



Invesco Global Small & Mid Cap Growth Fund

International/global growth

Data as of June 30, 2010

Investment objective and strategy

The fund seeks long-term growth of capital by investing in reasonably priced, quality, small and mid-sized foreign and domestic companies with strong fundamentals and/or accelerating earnings growth.

Portfolio management

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How does the fund fit into your portfolio?

- **Global small- and mid-cap diversification.** The fund offers investors the ability to tap into the inefficient (i.e., under-researched) small- and mid-cap universe across both U.S. and non-U.S. equity markets.
- **Four-in-one solution.** The fund's uniquely diversified mandate can be used within an asset allocation strategy to gain U.S., non-U.S., emerging markets, and small- and mid-cap diversification.
- **Complement to core or value investments.** The fund's investment process, which is focused on EQV (earnings, quality and valuation), may also serve as a complement to core- or value-biased domestic or international portfolios.

Investment Results

Period	Class A Shares Inception: 09/15/94		Class C Shares Inception: 08/04/97		Class Y Shares Inception: 10/03/08	as of June 30, 2010
	Max Load 5.50%	NAV	Max CDSC 1.00%	NAV	NAV	Style-Specific Index
	MSCI World Growth Index					
Inception	7.22	7.60	3.55	3.55	-	-
15 Years	6.32	6.72	-	-	-	3.94
10 Years	-0.18	0.38	-0.25	-0.25	0.43	-3.06
5 Years	3.11	4.28	3.52	3.52	4.38	0.82
3 Years	-11.15	-9.46	-10.11	-10.11	-9.31	-9.51
1 Year	13.86	20.51	18.68	19.68	20.79	10.65
Quarter	-13.86	-8.87	-9.87	-8.96	-8.80	-12.16

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit invesco.com for the most recent month-end performance. Performance figures reflect reinvested distributions and changes in net asset value (NAV). Investment return and principal value will vary so that you may have a gain or a loss when you sell shares. No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C shares following one year from the date shares were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Class Y shares have no sales charge; therefore, performance is at NAV. Performance shown prior to the inception date of Class Y shares is that of Class A shares and includes the 12b-1 fees applicable to Class A shares. Class A share performance reflects any applicable fee waivers or expense reimbursements. A 2% redemption fee will be imposed on certain redemptions or exchanges out of the fund within 31 days of purchase. Exceptions to the redemption fee are listed in the fund's prospectus. Returns less than one year are cumulative; all other performance figures are annualized.

Index source: Lipper Inc.

Calendar-Year Total Returns (%)



About risk

Securities issued by foreign companies and governments located in developing countries may be affected more negatively by inflation, devaluation of their currencies, higher transaction costs, delays in settlement, adverse political developments, the introduction of capital controls, withholding taxes, nationalization of private assets, expropriation, social unrest, war or lack of timely information than those in developed countries.

The fund's foreign investments may be affected by changes in the foreign country's exchange rates; political and social instability; changes in economic or taxation policies; difficulties when enforcing obligations; decreased liquidity; and increased volatility. Foreign companies may be subject to less regulation resulting in less publicly available information about the companies.

The investment techniques and risk analysis used by the fund's portfolio managers may not produce the desired results.

Stocks of small and mid-sized companies tend to be more vulnerable to adverse developments and may have little or no operating history or track record of success, and limited product lines, markets, management and financial resources. The securities of small and mid-sized companies may be more volatile due to less market interest and less publicly available information about the issuer. They also may be illiquid or restricted as to resale,

Fund Facts

Nasdaq A: AGAAX B: AGABX C: AGACX
Y: AGAYX I: GAIIX

Total Net Assets	\$589,803,547
Total Number of Holdings	107
Annual Turnover (as of 10/31/09)	54%

Top Equity Holdings

	% of Total Net Assets
Ayala Corp.	3.44
Homeserve PLC	2.61
Shire plc	2.20
Exedy Corp.	2.14
Syngenta AG	1.84
Energy Development Inc.	1.77
Intl Power PLC	1.73
IG Group Holdings Plc	1.72
Perusahaan Gas Negara	1.63
Puma AG Rudolf Dassler Sport	1.62

Holdings are subject to change and are not buy/sell recommendations.

Top Countries

United States	30.33
United Kingdom	18.26
Canada	6.39
Philippines	5.21
Switzerland	3.63
Brazil	3.51
Japan	3.01
Turkey	2.81
Germany	2.61
Indonesia	2.49

Holdings are subject to change and are not buy/sell recommendations.

Expense Ratios

	% Net	% Total
Class A Shares	1.64	1.64
Class C Shares	2.39	2.39
Class Y Shares	1.39	1.39

Per the current prospectus

About risk (continued)

or may trade less frequently and in smaller volumes, all of which may cause difficulty when establishing or closing a position at a desirable price.

Class Y shares are available only to certain investors. See the prospectus for more information.

The fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor's.

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Asset allocation/diversification does not guarantee a profit or eliminate the risk of loss.

The MSCI World Growth Index is an unmanaged index considered representative of growth stocks of developed countries. An investment cannot be made directly in an index.

12-month forward and trailing P/E are calculated using weighted harmonic averaging, which helps avoid extreme results that may occur due to small relative numbers in the denominator. It doesn't exclude extreme values; instead, it reduces the effect of outliers on the aggregate calculation. The **price/book ratio** is the market price of a stock divided by the book value per share.

Return on equity (ROE) is net income divided by net worth. The **three-year EPS growth rate** is a weighted average of each stock holding's growth rate in earnings per share (EPS). EPS is total earnings divided by the number of shares outstanding. This measurement is not a forecast of the fund's performance. The **five-year dividend growth rate** is the weighted average of each stock holding's annualized percentage rate of growth in dividend yield over five years. This measurement is not a forecast of the fund's performance. **Alpha** (cash adjusted) is a measure of performance on a risk-adjusted basis. **Beta** (cash adjusted) is a measure of relative risk and the slope of regression. **R-squared** (cash adjusted) expresses the proportion of variation in the return of one fund explained by the return of a benchmark. **Tracking error** measures the difference between returns of a portfolio and its benchmark index. The **up and down capture** measures how well a manager was able to replicate or improve on periods of positive benchmark returns and how severely the manager was affected by periods of negative benchmark returns. **Standard deviation** measures a fund's range of total returns and identifies the spread of a fund's short-term fluctuations.

All data provided by Invesco unless otherwise noted.

External Comparisons

Morningstar Ratings and Rankings and Lipper Rankings

	Class A Shares as of June 30, 2010				
	Overall	1 Year	3 Years	5 Years	10 Years
vs. Morningstar World Stock Category*					
A Shares (Load)	★★★	N/A	★★★	★★★★	★★★
A Shares (Load Waived)	★★★	N/A	★★★	★★★★	★★★
Number of Funds in Category	594	N/A	594	471	259
vs. Morningstar World Stock Category**					
		9% (69 of 795)	41% (246 of 594)	13% (59 of 471)	42% (108 of 259)
vs. Lipper Global Small/Mid-Cap Funds Category***					
		50% (32 of 64)	50% (25 of 50)	22% (10 of 46)	63% (17 of 26)

*Source: ©2010 Morningstar Inc. All rights reserved. The information contained herein is proprietary to Morningstar and/or its content providers. It may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Ratings are based on a risk-adjusted return measure that accounts for variation in a fund's monthly performance, placing more emphasis on the downward variations and rewarding consistent performance. With-load ratings include the effect of sales charges, loads and redemption fees. Load-waived ratings exclude sales charges, loads and redemption fees, and are only applicable to investors not subject to sales charges. The overall rating is derived from a weighted average of three-, five- and 10-year rating metrics, as applicable. Ratings are as of the most recent quarter end and are subject to change every month. A fund is eligible for a Morningstar rating three years after inception. The top 10% of funds in a category receive five stars, the next 22.5% four stars, the next 35% three stars, the next 22.5% two stars and the bottom 10% one star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) Ratings for other share classes may differ due to different performance characteristics. Past performance does not guarantee future results.

**Source: Morningstar Inc. Morningstar rankings are based on total return, excluding sales charges and including fees and expenses, versus all funds in the category tracked by Morningstar.

***Source: Lipper Inc. Lipper fund percentile rankings are based on total returns, excluding sales charges and including fees and expenses, and are versus all funds in the category tracked by Lipper.

Portfolio Characteristics: Fund vs. MSCI World Growth Index

Valuation Statistics

	Fund	Index
12-Month Forward P/E	12.30	12.54
12-Month Trailing P/E	14.20	16.30
Price/Book LTM (Wtd. Avg.)	3.27	3.41
1-Year ROE (Wtd. Avg.)	20.11	19.48
12-Month Fwd. Growth Rate (Median) (%)	17.42	18.24
3-Year EPS Growth Rate (Wtd. Avg.) (%)	12.35	4.95
5-Year Dividend Growth Rate (Wtd. Avg.) (%)	16.28	10.81
Weighted Average Market Cap (\$MM)	8,539	66,037
Weighted Median Market Cap (\$MM)	3,907	29,466
3-Year Standard Deviation	24.84	22.21

Sources: Invesco, Compustat, Thomson Financial, MSCI, StyleADVISOR

Statistics

Fund vs. Index	3 Years	5 Years
Alpha (%)	1.52	3.98
Beta	1.10	1.12
R-Squared	0.96	0.95
Tracking Error (%)	5.45	5.15
Up Capture (%)	116.72	130.19
Down Capture (%)	105.91	107.10

Source: StyleADVISOR; based on Class A shares

Asset Mix (%)

	at 06/30/10	at 06/30/09
International Common Stock	61.60	58.45
Domestic Common Stock	30.33	33.73
Cash	7.21	7.92
International Preferred Stock	1.27	0.00
Other	-0.41	-0.10

Equity Sector Breakdown

Market Sector	% of Total Net Assets	
	Fund	Index
Consumer Discretionary	18.82	12.73
Industrials	18.31	12.81
Financials	17.83	8.43
Information Technology	8.70	20.20
Health Care	6.96	10.83
Utilities	6.45	1.26
Energy	5.67	7.37
Materials	4.14	10.45
Consumer Staples	3.87	14.62
Telecommunication Services	3.08	1.28

Sources: Invesco, MSCI

Capitalization Breakdown

	% of Equities	
	Fund	Index
Giant	5.30	50.26
Large	27.16	35.66
Mid	59.16	14.03
Small	8.38	0.05
Micro	0.00	0.00

Based on Morningstar capitalization ranges

Geographic Diversification

Region	% of Total Net Assets	
	Fund	Index
Europe		31.10
Asia		15.76
Latin America		4.92
Africa/Middle East		4.68
North America		37.36
Developed Market Exposure		72.48
Emerging Markets Exposure		21.34

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 the funds, obtain a prospectus from your financial adviser and read it carefully before investing.

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

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Performance summary

- The sovereign debt crisis in Europe, which resulted in a \$1 trillion bailout by the European Union and the International Monetary Fund, led to a sizable sell-off in equity markets worldwide in the second quarter of 2010. Concerns about its influence on the sustainability of global economic growth added to the malaise.
- The fund was not immune to this volatility and declined over the period. Relative results were favorable, however, with the fund comfortably outperforming the MSCI World Growth Index. (Please see the returns table on page 1 for fund and index performance.) Stock selection in the U.K. was a key driver of these favorable relative results. A modest cash exposure in a volatile market was beneficial as well.

Contributors to performance

- Favorable stock selection in the U.K. was the largest contributor to relative results. The fund's lack of exposure to weak index names across the materials, consumer staples and financial segments of the U.K. market was a key driver of this success.
- A 0% exposure to the relatively weaker Australian market and strong stock selection in Japan were also advantageous.
- From a sector perspective, the fund's overall positions in industrials and financials were down in absolute terms, but favorable stock selection versus the benchmark contributed positively to relative results, helping the fund outperform the benchmark in each of these sectors.
- Favorable stock selection combined with an underweight in the materials sector was effective as well. The fund's underweight in materials was driven by our continued lack of confidence in the quality of returns in the metals and mining industry.
- Top individual contributors to fund performance were **Homeserve PLC** (U.K./home emergency insurance and service provider), **American Medical Systems Holdings** (U.S./urological device maker) and **PT Astra International Inc.** (Indonesia/automobile manufacturer) (2.61%, 0.59% and 0.86% of total net assets, respectively). **Homeserve** is benefiting from continued strength in its core U.K. market, coupled with better-than-expected performance in its overseas markets. **PT Astra** continues to benefit from consumer growth in the Asian market.
- Fund investments in select high quality smaller cap names (versus the large-cap biased index) added to performance during the period as well. Although there is currently no valuation advantage in small-cap stocks (versus large), this remains a fertile ground for finding attractive valuation anomalies.

Detractors from performance

- Equity markets fell as a result of the negative news in Europe. The economic uncertainty surrounding Portugal, Italy, Ireland, Greece and Spain continued to weigh heavily on European companies and dragged down the fund's European holdings. Norway, Switzerland, Germany and Greece were the largest detractors from relative results.
- From a sector perspective, stock selection in the consumer staples and energy sectors hurt both absolute and relative results.

Top contributors and detractors

Contributors		Detractors	
	(%) of Total Assets		(%) of Total Assets
1. Homeserve PLC	2.61	1. Intralot SA	1.05
2. PT Astra International Inc.	0.86	2. Naspers Ltd.	1.19
3. American Medical Systems Holdings	0.59	3. Petroleum Geo Services	0.56
4. Anglogold Ashanti Ltd. ADR	0.64	4. Power Financial Corp.	1.14
5. Exedy Corp.	2.14	5. Syngenta AG	1.84

Positioning and outlook

- **Stocks purchased.** Over the period, broad macro fears led to declines in several high quality stocks, despite solid company fundamentals. We took this opportunity to add several new names, including **Duratex** (Brazil/forest products), **Precision Drilling Corp.** (Canada/oil and gas drilling), **MacDonald Dettwiler & Associates** (Canada/application software) and **Grand Canyon Education Inc.** (U.S./education services) (0.97%, 0.88%, 0.68% and 0.66% of total net assets, respectively).
- **Stocks sold.** Deteriorating fundamentals (e.g. earnings concerns, stretched valuations, etc) led to the sale of several holdings, the largest being **Sonova Holdings**, **Taiwan Cellular Corp.** and **Solera Holdings** (all 0% of total net assets). For example, **Sonova** is a Switzerland-based health care company that is the global leader in hearing instruments. The fund's holdings in this company were sold on valuation concerns.
- **Overweight/underweight vs. Index.** Overall portfolio positioning remained relatively unchanged during the period. This consistency can be attributed to our bottom-up stock selection process and long-term focus. The fund's largest overweights versus the index were in the financials and consumer discretionary sectors, while the largest underweights remained in information technology and consumer staples.
- **Outlook.** Looking to the second half of 2010 and beyond, we are cautiously optimistic about the prospects for global equities. While markets appear somewhat fragile in the very near term - negative sentiment for stocks is reflected in 10-year Treasury yields of 2.9%, near the lows of the financial crisis - there are grounds for potential long-term enthusiasm. In a world of moderate but positive economic growth, low inflation and prolonged government liquidity support, we believe equities could achieve some support. Additionally, valuations appear reasonable by historic standards, especially after the second quarter pullback. With above-average volatility likely to persist, our stock selection approach that emphasizes 'quality' appears particularly well suited for the current market climate.

Opinions expressed are those of the fund's portfolio management.