

Aberdeen Asia Pacific Fund

Annual short report for the year ended 31 July 2013

Investment objective and policy

The objective of the Fund is to achieve capital growth by investing in the countries of the Asia Pacific region excluding Japan.

Risk profile

Shareholders should be aware of the risks inherent in investing in securities and other financial instruments. Financial markets can be vulnerable to unpredictable price movements and are affected by a number of factors.

The value of your investment and the revenue derived from it will rise and fall due to market and company specific factors.

The specific risk warnings relating to this fund are as follows:

- The value of your investment will rise or fall with any movement in exchange rates.
- The Fund invests a proportion of its assets in markets which are not as well developed and regulated as the UK. These may be less liquid and carry more risk being prone to above average share price volatility.

Cumulative performance (%)

	Period of report 31/07/2012 to 31/07/2013	5 years 31/07/2008 to 31/07/2013	Since launch 01/04/1987 to 31/07/2013 ^c
Fund - A Accumulation	9.22	79.23	2,128.67
Benchmark ^a	11.42	61.84	N/A

Annual discrete performance to 31 July^b

	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011	31/07/2009 to 31/07/2010	31/07/2008 to 31/07/2009
% change	9.22	(0.21)	13.60	28.52	12.63

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^a MSCI AC Asia Pacific ex Japan Index.

^b Figures are as at valuation point.

^c Figures for Aberdeen Far East Emerging Economies Unit Trust prior to 24 April 2006.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market review

Asian stockmarkets rose in the year under review, despite a sharp correction towards the tail-end. For most of the year, regional equities were buoyed by an influx of liquidity that stemmed from money printing by central banks in Europe and the US. This followed president Obama's re-election, the last minute deal to avert the fiscal cliff in the US, and Shinzo Abe's victory at the polls. However, by the second half, the flow of liquidity began to reverse. Global equities, led by those in emerging markets, then sold off in June amid worries over a premature end to quantitative easing in the US. Asian stockmarkets did not escape unscathed. Sentiment was also roiled by fears that the Chinese economy could stall if Beijing's attempt to tame shadow banking triggered a prolonged credit crunch. Growth in the mainland decelerated, cooling to 7.5% by the end of the second quarter. Regional benchmarks recovered some lost ground after major central banks pledged to keep policy accommodative and fresh signs of growth emerged in the US and Europe.

Portfolio review

At the stock level, lender HSBC contributed to the Fund's performance as lower impairment charges boosted its underlying profits, while its restructuring plan helped cut costs. Also adding to performance was our holding in ST Engineering, as the Singapore-based group saw its share price do well after its recurring business expanded steadily alongside a strengthening order book. Also benefiting the Fund was our holding in Thailand's Siam Cement, which benefited from good results that were underpinned by cement and other building materials, as well as an expected improvement in profit margins for its chemicals business.

Conversely, Singapore-listed property group City Developments detracted from relative performance. Its profits were hurt by several rounds of government measures to cool the property market, as well as weaker hotel contributions. That said, we remain optimistic about the developer's longer-term prospects, given its robust pipeline, solid balance sheet, sizeable low-cost land bank and seasoned management. Our holdings in Hong Kong also lagged the broader market. Hang Lung Group was dragged lower by property tightening measures in China and Hong Kong and its full-year results for 2012 reflected the tougher economic climate. ASM Pacific's share price fell on the back of weak results arising from a fall in assembly and packaging revenue, as the global semiconductor equipment market continued to be challenging. However, the company is backed by a robust balance sheet.

In portfolio activity, we introduced lender DBS Group, as it is attractively valued, well capitalised and posted consistently good results over the past few quarters. Against this, we sold Hong Kong's Sun Hung Kai Properties on concerns over investigations involving its top executives and following a rebound in its share price.

Outlook

Looking ahead, stockmarkets are likely to remain under the influence of government and central bank policies. While central bankers in advanced economies have pledged to keep monetary policy easy, the global economic picture remains murky. In Asia, policymakers have difficult choices to contend with: to defend against falling currencies or boost decelerating growth. In the longer term, however, Asian economies should continue to outpace developed ones, given their more robust fundamentals.

Portfolio breakdown

Portfolio of investments	As at 31 July 2013%	As at 31 July 2012%
Australia	11.99	12.37
China	5.82	5.53
Hong Kong	25.76	26.07
India	11.65	11.97
Indonesia	1.07	1.28
Malaysia	3.22	3.41
Philippines	3.03	2.74
Singapore	19.97	19.68
South Korea	4.85	4.86
Sri Lanka	1.22	1.03
Taiwan	4.98	4.61
Thailand	4.72	4.30
Other	0.55	0.90
Investment assets	98.83	98.75
Net other assets	1.17	1.25
Net assets	100.00	100.00

Fund facts

Interim/annual accounting dates	Income payment date
31 January, 31 July	31 October

Ongoing charges figure % as at 31/07/2013	Ongoing charges figure % as at 31/07/2012
Share class A	1.84
Share class I	1.13
Share class Z	0.18

The ongoing charges figure is calculated in accordance with the guidelines issued by the European Securities and Markets Authority. It is the ratio of the total ongoing charges to the average net asset value over twelve months and includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments.

Distribution summary

	Total distribution (p) for the year to 31/07/2013	Total distribution (p) for the year to 31/07/2012
Share class A - Income	1.5400	2.0100
Share class I - Income	1.6300	N/A
Share class A - Accumulation	1.6384	2.1137
Share class I - Accumulation	3.1619	3.4635
Share class Z - Accumulation	5.3979	5.3835

Distributions in respect of the Fund come with a tax credit of 1/9th of the amount stated. UK higher and additional rate taxpayers not holding through an ISA may have additional income to pay. Non taxpayers are not entitled to a refund of the 1/9th tax credit. Distributions received by corporate investors are subject to the corporate streaming rules.

Performance summary

	Net asset value as at 31/07/2013 pence per share	Net asset value as at 31/07/2012 pence per share	Net asset value % change
Share class A - Income	186.87	172.18	8.53
Share class I - Income	106.46	N/A	N/A
Share class A - Accumulation	200.45	183.18	9.43
Share class I - Accumulation	209.67	190.24	10.21
Share class Z - Accumulation	222.49	199.97	11.26

Net of tax and expenses.

Performance record

Calendar year		Highest share price (p)	Lowest share price (p)
2009	Income A	142.70	80.40
2009 ^A	Accumulation A	147.98	82.43
2009 ^A	Accumulation I	150.93	83.63
2009	Accumulation Z	154.80	85.17
2010	Income A	185.15	132.44
2010	Accumulation A	193.20	137.35
2010	Accumulation I	198.40	140.17
2010	Accumulation Z	205.47	143.87
2011	Income A	186.03	146.21
2011	Accumulation A	194.12	153.76
2011	Accumulation I	199.38	158.75
2011	Accumulation Z	206.52	165.59

Calendar year		Highest share price (p)	Lowest share price (p)
2012	Income A	183.44	157.19
2012 ^B	Income I	104.81	98.82
2012	Accumulation A	195.16	165.30
2012	Accumulation I	203.31	170.97
2012	Accumulation Z	214.59	178.75
2013 ^C	Income A	204.67	177.36
2013 ^C	Income I	117.26	101.68
2013 ^C	Accumulation A	217.74	188.70
2013 ^C	Accumulation I	227.46	197.25
2013 ^C	Accumulation Z	240.95	209.14

^A Aberdeen Orient Fund, a sub-fund of Aberdeen International Funds ICVC amalgamated into the Fund on 9 October 2009.

^B Income I share class launched on 1 October 2012.

^C to 31 July 2013.

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2013.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at www.aberdeen-asset.co.uk

Other information

Name change – Aberdeen Unit Trust Managers Limited

As a result of a recent review of our company names, on 20 May 2013 Aberdeen Unit Trust Managers Limited changed its name to **Aberdeen Fund Managers Limited**. The name change does not affect your holdings with Aberdeen or the way in which they are managed.

Literature and Fund information

Our website contains a wealth of information on our funds and investment approach, including Key Investor Information Documents (KIIDs) for all of the funds available for investment. We also publish Supplementary Information Documents (SIDs) which contain Application forms and additional information, such as Terms and Conditions.

You can invest online and access fund performance and pricing information.

Please visit:

www.aberdeen-asset.co.uk

www.aberdeenukprices.com

Alternatively please contact our Customer Services Team on:

Tel: **0845 300 2890**

Email: customer.services@aberdeen-asset.com

Report and accounts

Copies of the annual and half-yearly long form report and accounts for this Fund are available free of charge on request to Aberdeen Fund Managers Limited.

Aberdeen Asia Pacific Fund is a sub-fund of Aberdeen Investment Funds ICVC, an open-ended investment company ('OEIC') authorised under the Financial Services and Markets Act 2000.

Aberdeen Fund Managers Limited only provides information about its own products and will not give individual financial advice. If you are in any doubt about the suitability of a product to meet your financial needs, then you should seek the advice of a financial intermediary.

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. The naming of specific shares or bonds is not a recommendation to deal in them. The views expressed are those of Aberdeen Fund Managers Limited and should not be construed as advice either to buy, retain, or sell a particular investment. Investment in the Fund should generally be viewed as a long-term investment.

Appointments

Authorised Corporate Director

Aberdeen Fund Managers Limited

Head Office

10 Queens Terrace
Aberdeen
AB10 1YG

Registered Office

Bow Bells House
1 Bread Street
London
EC4M 9HH

Depository

National Westminster Bank Plc
Trustee & Depository Services
Younger Building
3 Redheughs Avenue
Edinburgh
EH12 9RH

Auditors

KPMG Audit PLC
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

Registrar

International Financial Data Services (UK) Limited
IFDS House
St. Nicholas Lane
Basildon
Essex
SS16 5FS
(the register of shareholders can be inspected at
this address)

Contact us

Phone

(Lines are open 9:00am to 5:00pm, Mondays
to Fridays, excluding bank holidays)

Dealing	0800 833 580
Customer Services	0845 300 2890
Broker Desk	0800 592 487

Post

All enquiries Aberdeen Fund Managers Limited,
PO Box 9029, Chelmsford, CM99 2WJ

For more information on Aberdeen Asset
Management PLC and our product range please
visit www.aberdeen-asset.com



Recycled
Supporting responsible use
of forest resources
www.fsc.org Cert no. SA-COC-1605
© 1996 Forest Stewardship Council



