Invesco Aim

AIM Balanced-Risk Allocation Fund

The Strength of Global Diversification

Diversification is a principle of sound investing — seeking to reduce risk by building a portfolio that spans asset classes, management styles and other investment characteristics. The same holds true for your investment team. You want to partner with professionals who can bring diverse strengths to the pursuit of your financial goals — whether that's saving for college, buying a new home or securing your retirement.

A financial advisor can be a helpful partner — providing guidance based on your individual investment objectives, time frame and risk tolerance. An investment firm that delivers a broad range of capabilities is another valuable team member.

At Invesco Aim, we deliver the strength of global diversification to your investment team through our global reach and diversified investment strategies delivered the way you want.

- Your portfolio knows no boundaries with Invesco Aim. As part of Invesco, one of the world's largest and most diversified independent investment management firms, we offer you global reach through more than 500 investment professionals in 26 cities and 20 countries as of June 30, 2009. From the local expertise of Greater China-based managers to the veteran experience of one of the largest U.S. fixed-income managers, you have access to worldwide resources and quality investment minds through a single firm.
- Your portfolio needs strength to withstand today's changing market conditions. By providing the best of Invesco across all major asset classes, we can help fortify your portfolio through diversified investment strategies from distinct management teams worldwide. From equity to fixed income and asset allocation to alternatives, Invesco Aim has a strategy for you.
- Your portfolio is unique — just like your financial goals. That's why our investment strategies are packaged and delivered the way you want. From mutual funds and exchange-traded funds (ETFs) to retirement plans, separately managed accounts and college savings plans, we can deliver our far-ranging investment strategies in ways that fit your individual needs and perspective.

Diversification does not guarantee a profit or eliminate the risk of loss.

AIM Balanced-Risk Allocation Fund

A risk-balanced approach to asset allocation

Managing portfolio risk is one of the biggest challenges investors face. Too much risk could set you up for a crash; too little might not earn the returns you need to retire.

Many investors try to manage risk by allocating some of their investment dollars to stocks, for growth potential, and some to bonds, for capital preservation. A 60% stock/40% bond allocation is considered by many to be a "balanced" portfolio. But allocating dollars and allocating risk are not the same thing. Because stocks are riskier than bonds, a 60/40 portfolio could actually derive as much as 90% of its risk from the stock allocation. That means a drop in the stock market could have a much bigger effect on your portfolio than you may realize. During the stock market plunge of 2008 to 2009, many investors found themselves in just that position.

AIM Balanced-Risk Allocation Fund tackles this dilemma in an innovative way. The fund management team takes an approach that equalizes how much risk each asset contributes to the fund, and lets that calculation drive how the investment dollars should be allocated. This approach seeks to limit the effect that one underperforming asset may have on overall fund performance. The goal is to build a portfolio that can perform well in different economic environments.

We believe that a balanced portfolio is achievable, but it's the perspective that matters. It's not about balancing dollar contributions across asset classes, it's about balancing risk.

Risk Balancing

Traditional Balanced Portfolio[1]

AIM Balanced-Risk Allocation Fund[2]

1 Source: DataStream. Time period represented: Aug. 31, 1973, to March 31, 2009.

2 Source: Invesco. Target risk contribution represents the risk contribution sought by the portfolio managers and is not intended to represent actual portfolio weights at any given time. Hypothetical asset weight is for illustrative purposes only and is not intended to represent actual portfolio weights at any given time.

Commodities are represented by the S&P Goldman Sachs Commodity Index, which is an unmanaged composite index of commodity sector returns representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities. Bonds are represented by the Barclays Capital U.S. Treasury Index, which is an unmanaged index of public obligations of the U.S. Treasury with a remaining maturity of one year or more. Stocks are represented by the S&P 500® Index, which is an unmanaged index considered representative of the U.S. stock market. An investment cannot be made directly in an index. Past performance is not a guarantee of future results.

Asset selection

AIM Balanced-Risk Allocation Fund seeks to defend against periods of capital loss as well as participate in economic growth during all three major types of economic environments:

- recessionary
- noninflationary growth
- inflationary growth

While many investors split their investment dollars between stocks and bonds, the fund includes a third asset class: commodities. Commodities have historically performed well in inflation-driven markets. Stocks have performed well in periods of noninflationary growth. Government bonds have generally provided a strong defense against recessionary periods.

Historical Asset Class Response to Economic Environments

	Inflationary Growth	Noninflationary Growth	Recessionary/ Deflationary
Equities	↔	↑	↓
Fixed Income (Government Bonds)	↓	↔	↑
Commodities	↑	↔	↓

Source: Invesco. Time period represented September 1976 through September 2008. For illustrative purposes only. Past performance cannot guarantee future results.

When choosing which assets to include in the fund, the team considers three criteria:

- **Low correlation among assets.** Correlation is a value that indicates whether two investments have reacted similarly or differently during market cycles. If one investment rose, did the other rise too? Did it rise as dramatically? Or did it fall? The team seeks assets with low long-term correlations to build a fund that's fully diversified.
- **Theoretical basis for excess return.** Analysis focuses on each asset's expected excess returns over cash. This is known as an asset's risk premium.
- **Liquidity, transparency and flexibility.** Rather than invest directly in a stock, bond or barrel of oil, the fund generally invests in exchange-traded futures or other financially linked investments on the most liquid equity, sovereign debt and commodity markets. This strategy:
  - **Provides pure asset class exposure.** The futures and notes are focused solely on their designated asset class, without any of the "style drift" that sometimes occurs in mutual funds when managers invest outside of their focus area. This allows for precise allocation.
  - **Ensures ample flexibility.** The large market for futures and notes allows portfolio managers to buy and sell in just about any amount they wish.
  - **Allows for daily liquidity.** These markets are active, allowing daily buy and sell activity.

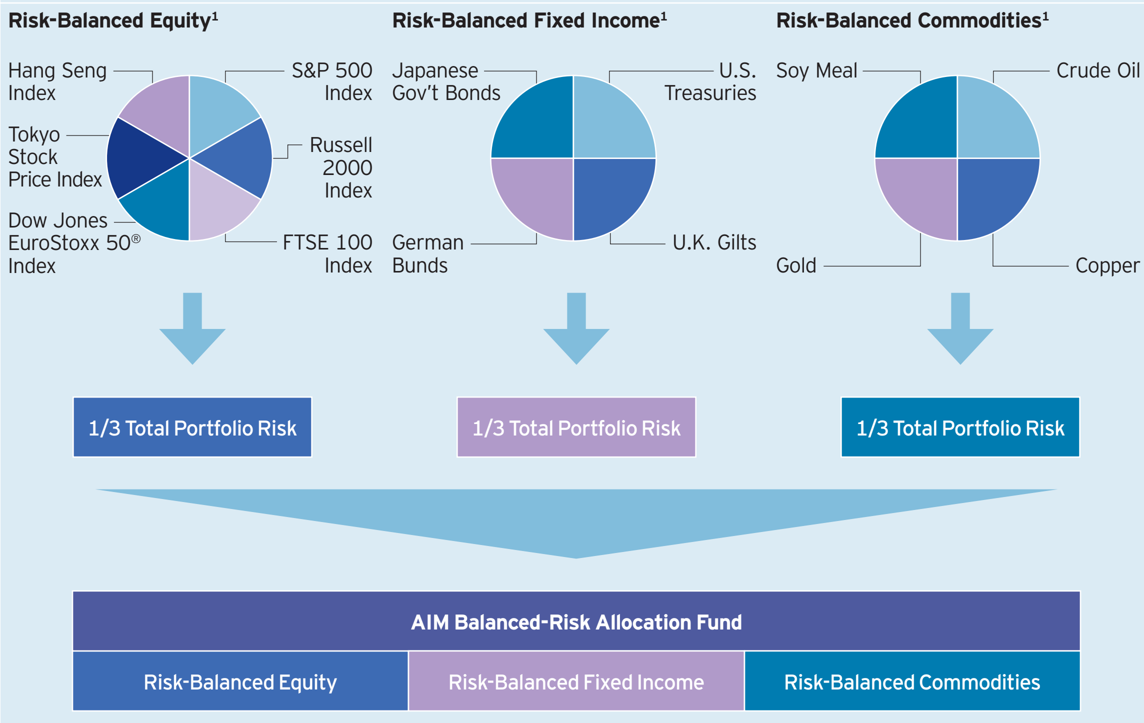
Futures and Notes
A futures contract is a legally binding agreement for the purchase or sale of a product for a certain price at a specified time in the future.
These contracts are traded on futures markets around the world.
Futures markets were initially created for trading in agricultural commodities, but they have evolved to include nonagricultural commodities, government bonds and stock indexes, such as the S&P 500® Index.
An exchange-traded note (ETN) is an unsecured debt security that is linked to the performance of an index.
Investors can buy ETNs at market prices on an exchange. They can then sell the ETNs on the exchange, hold them until maturity and receive a cash payment or redeem them early and receive a cash payment. Payments are based on index performance minus investor fees. ETN prices may also be affected by the issuing company's credit rating.

Portfolio construction

The portfolio construction process begins by setting the fund's strategic asset allocation. The fund's risk-balanced portfolio construction technique seeks to weight the assets – stocks, bonds and commodities – so that they each contribute an equal amount of risk to the strategic allocation.

Additionally, as illustrated in the chart below, portfolio managers seek to weight each asset within each asset class so that it represents an equal risk weight. For example, the S&P 500 Index should contribute about the same risk to the strategic allocation as the Hang Seng Index.

AIM Balanced-Risk Allocation Fund
Strategic asset allocation



Source: Invesco
1 Can be implemented with physical securities, derivatives or financially linked instruments. For illustrative purposes only.

Equities and fixed income are divided into geographic regions to take advantage of the differences in regional economic cycles. Commodities, on the other hand, are split into energy (crude oil), industrial metals (copper), precious metals (gold) and agriculture (soy meal).

The strategic asset allocation is reset annually.

The goal of this approach to portfolio construction is to help mitigate large losses in capital and improve the portfolio's reward relative to the risk ratio. Managers believe the risk-balanced portfolio is better hedged against negative economic outcomes such as high inflation and deflation because of the exposure to commodities and government bonds, respectively.

The S&P 500® Index is an unmanaged index considered representative of the U.S. stock market. The Hang Seng Index is an unmanaged index considered representative of the Hong Kong stock market. An investment cannot be made directly in an index.

Active positioning

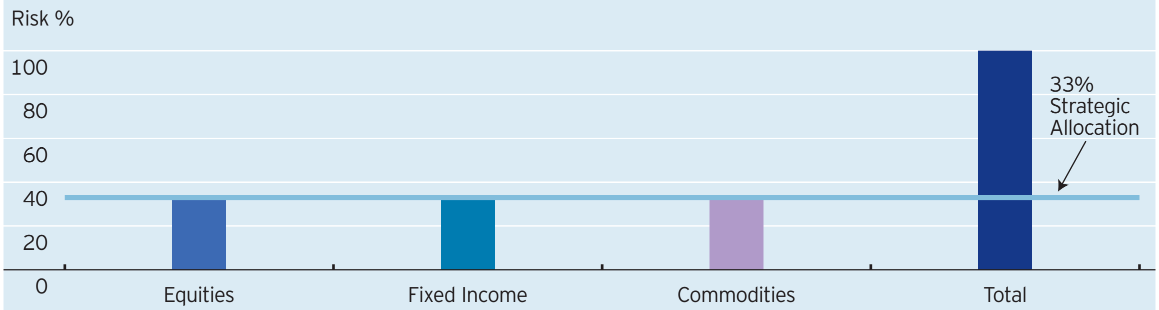
Once the strategic asset allocation is set, the management team makes tactical adjustments through an active positioning process.

Tactical adjustments are important because each of the fund's asset classes reacts differently to the economic cycle, and the managers can refine their risk allocations in response to market conditions in an effort to enhance returns.

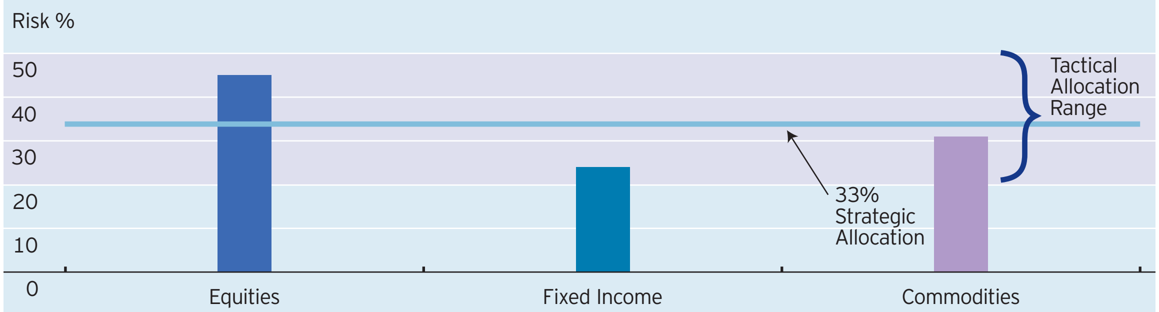
When setting the fund's tactical risk allocation, the team works within a specified risk range — between 20% and 50% for each asset class. The team will never completely remove an asset class from the fund. Tactical adjustments are made monthly.

Active Positioning: Strategic Versus Tactical Asset Allocation

Equilibrium Contribution to Portfolio Risk — Strategic Allocation[1]
Strategic allocation is calculated through volatility and correlation estimates and is reset annually.



Contribution to Portfolio Risk — Tactical Allocation Range[1]
Active positioning allows the asset weights to deviate from the long-term strategic allocation. Tactical allocations are adjusted monthly. Depending on the tactical indicators, the fund can be positioned within the predetermined risk ranges.



Source: Invesco
1 Can be implemented with physical securities, derivatives or financially linked instruments
The figures above do not represent specific time periods or actual fund results. The risk from each asset class will be within the target risk guideline range 95% of the time based on the current market volatility level. Asset classes are subject to change and are not buy/sell recommendations. For illustrative purposes only.

Management team

AIM Balanced-Risk Allocation Fund is managed by the Invesco Global Asset Allocation team, which manages more than $6 billion in assets under Chief Investment Officer Scott Wolle. He is supported by four additional portfolio managers and one research analyst.

The fund's portfolio managers each have more than 13 years of investment experience.

AIM Balanced-Risk Allocation Fund Management Team

	Team Member	Responsibility	In the Industry Since	With the Firm Since	Education
	Scott Wolle, CFA	Chief Investment Officer	1991	1999	- Virginia Tech, B.S. - Duke University, M.B.A.
	Scott Hixon, CFA	Portfolio Manager	1992	1994	- Georgia Southern University, B.B.A. - Georgia State University, M.B.A.
	Mark Ahnrud, CFA	Portfolio Manager	1985	2000	- Babson College, B.S. - Duke University, M.B.A.
	Chris Devine, CFA	Portfolio Manager	1996	1998	- Wake Forest University, B.A. - University of Georgia, M.B.A.
	Christian Ulrich, CFA	Portfolio Manager	1987	2000	- KV Zurich Business School, Switzerland, B.B.A. equivalent

As of June 30, 2009. The Chartered Financial Analyst® (CFA®) designation is globally recognized and attests to charterholder's success in a rigorous and comprehensive study program in the field of investment management and research analysis.

Talk with your financial advisor

Perhaps more than ever before, investors are concerned about the level of risk in their portfolios — and rightly so. We believe AIM Balanced-Risk Allocation Fund addresses portfolio risk in an innovative, effective way.

For more information about how AIM Balanced-Risk Allocation Fund could fit into your investment portfolio, talk with your financial advisor.

About risk

The fund may use derivatives as a substitute for purchasing the underlying asset or as a hedge in an effort to reduce exposure to risks. Use of derivatives involves risks similar to, as well as risks different from, and possibly greater than, the risks associated with investing directly in securities or more traditional instruments. Derivatives may also be more difficult to purchase, sell or value than other investments and are subject to counterparty risk — the risk that the other party will not complete the transaction with the fund. A fund investing in a derivative could lose more than the cash amount invested.

Leveraging entails risks such as magnifying changes in the value (both positive and negative) of the portfolio's securities.

Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa.

Credit risk is the risk of loss on an investment due to the deterioration of an issuer's financial health. Such a deterioration of financial health may result in a reduction of the credit rating of the issuer's securities and may lead to the issuer's inability to honor its contractual obligations, including making timely payment of interest and principal.

Foreign securities have additional risks, including exchange rate changes, political and economic upheaval, relative lack of information, relatively low market liquidity, and the potential lack of strict financial and accounting controls and standards.

The fund or the subsidiary may invest in commodity-linked derivative instruments that may be subject to greater volatility than investments in traditional securities.

The fund is indirectly exposed to the risks associated with the subsidiary's investments. The subsidiary is not registered under the 1940 Act and may not be subject to all the investor protections under the Act. Accordingly, the fund will not have all the protections offered to investors in registered investment companies.

The fund is subject to currency/exchange rate risk because it may buy or sell currencies other than the U.S. dollar.

The prices of securities held by the fund may decline in response to market risks.

Investing in developing countries can add additional risk such as high rates of inflation or sharply devalued their currencies against the U.S. dollar. Transaction costs are often higher, and there may be delays in settlement procedures.

Individually negotiated, or over-the-counter, derivatives are subject to counterparty risk, which is the risk the other party to the contract will not fulfill its contractual obligation to complete the transaction with the fund.

Since a large percentage of the fund's assets may be invested in securities of a limited number of companies, each investment has a greater effect on the fund's overall performance and any change in the value of those securities could significantly affect the value of your investment in the fund.

There is no guarantee that the investment techniques and risk analysis used by the fund's portfolio managers will produce the desired results.

Nondiversification increases the risk that the value of the fund's shares may vary more widely, and the fund may be subject to greater investment and credit risk than if it invested more broadly.

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

Consider the investment objectives, risks, and charges and expenses carefully. For this and other information about AIM funds, obtain a prospectus from your financial advisor and read it carefully before investing.

Note: Not all products, materials or services available at all firms. Advisors, please contact your home office.

All data provided by Invesco or Invesco Aim unless otherwise noted.

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Supplemental Information

As of Sept. 30, 2009, Invesco Aim's assets under management were approximately $157 billion and Invesco Ltd.'s assets under management were approximately $417 billion.

It is anticipated that on or about the end of the fourth quarter of 2009, Invesco Aim Advisors, Inc., Invesco Aim Capital Management, Inc., Invesco Aim Private Asset Management, Inc. and Invesco Global Asset Management (N.A.), Inc. will be merged into Invesco Institutional (N.A.), Inc., and the consolidated adviser firm will be renamed Invesco Advisers, Inc. Additional information will be posted at invescoaim.com on or about the end of the fourth quarter of 2009.

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