06/2025	1.30%

Portfolio Breakdown		
	30.09.13	31.03.13
United Kingdom	49.38%	50.04%
United States of America	22.27%	22.62%
France	3.43%	3.58%
Germany	3.16%	3.97%
Australia	2.63%	2.47%
Japan	2.31%	0.00%
Netherlands	2.08%	1.96%
Cayman Islands	1.95%	1.86%
Channel Islands	1.93%	1.97%
Luxembourg	1.15%	1.09%
Other Countries	4.11%	3.20%
Total Investments	94.40%	92.76%
Net Other Assets	5.60%	7.24%
Net Assets	100.00%	100.00%

THE GLOBAL CAUTIOUS INCOME FUND (CONTINUED)

Share Price Record – Income Shares			
Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class A	2008	93.30	66.23
	2009	84.24	60.74
	2010	87.94	81.03
	2011	87.44	78.58
	2012	87.17	82.51
	2013**	89.02	84.31
Class I	2008	93.27	66.25
	2009	84.29	60.77
	2010	87.92	81.00
	2011	87.27	78.58
	2012	86.99	82.55
	2013**	89.03	84.28

* Valued at mid market prices.

** Up to 30 September 2013.

Share Price Record – Accumulation Shares			
Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class A	2008	101.40	74.92
	2009	100.14	69.53
	2010	108.73	99.20
	2011	111.53	102.96
	2012	119.38	109.50
	2013**	124.64	118.16
Class I	2008	102.90	76.24
	2009	102.37	70.86
	2010	111.35	101.47
	2011	114.37	105.82
	2012	123.30	112.65
	2013**	128.92	122.33

* Valued at mid market prices.

** Up to 30 September 2013.

THE GLOBAL CAUTIOUS INCOME FUND (CONTINUED)

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2008.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class A	2008	4.6556	49.90
	2009	3.5819	38.39
	2010	4.0931	43.87
	2011	4.1338	44.31
	2012	3.7440	40.13
	2013*	4.9956	53.54
Class I	2008	5.0232	53.86
	2009	3.8735	41.53
	2010	4.4336	47.54
	2011	4.4551	47.77
	2012	4.1763	44.78
	2013*	4.1506	44.50

* Up to 10 November 2013 (the interim distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2008.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class A	2008	5.0873	50.17
	2009	4.1310	40.74
	2010	4.9545	48.86
	2011	5.2592	51.87
	2012	5.0023	49.33
	2013*	5.3409	52.67
Class I	2008	5.5704	54.18
	2009	4.5533	44.28
	2010	5.4916	53.41
	2011	5.7463	55.89
	2012	5.6444	54.90
	2013*	6.0761	59.09

* Up to 10 November 2013 (the interim distribution payment date).

THE GLOBAL CAUTIOUS INCOME FUND (CONTINUED)

Calendar Year Performance	
Total Return	Fund ⁴ %
2008	
Share Class A	(21.79)
Share Class I	(21.45)
2009	
Share Class A	26.39
Share Class I	26.88
2010	
Share Class A	7.58
Share Class I	7.89
2011	
Share Class A	1.57
Share Class I	2.05
2012	
Share Class A	8.74
Share Class I	9.17
2013*	
Share Class A	2.74
Share Class I	3.09

The value of an investment in The Global Cautious Income Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

⁴ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

* Up to 30 September 2013.

AVIVA INVESTORS UK ABSOLUTE RETURN FUND

Investment Objective

To deliver a positive absolute return regardless of the prevailing stock market environment, by taking both long and synthetic short positions.

Investment Policy

The Fund will primarily invest in equities and equity related securities of companies incorporated, listed or which derive a significant proportion of their revenue from within the UK. The Fund may invest outside the UK and can hold cash and near cash if the manager believes it is in the best interest of the Fund.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: derivatives and forward transactions (for efficient portfolio management, hedging and investment purposes) transferable securities, money market instruments, fixed interest securities, units in collective investment schemes and deposits.

Risk Profile

The Fund aims to deliver returns of more than zero each year regardless of the prevailing stock market environment. However, this is not guaranteed and over the short-term it may experience periods of loss. Where an organisation through which the Fund deals (usually a financial institution such as a bank) fails to carry out its obligations, losses to the Fund may occur. Financial derivatives may only require a low initial deposit relative to the asset exposure, a relatively small price movement in the underlying asset may result in substantial losses to the Fund.

Fund Manager's Report

The Fund generated a total return of 1.9 per cent (share class A), net of fees over the review period outperforming its peer group, with a median return from the IMA* Specialist sector of -2.52 per cent.

Market Background

The period experienced heightened volatility in equity markets as expectations on when the US central bank would start to scale back its pace of asset buying swung from concerns it would start in the final quarter of 2013 to the consensus now that this will not occur until 2014. Emerging equity markets and currencies were particularly volatile. In the UK, Mark Carney was appointed Governor of the Bank of England and he flagged that he expects interest rates to remain low until 2016. This helped the UK housing market's recovery broaden out from London and the south east and also gave an additional boost to already improving consumer confidence.

Performance contributors

The Fund produced a positive return overall helped by several core holdings which continued to deliver strong performance. These included DS Smith, Berkeley Group and ITV. ITV, the television company, benefited from a pick-up in advertising spending and its focus on in-house production. While DS Smith, the packaging specialist, leapt as its earlier acquisition of rival SCA enabled it to cut costs and grow sales while Berkeley Group benefited from the improving London housing market. Key detractors were Moneysupermarket and Diageo. The former has seen its sales growth slow in the short term but the long-term outlook remains supportive. Drinks company Diageo was caught up in sector rotation away from consumer goods companies but it remains a well-placed global business.

AVIVA INVESTORS UK ABSOLUTE RETURN FUND (CONTINUED)

Fund Manager's Report (continued)

Major trades included introducing a short position in Vesuvius, which manufactures ceramic products for the steel industry, as we expect its earnings forecasts to come under pressure. New holdings included catalogue retailer N Brown and conference organiser ITE. In order to gain further exposure to the improving UK housing market Bellway and Howden Group were added to the Fund.

Outlook

Encouragingly the US has agreed a temporary reprieve on its debt limit but a long-term solution has not been agreed. For equity markets the good news is political risk in the US has subsided and the withdrawal of quantitative easing (QE) looks to be off the agenda for now.

Looking further ahead, we are reasonably optimistic about the outlook for the UK stock market. Stocks still offer relatively attractive yields and we expect investors to continue to switch from lower-yielding alternatives. An improving UK housing market also bodes well for the UK economy. Having said that, the stock market has produced double-digit gains over the last twelve months and equity valuations have moved up significantly. As a result, we believe highly disciplined stock selection will be key to maintaining the Fund's strong track record in the year ahead.

The Fund is positioned in expectation that the economic outlook will continue to improve, via its positions in the travel & leisure and media sectors. Growth across the developing world is not uniform and we remain highly selective when investing in companies with exposure to emerging economies.

Looking ahead, we would welcome evidence that improvements in the economy are starting to feed through into corporate profits. This would give us greater confidence that investors will be able to take the eventual withdrawal of QE in their stride.

November 2013

* IMA is the Investment Management Association, the industry's trade body.

Sources: Fund and peer group performance figures – Lipper Hindsight, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

Any opinions expressed are those of the fund manager. They should not be viewed as a guarantee of a return from an investment in the funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell securities. Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

AVIVA INVESTORS UK ABSOLUTE RETURN FUND (CONTINUED)

Fund Facts

Ex-dividend dates	Distribution dates
31 March	31 May
30 September	30 November

The Fund previously had ex-dividend dates of 30 June and 31 December and distribution dates of 31 August and 28 February.

Ongoing Charges Figure*	
	30.09.13
Share Class A	1.70%
Share Class I	1.10%
Share Class S	0.60%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the period. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Fund during the period, except for those payments that are explicitly excluded (performance fees). The OCF includes transaction charges which were excluded from the Total Expense Ratios (TER) calculations provided previously. The OCF has replaced the TER.

Revenue Distributions – Accumulation Shares

Interim distribution for the three months ended 30 September 2013.

	Pence per share payable 30.11.13	Pence per share paid 31.12.12
Share Class A	0.0004	0.0000
Share Class I	0.1769	0.0050
Share Class S	0.4334	0.2143

Net Asset Value – Accumulation Shares*

	Pence per share 30.09.13	Pence per share 31.03.13	Change
Share Class A	46.75	45.95	1.74%
Share Class I	71.65	70.23	2.02%
Share Class S	97.07	94.97	2.21%

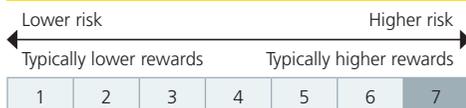
* Valued at bid market prices.

Total Return – Accumulation Shares

	Fund ¹
Share Class A	1.90%
Share Class I	2.18%
Share Class S	2.36%

¹ Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees) six months ended 30 September 2013.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the higher of the historic volatility of the Fund or its intended maximum risk levels.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The Fund aims to deliver returns of more than zero each year regardless of the prevailing stock market environment. However, this is not guaranteed and over the short-term it may experience periods of loss.
- Where an organisation through which the Fund deals (usually a financial institution such as a bank) fails to carry out its obligations, losses to the Fund may occur.
- Financial derivatives may only require a low initial deposit relative to the asset exposure, a relatively small price movement in the underlying asset may result in substantial losses to the Fund.
- Full information on the risks applicable to the Fund is detailed in the Prospectus.

AVIVA INVESTORS UK ABSOLUTE RETURN FUND (CONTINUED)

Top Holdings	
30.09.13	
National Bank Of Abu Dhabi CD 0.5% 16/12/2013	6.22%
Banque Federative CD 0.54% 03/12/2013	4.35%
BNP Paribas CD 0.47% 15/10/2013	4.35%
Mizuho Corporate Bank CD 0.5% 21/10/2013	4.35%
National Australia Bank CD 0.48% 08/01/2014	4.35%
Nordea Bank CD 0.5075% 18/10/2013	4.35%
Skandinaviska Enskilda Banken CD 0.49% 14/11/2013	4.35%
Societe Generale CD 0.495% 12/11/2013	4.35%
Standard Chartered Bank CD 0.56% 10/02/2014	4.35%
Sumitomo Mitsui Banking CD 0.5% 04/10/2013	4.35%

Top Holdings	
31.03.13	
Barclays CD 0.50% 14/05/2013	6.32%
DNB CD 0.51% 10/07/2013	6.32%
HSBC CD 0.40% 10/01/2013	6.32%
National Bank of Abu Dhabi CD 0.60% 12/04/2013	6.32%
Nationwide CD 0.50% 10/04/2013	6.32%
Banque Federative du Credit CD 0.50% 04/03/2013	4.43%
Deutsche Bank CD 0.52% 07/06/2013	4.43%
Nordea Bank CD 0.49% 23/04/2013	4.43%
Standard Chartered Bank CD 0.58% 24/06/2013	4.43%
BNP Paribas CD 0.48% 15/04/2013	4.42%
Nieuw Amsterdam Receivables CP 0.45% 12/04/2013	4.42%
Sumitomo Mitsui Banking CD 0.46% 04/04/2013	4.42%
United Overseas Bank CD 0.52% 12/04/2013	4.42%

Portfolio Breakdown		
	30.09.13	31.03.13
United Kingdom	83.34%	83.90%
Futures	0.46%	0.36%
Total Investments	83.76%	84.26%
Net Other Assets	16.20%	15.74%
Net Assets	100.00%	100.00%

AVIVA INVESTORS UK ABSOLUTE RETURN FUND (CONTINUED)

Share Price Record – Accumulation Shares

Share class	Calendar year	Highest price* (p)	Lowest price* (p)
Class A	2009**	50.45	49.27
	2010	50.43	48.34
	2011	51.27	44.24
	2012	45.74	42.20
	2013***	47.85	44.80
Class I	2009**	75.80	73.99
	2010	75.77	72.78
	2011	77.39	67.27
	2012	69.62	64.28
	2013***	73.26	68.39
Class S	2009**	101.27	98.77
	2010	101.45	97.50
	2011	104.00	90.41
	2012	93.71	86.65
	2013***	99.21	92.41

* Valued at mid market prices.

** From 13 August 2009 (date of launch).

*** Up to 30 September 2013.

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 13 August 2009.

Share class	Calendar year	Net revenue per share (p)	Per £1,000 invested (£)
Class A	2009*	N/A	N/A
	2010	0.0000	0.00
	2011	0.0000	0.00
	2012	0.0268	0.54
	2013**	0.0004	0.01
Class I	2009*	N/A	N/A
	2010	0.0000	0.00
	2011	0.0688	0.92
	2012	0.2018	2.69
	2013**	0.2583	3.44
Class S	2009*	N/A	N/A
	2010	0.0000	0.00
	2011	0.5367	5.37
	2012	0.5409	5.41
	2013**	0.8377	8.38

* From 13 August 2009 (date of launch).

** Up to 30 November 2013 (the interim distribution payment date).

AVIVA INVESTORS UK ABSOLUTE RETURN FUND (CONTINUED)

Calendar Year Performance	
Total Return	Fund ² %
2009*	
Share Class A	0.90
Share Class I	1.07
Share Class S	1.27
2010	
Share Class A	(0.99)
Share Class I	(0.50)
Share Class S	0.13
2011	
Share Class A	(9.65)
Share Class I	(8.99)
Share Class S	(8.99)
2012	
Share Class A	0.02
Share Class I	0.39
Share Class S	0.89
2013**	
Share Class A	3.57
Share Class I	3.98
Share Class S	4.25

² Source: Aviva Investors (based on midday values, mid to mid basis, net income reinvested, net of fees).

* From 13 August 2009 (date of launch).

** Up to 30 September 2013.

The value of an investment in the Aviva Investors UK Absolute Return Fund and any revenue from it can go down as well as up. You may not get back the original amount invested. Past performance is not a guide to future performance.

OTHER INFORMATION

More information about the activities and performance of the Aviva Investors Funds ICVC for this period and previous periods can be obtained from the Authorised Corporate Director.

Any future returns and opinions expressed should not be relied upon as indicating any guarantee of return from investment in the funds.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

The Shareholders are not liable for the debts of the Aviva Investors Funds ICVC.

Annual General Meetings

The Company will not be holding Annual General Meetings.

Publication of Prices

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at www.avivainvestors.co.uk. Calls may be recorded for training or monitoring purposes.

Stamp Duty Reserve Tax (SDRT)

The ACD's chosen policy on SDRT is to charge it directly against the property of the Fund. This is then reflected within the published prices of the Fund. However, the ACD reserves the right to charge SDRT on redemptions or switches of shares in a Fund in excess of £250,000 to the investor rather than the relevant Fund.

Report and Financial Statements

Copies of the annual and half yearly long form report and financial statements are available free of charge by calling us on 0800 051 2003, or by writing to us at:

Aviva Investors Administration Office
PO Box 10410
Chelmsford
Essex, CM99 2AY

Telephone calls may be recorded for training and monitoring purposes.

Paper Information

The paper used to produce this document originates from forests that are managed in accordance with the principles and criteria of the Forest Stewardship Council (FSC). The paper is chlorine free.

Significant Information

The Global Return Fund closed on 23 July 2012 and is in the process of being terminated.

With effect from 1 November 2013, the investment objective of the Aviva Investors UK Absolute Return Fund was amended to the following "To deliver a positive absolute return on a rolling 12 month basis, regardless of the prevailing stock market environment, by taking both long and synthetic short positions. This aim, however, is not guaranteed and it may not always be possible to achieve positive absolute returns over a rolling 12 month period, or over any period of investment. Consequently, investors' capital could be at risk."

COMPANY INFORMATION

Authorised Corporate Director

Aviva Investors UK Fund Services Limited
No.1 Poultry
London, EC2R 8EJ

Aviva Investors UK Fund Services Limited (the ACD) is a wholly owned subsidiary of Aviva Life Holdings UK Limited, a company incorporated in the United Kingdom and within the Aviva Group of Companies. The ACD is a member of the Investment Management Association and is authorised and regulated by the Financial Conduct Authority.

Directors of the Authorised Corporate Director

T Orton
B A Curran
A Beswick
J Green (appointed 31 July 2013)

Administrator and Registrar

International Financial Data Services (UK) Limited
IFDS House
St. Nicholas Lane
Basildon
Essex, SS15 5FS

Investment Manager

Aviva Investors Global Services Limited
No. 1 Poultry
London, EC2R 8EJ

Aviva Investors Global Services Limited is a member of the Investment Management Association and is authorised and regulated by the Financial Conduct Authority. The ultimate parent company of Aviva Investors Global Services Limited is Aviva Plc.

Depository

J P Morgan Trustee and Depository Company Limited
1 Chaseside
Bournemouth, BH7 7DA

Authorised and Regulated by the Financial Conduct Authority.

Independent Auditors

PricewaterhouseCoopers LLP
Erskine House
68-73 Queen Street
Edinburgh, EH2 4NH



Please use the details below to ask for additional information, to buy or sell investments, or if you wish to complain to us.

If you wish to write to us:



Aviva Investors Administration Office
PO Box 10410
Chelmsford
CM99 1AY

If you wish to call us:



Customer services: **0800 051 2003**
(8.30am - 5.30pm Monday to Friday)
Dealing services: **0800 051 2003**
(9.00am - 5.00pm Monday to Friday)

Calls to this number may be recorded for training and monitoring purposes. Calls are free from a BT landline. Costs may vary from mobiles and other networks.

Further information about Aviva Investors can be found on our website:



Website: www.avivainvestors.co.uk