

Aviva Investors

Managed High Income Fund Share Class 1

August 2010



Fund aim

The investment objective is to provide a high level of investment income. The investment policy is to hold diversified investment in global fixed interest securities issued in a variety of currencies by governments, supranational institutions and corporates. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions.

Past performance

Percentage Change Total Return, Tax UK Net, Charges Applied, In GBP



— Aviva Investors Managed High Income Fund — IMA £ Strategic Bond

Source: Lipper Hindsight, performance data up to 31/07/2010, bid to bid, net income reinvested.

	3m	6m	1yr	3yr	5yr
Fund (%)	-0.1	5.5	24.9	10.7	13.9
IMA sector average (%)	-0.2	3.2	15.4	9.4	12.4
Quartile rank within sector	3	1	1	3	2

Source: Lipper Hindsight, performance data up to 31/07/2010, bid to bid, net income reinvested.

Year on year performance

	30/06/05 30/06/06	30/06/06 29/06/07	29/06/07 30/06/08	30/06/08 30/06/09	30/06/09 30/06/10
Fund (%)	1.4	4.6	-5.9	-14.3	29.6
IMA sector average (%)	1.4	1.7	-3.1	-5.9	17.8
Quartile rank within sector	3	1	4	4	1

Source: Lipper Hindsight, performance data up to 31/07/2010, bid to bid, net income reinvested.

Past performance is not a guide to the future. Investment decisions should not be based on short term performance. The figures do not include the effect of the initial charge and any redemption fees.

Find out more

Call: 0800 051 2003
Web: www.aviva.co.uk

Telephone calls may be recorded for training purposes. Calls are free from BT landline. Call charges may vary from mobiles and other networks.

Fund manager

Christopher Higham

Manager of this fund since March 2008



Fund manager report

Corporate bonds performed strongly on the back of investors' increased willingness to buy risky assets. European bank stress test results, which were announced towards the end of the month, were generally well received. Only seven banks were deemed to have failed the test, but none of these were a surprise and the amount of additional capital deemed necessary to make them secure was relatively small. Bonds issued by financial companies such as banks and insurers were the strongest gainers on the back of these results. As investors resumed their hunt for assets with high yields, lower-rated sectors performed best. The recent strength of corporate earnings means the outlook is positive.

Any opinions expressed are those of Aviva Investors. They should not be viewed as indicating any guarantee of return from an investment managed by Aviva Investors nor as advice of any nature.

Fund information (31/07/2010)

Fund size	£135.6m
Fund launch date	01/05/2002
Initial charge	4.00%
Annual charge	1.25% Class 1
Benchmark	Merrill Lynch Composite
IMA sector	£ Strategic Bond
Distribution yield	5.9% (31/07/2010)

The Distribution Yield reflects the amount that is expected to be distributed over the next year as a percentage of the share price of the fund on the date shown. It is based on the fund on that day. This does not include Initial charges and investors may be subject to further tax on their distributions. The Distribution Yield is also the Underlying Yield for this fund.

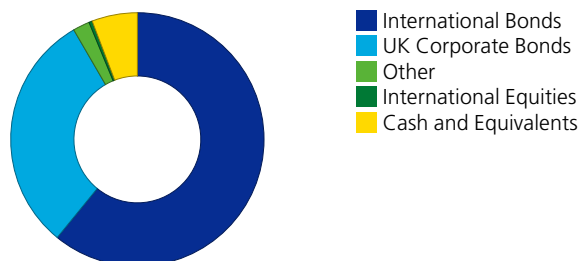
Aviva Investors

Managed High Income Fund Share Class 1

August 2010



Asset allocation



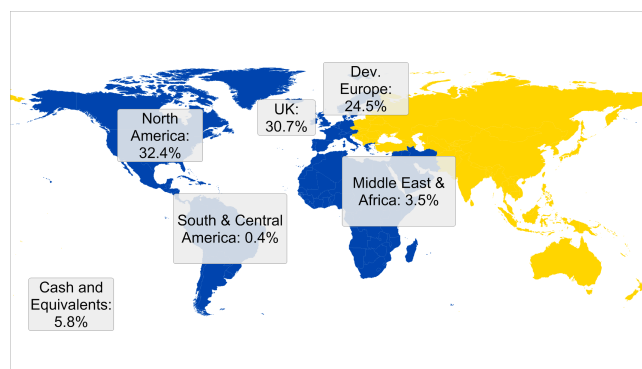
Source: Aviva Investors as at 31/07/2010

Top 10 holdings

KFW 5.25% 12/01/22 EMTN	2.0%
IMPERIAL TOBACCO FINANCE 9% 17/02/2022	2.0%
Daily Mail & General Trust 5.75% 2018 (Var)	1.8%
RL FINANCE BONDS PLC 6.125% FRN GTD PERPGBP1000	1.7%
FIRST HYDRO FIN 9% NTS 31/7/21 GBP1000	1.5%
HEIDELBERGCEMENT AG 8% 31/01/2017	1.4%
PEMEX PROJECT FDG MASTER TST 7.50% 18/12/2013	1.4%
AXA 6.772% PERP FIX TO FLOAT 29/10/2049	1.4%
UNITY MEDIA NRW 8.125% 01/12/2017	1.4%
MITCHELLS+BUTLER 6.469% 15/09/2030 SINKING	1.3%

Source: Aviva Investors as at 31/07/2010

Regional allocation



Source: Aviva Investors as at 31/07/2010

Credit quality

60.9%	AAA	2.0%
30.7%	AA	0.0%
2.1%	A	6.3%
0.4%	BBB	22.7%
5.8%	BB	22.9%
	B	22.4%
	CCC >	6.2%
	Cash & Equiv	5.8%
	NR	9.1%
	Other	2.6%

Source: Aviva Investors as at 31/07/2010

Credit maturity

	15+ yrs	14.5%
	10-15 yrs	6.4%
	5-10 yrs	51.4%
	0-5 yrs	19.3%
	Other	0.4%
	Cash & Equiv	5.8%

Source: Aviva Investors as at 31/07/2010

Risk summary

Further information about the risks that apply when investing can be found in the Simplified Prospectus. This is available free of charge on request. The value of the fund and any income from it is not guaranteed and may fall as well as rise. You may get back less than you originally invested. Credit and fixed interest securities are the debts of governments or companies generally issued in the form of bonds. These securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of the security may fall, and vice versa. The value of these securities will fall if the issuer is unable to repay their debt or has their credit rating reduced. Generally, the higher perceived credit risk of the issuer, the higher the rate of interest. High yield bonds (sometimes called sub-investment grade) are potentially more risky (higher credit risk) as the companies are more likely to be unable to honour repayment.