

Period:

For the 12 months ended 30 April 2013
www.fandc.com



Fund manager:
Erik Rubingh

North American Fund

The objective of the Fund is capital growth and income from investing mainly in ordinary shares in the US and Canada.

The Fund will invest in a well-balanced spread of ordinary shares in the US and Canada. The Fund may use traded options and other derivative products and may engage in currency hedging activities in accordance with the relevant regulations. The Fund may also hold convertible stocks and cash where appropriate.

Fund Facts

| | |
|-------------------------|-------------------------------|
| Lead Fund Manager | Erik Rubingh |
| Deputy Fund Manager | Terry Wood |
| Sector | North America |
| Benchmark | FTSE AW North America |
| Launch date | 15 October 1984 |
| Fund size | at 30 April 12 £277.30m |
| | at 30 April 13 £301.39m |
| | £1,000 lump sum, |
| Minimum Investments | £50 per month |
| | 0.00% (1 Acc), 0.90% (2 Acc), |
| | 1.20% (3 Acc), 1.50% (4 Acc), |
| Historic Yield | 1.50% (4 Inc) |
| Share type | Accumulation/Income |
| Number of stocks | 183 |
| Initial charge SC1 | 5.00% |
| Annual charge SC1 | 1.50% |
| | 1.99% (1 Acc), 0.81% (2 Acc), |
| | 0.47% (3 Acc), 0.04% (4 Acc), |
| Ongoing charges | 0.04% (4 Inc) |
| Account dates (interim) | 31 October |
| (annual) | 30 April |
| Distribution dates | 30 June |

Market Review

The US equity market posted a strong return over the twelve months under review as the impact of quantitative easing and other fiscal stimulus measures helped support the market. However, growth was below trend for much of the year, with confidence taking a hit following a surprise deceleration of the economy in the final quarter of 2012. In September, the Federal Reserve announced a third round of quantitative easing – this time open-ended – in a bid to cushion the economy from the impact of the tax hikes and public spending cuts that were slated to commence in January 2013. This failed to sustain the market's earlier momentum, however, and shares performed disappointingly in the final weeks of the year. A partial resolution of the fiscal cliff issue helped the market start 2013 well and led to the S&P 500 Index ending the period at an all-time high.

Fund Strategy

The North America Fund employs a purely quantitative stock selection approach. We apply a proprietary alpha model and portfolio construction methodology to come to an active portfolio, without being exposed to any particular investment style or specific areas of the market. During the first half of the period the portfolio was rebalanced a number of times in accordance with our disciplined process. We also completed the transition of the Fund into a new portfolio construction methodology. On the back of this improved incorporation of stock-specific risk in portfolio construction, we expect a better risk/return balance going forward. Among the biggest additions to the portfolio's positions were Cisco Systems, Valero Energy and Amgen Inc. We reduced our positions in Best Buy, Procter & Gamble, General Motors and Pfizer Inc. While the Fund is broadly sector neutral, we do have a significant overweight in food & staples retailing versus an underweight in food, beverage & tobacco within consumer staples. The latter now trades at a very large premium to the rest of the sector and we therefore think that the former represents a better investment opportunity.

Market Outlook

Our quantitative investment process aims to add value relative to the index irrespective of market conditions. Therefore we do not explicitly position the portfolio for particular market conditions.

Summary Fund Performance

| Year | Share Class | Highest Share Price (pence) | Lowest Share Price (pence) | Distribution per Share (pence) |
|------|----------------|-----------------------------|----------------------------|--------------------------------|
| 2013 | 1 Accumulation | 255.5 | 215.0 | 0.0385 |
| 2013 | 2 Accumulation | 284.0 | 238.4 | 3.0227 |
| 2013 | 3 Accumulation | 296.5 | 248.8 | 4.0249 |
| 2013 | 4 Accumulation | 307.1 | 257.5 | 5.2946 |
| 2013 | 4 Income | 268.9 | 225.5 | 4.6413 |

Net Asset Value Record

| Share Class | Share Type | Net Asset Value as at 30 April 2012 (pence) | Net Asset Value as at 30 April 2013 (pence) |
|-------------|--------------|---|---|
| 1 | Accumulation | 212.8 | 251.9 |
| 2 | Accumulation | 234.1 | 280.4 |
| 3 | Accumulation | 243.7 | 292.9 |
| 4 | Accumulation | 251.5 | 303.6 |
| 4 | Income | 220.2 | 261.2 |

Distributions for the period

| Share Class (Income/Accumulation) | Distribution paid / payable | Distribution period | Distribution Date |
|--------------------------------------|-----------------------------|---------------------|-------------------|
| 1 Accumulation | 0.0385 | Final | 30/06/2013 |
| 2 Accumulation | 3.0227 | Final | 30/06/2013 |
| 3 Accumulation | 4.0249 | Final | 30/06/2013 |
| 4 Accumulation | 5.2946 | Final | 30/06/2013 |
| 4 Income | 4.6413 | Final | 30/06/2013 |

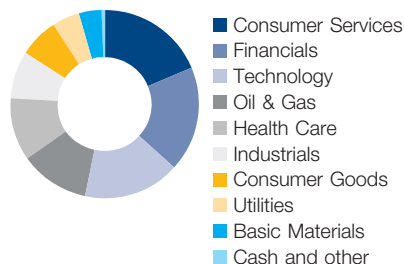
Top Ten Holdings

| As at 30 April 2012 | % |
|--------------------------|--------------|
| Exxon Mobil | 4.27 |
| Apple | 4.27 |
| Microsoft | 3.55 |
| Wells Fargo | 2.84 |
| Pfizer | 2.81 |
| Occidental Petroleum | 2.39 |
| Wal-Mart Stores | 2.39 |
| Lowes | 2.31 |
| Comcast 'A' Shares (New) | 2.20 |
| U.S. Bancorp | 2.16 |
| Total | 29.19 |

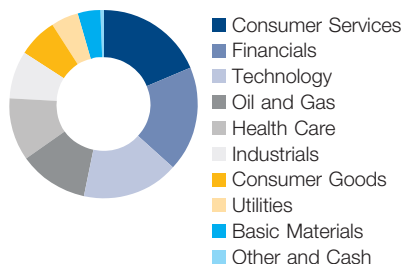
| As at 30 April 2013 | % |
|-----------------------------|--------------|
| Apple | 4.48 |
| Exxon Mobil | 4.19 |
| Microsoft | 3.13 |
| JPMorgan Chase | 3.09 |
| Wells Fargo | 3.07 |
| Comcast 'A' Shares | 2.51 |
| Philip Morris International | 2.07 |
| Discover Financial Services | 1.99 |
| Southwest Airlines | 1.96 |
| Amgen | 1.70 |
| Total | 28.19 |

Portfolio Breakdown

As at 30 April 2012

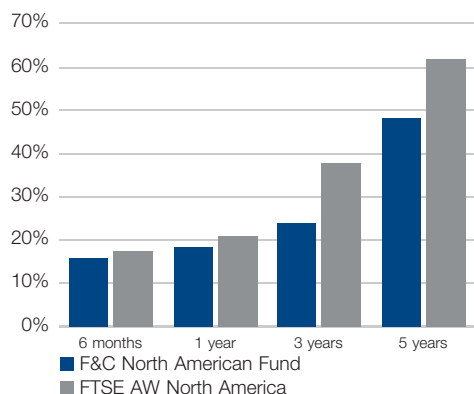


As at 30 April 2013

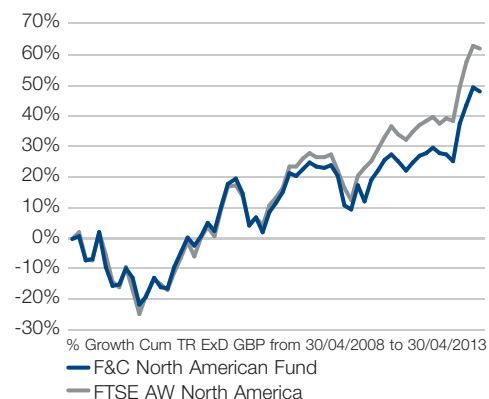


Fund Performance

As at 30 April 2013



As at 30 April 2013



Standardised Performance

| 30 April 2008 to 30 April 2009 | 30 April 2009 to 30 April 2010 | 30 April 2010 to 30 April 2011 | 30 April 2011 to 30 April 2012 | 30 April 2012 to 30 April 2013 |
|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| -12.82% | 36.95% | 3.50% | 1.28% | 18.37% |

Past Performance is not a guide to future performance.

Source: Lipper, percentage growth total return (UK net tax), mid to mid, with no initial charges. For past performance data for the full range of F&C Funds visit www.fandc.com

Risk Profile

Currency Risk: your investment may be adversely affected by changes in currency exchange rates.

Derivative Risk: derivative values rise and fall at a greater rate than equities and debt instruments. Losses can be greater than the initial investment.

Report and Accounts

Copies of the annual and half yearly Reports and Accounts for the F&C Investment Funds ICVC, which include this Fund are available free of charge on request to the ACD or can be downloaded from our website www.fandc.com.

Other information

The information in this report is designed to enable shareholders to make an informed judgement on the activities of the Fund during the period it covers and the results of those activities at the end of the period. For more information about the activities and performance of the Fund during this and previous periods, please contact the Authorised Corporate Director.

Authorised Corporate Director

F&C Fund Management Limited, Exchange House, Primrose Street, London EC2A 2NY

Telephone: 0800 0852 752

Regulated by the Financial Conduct Authority.

Investment Advisor

F&C Managers Limited, Exchange House, Primrose Street, London EC2A 2NY

Depositary

State Street Trustees Limited, 20 Churchill Place, London E14 5HJ

Administrator and Registrar

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

Independent Auditor

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

Fund Accounting and Unit Pricing

State Street Bank and Trust Company, 525 Ferry Road, Edinburgh, EH5 2AW

Legal Advisers

Eversheds LLP, One Wood Street, London EC2V 7WS

The F&C North American Fund is a sub-fund of the F&C Investment Funds ICVC (IC36). Applications may only be made on the basis of the current Prospectus. Calls may be recorded. Past performance is not a guide to future performance. The Authorised Corporate Director (ACD) of the ICVC is F&C Fund Management Limited, a subsidiary of F&C Asset Management plc, Authorised (no 121940) and regulated by the Financial Conduct Authority (FCA). Registered Office; Exchange House, London EC2A 2NY. Registered in England No. 2170242. A registered company, limited by shares. A copy of the Key Investor Information Document is available from www.fandc.com.

North American 08/13

