



European Investment Series
Interim Report
Authorised Corporate Director's Short Report

Issued June 2013
For the period 1 November 2012 to 30 April 2013



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Further information

This Short Report, which is unaudited, has been prepared in accordance with the Financial Services (Open-Ended Investment Companies) Regulations 2001. The Authorised Corporate Director's Long Form Financial Statements and the Prospectus, which contains a written statement of the Terms and Conditions of the Company, can be obtained using the contact details shown on the back cover.

Launch of new 'Z' share classes on 12 November 2012

New 'Z' share classes, accumulation shares and income shares, were launched at 200p per share for the Invesco Perpetual European Equity Fund, Invesco Perpetual European Equity Income Fund and Invesco Perpetual European Opportunities Fund.

Further details can be obtained from the most up to date relevant fund and share class specific Key Investor Information Document(s).

European Equity Fund

Investment objective

The fund aims to achieve capital growth in Continental Europe. The fund intends to invest primarily in shares in companies in Continental Europe, although it may include other European related investments. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions as detailed in Appendix 2 of the most recent Full Prospectus.

Risk profile

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested. Over time, inflation may erode the value of investments. The fund may use derivatives (complex instruments) in an attempt to reduce the overall risk of its investments, reduce the costs of investing or generate additional capital or income, although this may not be achieved. The use of such complex instruments may result in greater fluctuations of the value of the fund. The manager, however, will ensure that the use of derivatives within the fund does not materially alter the overall risk profile of the fund. Although the fund invests mainly in established markets, it can invest in emerging and developing markets, where there is potential for a decrease in market liquidity, which may mean that it is not easy to buy or sell securities, as well as operational difficulties. The fund's performance may be adversely affected by variations in the relative strength of world currencies or if Sterling strengthens against those currencies.

Strategy, review and outlook

The fund rose by 19.6% for the six months to the end of April 2013, compared to a gain of 19.4% from the benchmark FTSE World Europe (ex UK) Index. This placed the fund in the first quartile of its peer group,

the IMA Europe (ex UK) Sector, which rose by an average of 17.7%.

Fund and sector average performance data source: Lipper, mid-to-mid (excluding the entry charge), in Sterling, with net income reinvested. FTSE World Europe (ex UK) Index data source: Thomson Reuters Datastream, total return, in Sterling.

Past performance is not a guide to future returns.

Since Mario Draghi said he would "do whatever it takes" to save the Euro in his now infamous speech from last summer, equity markets have enjoyed a strong rally. This promise, along with some meaningful reforms within the labour market for example, has underpinned equity markets. Upward progress was briefly punctured by the Italian election stalemate (February) and the poor handling of the Cypriot bailout (March), which negatively impacted peripheral markets and financial holdings temporarily, although positive momentum was swiftly restored by the end of the period under review.

Key areas of outperformance, relative to the benchmark, came from selected financials, health care and industrial names. Ageas, Bankinter, BBVA and Intrum Justitia (financials), Swiss pharmaceutical holdings Roche and Novartis, and industrial names EADS, Safran and OHL all added to relative fund performance during the period. Weakest relative performance came from our holding of Post NL whose share price fell sharply in January after UPS scrapped its proposed €5.16bn takeover of TNT.

Portfolio activity during the period included new positions initiated in French financial firm Axa, Spanish IT company Indra Sistemas along with Germany-based companies Deutsche Post and Siemens. Meanwhile, amongst holdings sold during the period included Aeroports de Paris, Italian bank Intesa as well as German firms Bayer and food retailer Metro.

European Equity Fund

Looking ahead, we see more gentle headwinds for European GDP this year compared to 2012. These include loose monetary policy from global central banks, while macroeconomic data such as Organisation for Economic Co-operation and Development (OECD) leading indicators show signs of bottoming. Monetary policy is very accommodative while the pace of austerity implementation is also being ratcheted back a notch. Against this less negative macro-economic environment in Europe and better growth prospects in the rest of the world, European companies should fare better. The rate of earnings downgrades is already starting to slow, which is normally an encouraging sign for the future.

As far as positioning is concerned, we remain exposed to many financial companies where the emphasis is on well capitalised names with robust business models, cyclical stocks (those stocks more

exposed to the economic cycle) and peripheral countries where our focus is primarily on large cap stocks – often international in nature – which we believe have been disproportionately hit by having the wrong passport, i.e. being quoted in Madrid, Milan or Lisbon rather than in a financial centre further north. The one key area we really do not wish to be exposed to is the consumer staples sector. Here our view is that the valuations have become far too stretched and the downside risk to earnings too great. We note that the sector has underperformed the wider market recently with many names in the sector reporting disappointing earnings.

Jeffrey Taylor, Fund Manager

Where Jeffrey Taylor has expressed opinions, they are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco Perpetual investment professionals.

Fund facts

Launch date		18 January 1986
Fund size at 30.4.13		£1,070 million
Accounting date		31 October
Ex-dividend date		1 November
Distribution payable		31 December
ACD's annual management charge	- Trail classes	1.50% per annum
	- No Trail classes	1.00% per annum
	- Z classes	0.75% per annum
Entry charge		5%
Ongoing charges figure for the period ended 30.4.13	- Trail classes	1.70%
	- No Trail classes	1.20%
	- Z classes	0.95%
Ongoing charges figure for the year ended 31.10.12	- Trail classes	1.71%
	- No Trail classes	1.21%
	- Z classes	-

The ongoing charges figure (OCF) represents the annual operating expenses of the fund expressed as a percentage of average net assets for the period – it does not include entry charges or performance fees. The OCF includes the annual management charge and also the following charges which are deducted directly from the fund: Registration Fee, Depositary Fee, Custody Fee, Audit Fee, FCA Fee, Price Publication Fee, Report production and transaction expenses, less: VAT recoverable where applicable. The OCF is expressed as an annual percentage rate.

European Equity Fund

KIID Risk and Reward Profiles

Invesco Perpetual introduced Key Investor Information Documents (KIIDs) for all its funds and share classes on 20 February 2012 which include Risk and Reward numerical indicators.

	Risk and Reward Numerical Indicator Published in the KIID for the period 01.11.12 to 30.4.13
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Invesco Perpetual European Equity Fund	
Accumulation shares	6
Accumulation shares (No Trail)	6
Z Accumulation shares ¹	6
Income shares	6
Income shares (No Trail)	6
Z Income shares ¹	6

¹ from 12 November 2012

For more information on our funds risk and reward profiles, please refer to the most up to date relevant fund and share class specific Key Investor Information Documents (KIIDs), which are available at www.invescopetperpetual.co.uk or by contacting us.

European Equity Fund

Distributions

As distributions are paid annually on 31 December, no distributions are payable with this report.

Price and revenue record by share class

Calendar year	Highest share price p	Lowest share price p	Net revenue per share p
Accumulation shares			
2008	606.93	371.80	7.8864
2009	587.91	362.91	9.9283
2010	598.51	502.15	7.8559
2011	635.45	441.62	10.8481
2012	567.94	440.01	11.1111
2013 ¹	649.01	558.60	0.0000
Accumulation shares (No Trail)			
2008	103.03	63.42	1.7938
2009	100.59	62.01	2.0883
2010	103.00	86.28	1.8165
2011	109.65	76.36	2.3668
2012	98.83	76.34	2.3589
2013 ¹	113.06	97.21	0.0000
Z Accumulation shares			
2012 ²	219.88	198.45	0.0000
2013 ¹	251.70	216.30	0.0000
Income shares			
2008	584.57	358.07	7.5959
2009	555.06	342.60	9.3745
2010	554.75	465.44	7.2817
2011	581.02	394.94	9.9221
2012	496.94	393.32	9.9326
2013 ¹	567.91	488.80	0.0000
Income shares (No Trail)			
2008	102.72	63.23	1.7884
2009	97.66	60.20	2.0275
2010	97.73	81.88	1.7249
2011	102.14	69.21	2.2051
2012	87.15	69.11	2.1373
2013 ¹	99.70	85.73	0.0000
Z Income shares			
2012 ²	219.88	198.45	0.0000
2013 ¹	251.70	216.30	0.0000

¹ to 30 April

² from 12 November

Z Accumulation shares and Z income shares were issued at 200p on 12 November 2012.

European Equity Fund

Net asset value	Net asset value per share 30.4.13 p	Net asset value per share 31.10.12 p	Percentage growth %
Accumulation shares	634.35	526.75	20.4
Accumulation shares (No Trail)	110.58	91.59	20.7
Z Accumulation shares	246.27	-	-
Income shares	555.08	460.93	20.4
Income shares (No Trail)	97.52	80.77	20.7
Z Income shares	246.27	-	-

Net asset value per share calculated on the last business day of the period at bid market value at 4.30pm.

Performance

to 30 April 2013

	Since 31.10.12 %	Since 30.4.12 %	Since 30.4.10 %	Percentage growth Since 30.4.08 %	Since 30.4.03 %
European Equity Fund (accumulation shares)	19.58	27.84	11.19	8.84	156.02
FTSE World Europe (ex UK) Index	19.36	28.09	20.13	13.37	163.59
IMA Europe (ex UK) Sector	17.66	25.62	21.40	14.87	151.40
Fund Ranking	17/99	22/95	85/93	51/81	27/60

Standardised rolling 12 month performance

	31.3.08 31.3.09 %	31.3.09 31.3.10 %	31.3.10 31.3.11 %	Percentage growth 31.3.11 31.3.12 %	31.3.12 31.3.13 %
European Equity Fund (accumulation shares)	-27.5	43.7	4.1	-13.1	14.1

This standardised past performance information is updated on a quarterly basis. Should you require up to date past performance information, this is available on our website www.invescopetual.co.uk or by contacting us.

Fund and sector average performance data source: Lipper, mid-to-mid (excluding the entry charge), in Sterling, with net income reinvested. FTSE World Europe (ex UK) Index data source: Thomson Reuters Datastream, total return, in Sterling.

The value of investments and any income from them will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

Past performance is not a guide to future returns. Current tax levels and reliefs may change. Depending on individual circumstances, this may affect investment returns.

European Equity Fund

Portfolio classification		
Investment	As at 30.4.13 %	As at 31.10.12 %
Equities		
Austria	0.58	1.37
Belgium	3.85	3.38
Denmark	5.13	3.82
Finland	5.41	6.24
France	18.00	14.13
Germany	10.96	12.47
Italy	5.40	7.64
Luxembourg	0.83	-
Netherlands	11.72	13.65
Norway	2.02	3.47
Portugal	2.21	2.30
Spain	16.94	12.66
Sweden	0.35	0.58
Switzerland	16.33	18.18
Total investments	99.73	99.89
Net other assets	0.27	0.11
Net assets	100.00	100.00

10 largest investments

As at 30 April 2013:	%	As at 31 October 2012:	%
Novartis	7.18	Novartis	7.98
Roche Holding	6.01	Roche Holding	7.64
ING Groep	4.87	ING Groep	5.08
Repsol YPF	4.36	Allianz	4.01
Ageas	3.85	Repsol YPF	3.87
Atlantia	3.61	Atlantia	3.42
Publicis	2.78	Ageas	3.38
EADS	2.69	Bayer	3.18
Reed Elsevier	2.64	Deutsche Boerse	2.82
UPM-Kymmene	2.63	UPM-Kymmene	2.75

European Equity Income Fund

Investment objective

The fund aims to generate a rising level of income, together with long-term capital growth investing primarily into European equities, excluding the United Kingdom. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions as detailed in Appendix 2 of the most recent Full Prospectus.

Risk profile

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested. Over time, inflation may erode the value of investments. The fund may use derivatives (complex instruments) in an attempt to reduce the overall risk of its investments, reduce the costs of investing or generate additional capital or income, although this may not be achieved. The use of such complex instruments may result in greater fluctuations of the value of the fund. The manager, however, will ensure that the use of derivatives within the fund does not materially alter the overall risk profile of the fund. As one of the key objectives of the fund is to provide income, the annual management charge is taken from capital rather than income. This can erode capital and reduce the potential for capital growth. Although the fund invests mainly in established markets, it can invest in emerging and developing markets, where there is potential for a decrease in market liquidity, which may mean that it is not easy to buy or sell securities, as well as operational difficulties. The fund's performance may be adversely affected by variations in the relative strength of world currencies or if Sterling strengthens against those currencies.

Strategy, review and outlook

The fund rose by 21.8% for the six months to the end of April 2013, compared to a gain of 19.4% from the benchmark FTSE World Europe (ex UK) Index. This placed the fund in the first quartile of its peer group, the IMA Europe (ex UK) Sector, which rose by an average of 17.7%.

Fund and sector average performance data source: Lipper, mid-to-mid (excluding the entry charge), in Sterling, with net income reinvested. FTSE World Europe (ex UK) Index data source: Thomson Reuters Datastream, total return, in Sterling.

Past performance is not a guide to future returns.

Since Mario Draghi said he would “do whatever it takes” to save the Euro in his now infamous speech from last summer, equity markets have enjoyed a strong rally. With European markets at depressed levels in terms of valuation and ownership, the European Central Bank's promise led to a marked positive reaction. Upward progress was briefly punctured by the Italian election stalemate (February) and the poor handling of the Cypriot bailout (March), which negatively impacted peripheral markets and financial holdings temporarily, although it was noticeable that the sovereign bond markets in the periphery remained robust throughout the period.

Positive fund performance in both absolute and relative terms was driven primarily by our large exposure to the financial sector. More specifically, Belgian firm Ageas and Italian name Fondiaria-Sai were standout performers among insurers, while banking names Bankinter, BBVA and UBS all added to relative outperformance when compared to the benchmark. Other notable strength came from industrials positions in OHL (motorway/concessions business in Spain),

European Equity Income Fund

EADS (aerospace & defence), Randstad and DCC (support services), while our large holdings in Swiss pharmaceutical firms Roche and Novartis were also beneficial to relative returns. Weakest performance came from our holding of Post NL whose share price fell sharply in January after UPS scrapped its proposed €5.16bn takeover of TNT.

In portfolio activity terms, changes made during the period have reflected our view that there are significant opportunities within financials and selected peripheral areas. In more detail, our financial weighting has been increased with new positions in Axa, Zurich Insurance Group, Credit Suisse, Bankinter and Societe Generale while our Spanish country weighting has also been increased, post a research trip to the country in December.

Looking ahead, we fully acknowledge that the macroeconomic backdrop is relatively subdued. However, in an environment where key policy makers have recently shifted their stance away from strict austerity in favour of pro-growth policies, allied to continued loose monetary policy from central banks globally, we believe that

there are more gentle headwinds facing European GDP compared to 2012. Crucially, valuations in Europe remain attractive at current levels, in our view, even more so when one considers that European company earnings are still around 50% below their peak of five years ago. Areas of focus for the fund include the financial sector, where we believe dividend growth will be an important theme in a number of cases, alongside selected holdings within support services, telecoms and media sectors where good sustainable dividend yields are available at attractive valuations, in our opinion. Conversely, in our view valuations are stretched in the consumer staples sector, where earnings revisions have turned negative. We believe the pharmaceutical sector offers similar cashflow and business characteristics with more attractive valuations.

Stephanie Butcher, Fund Manager

Where Stephanie Butcher has expressed opinions, they are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco Perpetual investment professionals.

European Equity Income Fund

Fund facts

Launch date		12 December 2007
Fund size at 30.4.13		£101 million
Accounting date		31 October
Ex-dividend date		1 May and 1 November
Distribution payable		30 June and 31 December
ACD's annual management charge	- Trail classes	1.50% per annum
	- No Trail classes	1.00% per annum
	- Z classes	0.75% per annum
Entry charge		5%
Ongoing charges figure for the period ended 30.4.13	- Trail classes	1.72%
	- No Trail classes	1.22%
	- Z classes	0.97%
Ongoing charges figure for the year ended 31.10.12	- Trail classes	1.73%
	- No Trail classes	1.23%
	- Z classes	-

The ongoing charges figure (OCF) represents the annual operating expenses of the fund expressed as a percentage of average net assets for the period – it does not include entry charges or performance fees. The OCF includes the annual management charge and also the following charges which are deducted directly from the fund: Registration Fee, Depositary Fee, Custody Fee, Audit Fee, FCA Fee, Price Publication Fee, Report production and transaction expenses, less: VAT recoverable where applicable. The OCF is expressed as an annual percentage rate.

European Equity Income Fund

KIID Risk and Reward Profiles

Invesco Perpetual introduced Key Investor Information Documents (KIIDs) for all its funds and share classes on 20 February 2012 which include Risk and Reward numerical indicators.

	Risk and Reward Numerical Indicator Published in the KIID for the period 01.11.12 to 30.4.13
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Invesco Perpetual European Equity Income Fund	
Accumulation shares	6
Accumulation shares (No Trail)	6
Z Accumulation shares ¹	6
Income shares	6
Income shares (No Trail)	6
Z Income shares ¹	6

¹ from 12 November 2012

For more information on our funds risk and reward profiles, please refer to the most up to date relevant fund and share class specific Key Investor Information Documents (KIIDs), which are available at www.invescopetperpetual.co.uk or by contacting us.

European Equity Income Fund

Distributions	01.11.12 to 30.4.13 p	01.11.11 to 30.4.12 p
Accumulation shares		
Payable 30 June 2013	0.9861	0.9757
Accumulation shares (No Trail)		
Payable 30 June 2013	2.0048	1.9739
Z Accumulation shares		
Payable 30 June 2013	4.3400	-
Income shares		
Payable 30 June 2013	0.8205	0.8452
Income shares (No Trail)		
Payable 30 June 2013	1.6682	1.7102
Z Income shares		
Payable 30 June 2013	4.3413	-

As the Z accumulation and Z income shares launched on 12 November 2012, there are no prior year comparatives for these share classes.

European Equity Income Fund

Price and revenue record by share class	Highest share price p	Lowest share price p	Net revenue per share p
Calendar year			
Accumulation shares			
2008	52.50	33.13	1.2843
2009	48.48	33.59	1.4896
2010	49.07	41.33	1.4964
2011	52.65	38.25	1.9290
2012	50.35	38.60	1.7881
2013 ¹	57.54	49.55	0.9861
Accumulation shares (No Trail)			
2008	105.18	65.90	2.5500
2009	96.95	66.97	3.0213
2010	98.60	82.91	2.9610
2011	106.06	77.21	3.8811
2012	102.25	78.17	3.6226
2013 ¹	116.98	100.64	2.0048
Z Accumulation shares			
2012 ²	220.40	197.77	0.0000
2013 ¹	252.27	216.92	4.3400
Income shares			
2008	51.94	32.77	1.2759
2009	46.04	32.51	1.4278
2010	45.79	38.04	1.3862
2011	46.92	33.16	1.7298
2012	41.89	32.68	1.5331
2013 ¹	47.87	41.22	0.8205
Income shares (No Trail)			
2008	104.11	65.23	2.5345
2009	92.03	64.85	2.8962
2010	91.72	76.28	2.7437
2011	94.50	67.00	3.4740
2012	85.08	66.20	3.1067
2013 ¹	97.33	83.73	1.6682
Z Income shares			
2012 ²	220.40	197.77	0.0000
2013 ¹	252.26	216.92	4.3413

¹ to 30 April

² from 12 November

Z Accumulation shares and Z income shares were issued at 200p on 12 November 2012.

European Equity Income Fund

Net asset value	Net asset value per share 30.4.13 p	Net asset value per share 31.10.12 p	Percentage growth %
Accumulation shares	56.95	46.26	23.1
Accumulation shares (No Trail)	115.86	93.87	23.4
Z Accumulation shares	249.93	-	-
Income shares	46.56	38.48	21.0
Income shares (No Trail)	94.72	78.10	21.3
Z Income shares	245.63	-	-

Net asset value per share calculated on the last business day of the period at bid market value at 4.30pm.

Performance

to 30 April 2013

	Since 31.10.12 %	Since 30.4.12 %	Since 30.4.10 %	Percentage growth Since 30.4.08 %	Since launch 12.12.07 %
European Equity Income Fund (accumulation shares)	21.79	31.87	21.94	12.55	13.70
FTSE World Europe (ex UK) Index	19.36	28.09	20.13	13.37	9.60
IMA Europe (ex UK) Sector	17.66	25.62	21.40	14.87	11.09
Fund Ranking	7/99	5/95	36/93	41/81	33/83

Standardised rolling 12 month performance

	31.3.08 31.3.09 %	31.3.09 31.3.10 %	31.3.10 31.3.11 %	Percentage growth 31.3.11 31.3.12 %	31.3.12 31.3.13 %
European Equity Income Fund (accumulation shares)	-23.4	29.2	5.0	-9.5	18.3

This standardised past performance information is updated on a quarterly basis. Should you require up to date past performance information, this is available on our website www.invescopetperpetual.co.uk or by contacting us.

Fund and sector average performance data source: Lipper, mid-to-mid (excluding the entry charge), in Sterling, with net income reinvested. FTSE World Europe (ex UK) Index data source: Thomson Reuters Datastream, total return, in Sterling.

The value of investments and any income from them will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

Past performance is not a guide to future returns. Current tax levels and reliefs may change. Depending on individual circumstances, this may affect investment returns.

European Equity Income Fund

Portfolio classification		
	As at 30.4.13 %	As at 31.10.12 %
Investment		
Equities		
Austria	1.18	-
Belgium	2.75	2.45
Denmark	1.30	3.14
Finland	3.06	3.93
France	16.31	14.77
Germany	9.02	10.17
Italy	6.75	5.38
Luxembourg	1.90	-
Netherlands	10.94	14.86
Norway	1.33	1.87
Portugal	1.67	1.90
Republic of Ireland	6.59	8.84
Spain	15.34	10.23
Sweden	4.41	5.16
Switzerland	18.31	16.25
Bonds	0.36	1.00
Total investments	101.22	99.95
Net other (liabilities)/assets	(1.22)	0.05
Net assets	100.00	100.00

10 largest investments

As at 30 April 2013:		As at 31 October 2012:	
	%		%
Novartis	7.01	Novartis	7.16
Roche Holding	5.34	Roche Holding	5.84
Obrascon Huarte Lain	2.90	ING Groep	3.62
ING Groep	2.87	UBS	3.25
BNP Paribas	2.85	BBVA	3.21
Atlantia	2.82	BNP Paribas	3.13
UBS	2.78	Obrascon Huarte Lain	3.03
Ageas	2.75	Repsol YPF	2.93
Repsol YPF	2.70	Atlantia	2.91
Randstad	2.63	Allianz	2.72

European Opportunities Fund

Investment objective

The fund aims to achieve capital growth through a portfolio of investments primarily in European companies, excluding the United Kingdom. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions as detailed in Appendix 2 of the most recent Full Prospectus.

Risk profile

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested. Over time, inflation may erode the value of investments. The fund may use derivatives (complex instruments) in an attempt to reduce the overall risk of its investments, reduce the costs of investing or generate additional capital or income, although this may not be achieved. The use of such complex instruments may result in greater fluctuations of the value of the fund. The manager, however, will ensure that the use of derivatives within the fund does not materially alter the overall risk profile of the fund. Although the fund invests mainly in established markets, it can invest in emerging and developing markets, where there is potential for a decrease in market liquidity, which may mean that it is not easy to buy or sell securities, as well as operational difficulties. The fund's performance may be adversely affected by variations in the relative strength of world currencies or if Sterling strengthens against those currencies.

Strategy, review and outlook

The fund rose by 20.3% for the six months to the end of April 2013, compared to a gain of 19.4% from the benchmark FTSE World Europe (ex UK) Index. This placed the fund in the first quartile of its peer group, the IMA Europe (ex UK) Sector, which rose by an average of 17.7%.

Fund and sector average performance data source: Lipper, mid-to-mid (excluding the entry charge), in Sterling, with net income reinvested. FTSE World Europe (ex UK) Index data source: Thomson Reuters Datastream, total return, in Sterling.

Past performance is not a guide to future returns.

Since Mario Draghi said he would "do whatever it takes" to save the Euro in his now infamous speech from last summer, equity markets have enjoyed a strong rally. This promise, along with some meaningful reforms within the labour market for example, has underpinned equity markets. Upward progress was briefly punctured by the Italian election stalemate (February) and the poor handling of the Cypriot bailout (March), which negatively impacted peripheral markets and financial holdings temporarily, although positive momentum was swiftly restored by the end of the period under review.

Areas which enhanced relative performance compared to the benchmark over the period included our large exposure to the financials and oil & gas sector. Italian holding Fondiaria-Sai along with Belgian name Ageas were standout performers within the insurance sector while Banca Generali, UBS and Bankinter proved strongest within our banking exposure. Norwegian firms Awilco Drilling and Spectrum, along with Total Gabon were key positives within the oil & gas sector. Elsewhere there was strong performance from French carmaker Renault, Swiss watchmaker Swatch and airlines Lufthansa and Air France. Conversely there was relative weakness from Norwegian fertiliser start up holding Agrinos.

In terms of fund activity, after a good period of performance we have reduced our weighting in the oil & gas sector quite significantly and trimmed our

European Opportunities Fund

financial sector exposure. Elsewhere we have increased our exposure to the industrials sector.

Compared to last year, we see more gentle headwinds for European GDP this year. These include loose monetary policy from global central banks, while macroeconomic data such as Organisation for Economic Co-operation and Development (OECD) leading indicators show signs of bottoming. Monetary policy is very accommodative while austerity implementation is also being scaled back somewhat. Against this less negative macro-economic environment in Europe and better growth prospects in the rest of the world, European companies should fare better. The rate of earnings downgrades is already starting to slow, which is normally an encouraging sign for the future.

Given this backdrop, we remain focused on finding companies which we believe can do well in a low-growth environment. This can include companies with strong growth in returns on capital employed or restructuring stories. Furthermore we are looking for cash generative companies with shareholder friendly management, while central to all of this is valuation. In our opinion, the attractive valuations being offered at current levels underestimate the ability of European companies to deliver healthy returns to shareholders over the longer term.

Adrian Bignell, Fund Manager

Where Adrian Bignell has expressed opinions, they are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco Perpetual investment professionals.

Fund facts

Launch date	12 December 2007
Fund size at 30.4.13	£32.6 million
Accounting date	31 October
Ex-dividend date	1 November
Distribution payable	31 December
ACD's annual management charge	- Trail classes 1.50% per annum
	- No Trail classes 1.00% per annum
	- Z classes 0.75% per annum
Entry charge	5%
Ongoing charges figure for the period ended 30.4.13	- Trail classes 1.78%
	- No Trail classes 1.28%
	- Z classes 1.03%
Ongoing charges figure for the year ended 31.10.12	- Trail classes 1.79%
	- No Trail classes 1.29%
	- Z classes -

The ongoing charges figure (OCF) represents the annual operating expenses of the fund expressed as a percentage of average net assets for the period – it does not include entry charges or performance fees. The OCF includes the annual management charge and also the following charges which are deducted directly from the fund: Registration Fee, Depositary Fee, Custody Fee, Audit Fee, FCA Fee, Price Publication Fee, Report production and transaction expenses, less: VAT recoverable where applicable. The OCF is expressed as an annual percentage rate.

European Opportunities Fund

KIID Risk and Reward Profiles

Invesco Perpetual introduced Key Investor Information Documents (KIIDs) for all its funds and share classes on 20 February 2012 which include Risk and Reward numerical indicators.

	Risk and Reward Numerical Indicator Published in the KIID for the period 01.11.12 to 30.4.13
<hr/>	
Invesco Perpetual European Opportunities Fund	
Accumulation shares	7
Accumulation shares (No Trail)	7
Z Accumulation shares ¹	7
Income shares	7
Income shares (No Trail)	7
Z Income shares ¹	7

¹ from 12 November 2012

For more information on our funds risk and reward profiles, please refer to the most up to date relevant fund and share class specific Key Investor Information Documents (KIIDs), which are available at www.invescopetperpetual.co.uk or by contacting us.

European Opportunities Fund

Distributions

As distributions are paid annually on 31 December, no distributions are payable with this report.

Price and revenue record by share class

Calendar year	Highest share price p	Lowest share price p	Net revenue per share p
Accumulation shares			
2008	52.27	22.07	0.0000
2009	46.22	20.77	0.2406
2010	58.16	42.34	0.4088
2011	63.70	45.13	0.0000
2012	56.66	46.09	0.2249
2013 ¹	67.73	55.87	0.0000
Accumulation shares (No Trail)			
2008	104.79	44.63	0.0000
2009	93.91	42.07	0.8696
2010	118.85	86.33	1.3703
2011	130.41	92.57	0.4676
2012	116.92	94.89	0.9846
2013 ¹	139.92	115.30	0.0000
Z Accumulation shares			
2012 ²	213.98	195.33	0.0000
2013 ¹	256.23	211.03	0.0000
Income shares			
2008	52.27	22.07	0.0000
2009	45.95	20.77	0.2406
2010	57.37	42.10	0.4067
2011	62.85	44.52	0.0000
2012	55.66	45.47	0.2219
2013 ¹	66.53	54.88	0.0000
Income shares (No Trail)			
2008	104.79	44.63	0.0000
2009	92.94	42.07	0.8696
2010	116.11	85.44	1.3583
2011	127.41	90.45	0.4569
2012	112.69	92.29	0.9582
2013 ¹	134.86	111.13	0.0000
Z Income shares			
2012 ²	213.98	195.33	0.0000
2013 ¹	256.23	211.03	0.0000

¹ to 30 April

³ from 12 November

Z Accumulation shares and Z income shares were issued at 200p on 12 November 2012.

European Opportunities Fund

Net asset value	Net asset value per share 30.4.13 p	Net asset value per share 31.10.12 p	Percentage growth %
Accumulation shares	63.89	52.70	21.2
Accumulation shares (No Trail)	132.08	108.68	21.5
Z Accumulation shares	241.97	-	-
Income shares	62.76	51.77	21.2
Income shares (No Trail)	127.31	104.75	21.5
Z Income shares	241.97	-	-

Net asset value per share calculated on the last business day of the period at bid market value at 4.30pm.

Performance

to 30 April 2013

	Since 31.10.12 %	Since 30.4.12 %	Since 30.4.10 %	Percentage growth Since 30.4.08 %	Since launch 12.12.07 %
European Opportunities Fund (accumulation shares)	20.31	22.84	25.66	32.38	27.24
FTSE World Europe (ex UK) Index	19.36	28.09	20.13	13.37	9.60
IMA Europe (ex UK) Sector	17.66	25.62	21.40	14.87	11.09
Fund Ranking	14/99	79/95	23/93	10/81	11/83

Standardised rolling 12 month performance

	31.3.08 31.3.09 %	31.3.09 31.3.10 %	31.3.10 31.3.11 %	Percentage growth 31.3.11 31.3.12 %	31.3.12 31.3.13 %
European Opportunities Fund (accumulation shares)	-47.8	103.3	24.4	-10.7	19.6

This standardised past performance information is updated on a quarterly basis. Should you require up to date past performance information, this is available on our website www.invescopetual.co.uk or by contacting us.

Fund and sector average performance data source: Lipper, mid-to-mid (excluding the entry charge), in Sterling, with net income reinvested. FTSE World Europe (ex UK) Index data source: Thomson Reuters Datastream, total return, in Sterling.

The value of investments and any income from them will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

Past performance is not a guide to future returns. Current tax levels and reliefs may change. Depending on individual circumstances, this may affect investment returns.

European Opportunities Fund

Portfolio classification	As at 30.4.13 %	As at 31.10.12 %
Investment		
Austria	1.77	-
Belgium	2.20	0.78
Canada	1.02	2.05
Cyprus	-	3.06
Denmark	1.17	1.26
Finland	2.31	-
France	21.86	22.08
Germany	12.30	15.16
Italy	6.29	8.18
Luxembourg	0.78	0.58
Netherlands	7.58	4.91
Norway	12.97	18.21
Republic of Ireland	2.12	2.20
Spain	0.73	2.15
Sweden	3.36	1.63
Switzerland	18.44	16.40
United Arab Emirates	0.51	-
United Kingdom	4.29	5.00
Total investments	99.70	103.65
Net other assets/(liabilities)	0.30	(3.65)
Net assets	100.00	100.00

10 largest investments

As at 30 April 2013:	%	As at 31 October 2012:	%
Awilco Drilling	4.29	Awilco Drilling	4.53
Swatch	3.89	Deutsche Boerse	3.92
UBS	3.59	Det Norske Oljeselskap	3.21
Total Gabon	3.35	Fondiarria-SAI	3.16
Philips Electronics	3.23	SD Standard Drilling	3.06
EFG Financial Products	2.89	Société Générale	2.82
Renault	2.69	Swatch	2.80
Algeta	2.63	Eni	2.53
Syngenta	2.50	BNP Paribas	2.50
LVMH	2.50	Banca Generali	2.49

Authorised Corporate Director

Invesco Fund Managers Limited

Registered Office: 30 Finsbury Square, London EC2A 1AG, UK

Registered in England No. 898166

The Company is an investment company with variable capital under Regulation 12 of the Open-Ended Investment Companies Regulations 2001 and is a wider-range investment for the purposes of the Trustee Investment Act 2000.

The Authorised Corporate Director's investment adviser is:

Invesco Asset Management Limited, 30 Finsbury Square, London EC2A 1AG, UK

Registered in England No. 949417

Invesco Asset Management Limited and Invesco Fund Managers Limited are authorised and regulated by the Financial Conduct Authority.

Registrar

Invesco Administration Services Limited

Registered Office: 30 Finsbury Square, London EC2A 1AG, UK

For registration enquiries please call free on 0800 085 8571 or write to us at:

Invesco Perpetual, PO Box 11150, Chelmsford CM99 2DL, UK

Depository

Citibank International plc

Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, UK

(Authorised and regulated by the Financial Conduct Authority).

Auditors

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1 More London Place, London SE1 2AF, UK

Further information

General enquiries

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To invest

ISA Dealing Line 0800 917 7581
ICVC Dealing Line 0800 085 8571

Clients must confirm that they have been provided with the most up to date relevant fund and share class specific Key Investor Information Document(s) prior to investing.

We will record telephone calls to our Dealing Line.

Valuations

Automated Valuation Service 0800 028 4050
Lines are open 24 hours a day.

Further information on our products, including the most up to date relevant fund and share class specific Key Investor Information Document(s) and the Supplementary Information Document, is available using the contact details above.

The Prospectus, which contains a written statement of the terms and conditions of the Company, can be obtained from the ACD, as can copies of Interim and Annual Reports. Please call our Literature Request Line on 0800 085 8677 (for clients) and 0800 028 2121 (for intermediaries) or log onto our website (www.invescoperpetual.co.uk).

Telephone calls may be recorded.

Invesco Perpetual is a business name of Invesco Fund Managers Limited
Authorised and regulated by the Financial Conduct Authority, FCA Registered No. 119298
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Registered in England No. 898166
Registered address: 30 Finsbury Square, London EC2A 1AG, UK

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