



# Invesco Technology Fund

## Sectors

Data as of Dec. 31, 2011

### Investment objective and strategy

The fund seeks long-term capital growth by investing broadly across the technology universe, focusing on areas such as hardware, software, semiconductors, telecommunication equipment and services, medical technology, biotechnology and service-related companies in information technology.

### Portfolio management

Warren W. Tennant, Brian Nelson

### How does the fund fit into your portfolio?

- **Satellite position.** The fund is a sector-oriented product that can be added as a satellite position to enhance return potential when employed in a strategic or tactical allocation.
- **Focus on fundamentals, valuation and timeliness.** Fund management seeks to invest in companies that have demonstrated a sustainable competitive advantage, free cash flow generation and strong returns on invested capital. Cash flow is the primary metric used in determining a stock's target valuation. Product cycle and seasonality driven measures also help fund management to determine the best time to purchase or sell a stock.

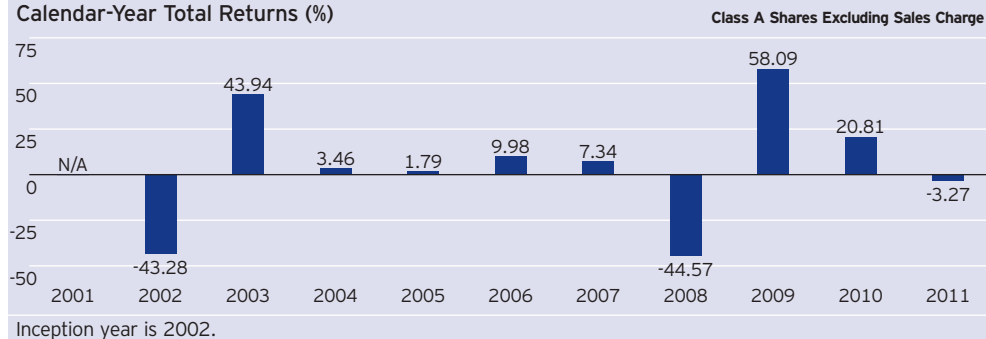
### Investment Results

Average Annual Total Returns (%)							as of Dec. 31, 2011	
Period	Class A Shares Inception: 03/28/02		Class C Shares Inception: 02/14/00		Investor Class Shares Inception: 01/19/84	Class Y Shares Inception: 10/03/08	Style-Specific Index	BofA Merrill Lynch 100 Technology Index
	Max Load 5.50%	NAV	Max CDSC 1.00%	NAV	NAV	NAV		
Inception	-0.18	0.40	-9.32	-9.32	9.38	-	-	-
25 Years	-	-	-	-	9.22	-	-	-
20 Years	-	-	-	-	6.60	-	-	-
15 Years	-	-	-	-	2.30	-	-	-
10 Years	-	-	-1.10	-1.10	-0.37	-0.31	2.12	-
5 Years	0.76	1.91	1.16	1.16	1.94	2.07	-0.10	-
3 Years	20.40	22.70	21.81	21.81	22.75	22.99	20.25	-
1 Year	-8.59	-3.27	-4.92	-3.96	-3.24	-3.01	-12.27	-
Quarter	0.86	6.72	5.52	6.52	6.70	6.80	6.80	-

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com/performance](http://invesco.com/performance) 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, and 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. The Investor Class shares have no sales charge; therefore, performance is at NAV. 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 Investor Class shares and includes the 12b-1 fees applicable to Investor Class shares. Investor Class share performance reflects any applicable fee waivers or expense reimbursements. Had fees not been waived and/or expenses reimbursed currently or in the past, returns would have been lower. Returns less than one year are cumulative; all others are annualized.

Index source: Lipper Inc.

### Calendar-Year Total Returns (%)



### About risk

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 portfolio managers may not produce desired results.

The fund's investments are concentrated in a comparatively narrow segment of the economy, which may make the fund more volatile.

### Fund Facts

Nasdaq	A: ITYAX C: ITHCX Investor: FTCHX Y: ITYYX I: FTPIX
Total Net Assets	\$679,137,573
Total Number of Holdings	76
Annual Turnover (as of 04/30/11)	42%

### Top Equity Holdings

	% of Total Net Assets
Apple Inc.	9.76
Google Inc.	4.76
Qualcomm Inc.	4.04
Cognizant Tech Solutions Corp.	3.42
EMC Corp.	3.08
Microsoft Corp.	2.85
Oracle Systems Corp.	2.71
Check Point Software Technologies Ltd.	2.59
Citrix Systems	2.53
Intel Corp.	2.42

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

### Top Industries

Semiconductors	15.69
Systems Software	12.03
Computer Hardware	9.76
Data Processing & Outsourced Services	9.76
Communications Equipment	9.16
Internet Software & Services	8.34
Application Software	7.13
IT Consulting & Other Services	6.53
Computer Storage & Peripherals	6.30
Semiconductor Equipment	3.38

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

### Expense Ratios

	% Net	% Total
Class A Shares	1.55	1.55
Class C Shares	2.30	2.30
Investor Class Shares	1.46	1.46
Class Y Shares	1.30	1.30

Per the current prospectus

### About risk (continued)

Stocks of small and mid-sized companies tend to be more vulnerable to adverse developments in the above factors 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 issuer information. They also may be illiquid or restricted as to resale, 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.

Many products and services offered in technology-related industries are subject to rapid obsolescence, which may lower the value of the issuers in this sector.

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

Investor Class 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.

The BofA Merrill Lynch 100 Technology Index is a price-only equal-dollar weighted index of 100 stocks considered representative of the technology industry. 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 **median 12-Month Fwd. Growth Rate** is the percent change between the next twelve months' mean EPS estimate and the previous twelve months' actuals. 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 Based on Total or Risk-Adjusted Return

#### Morningstar Ratings and Rankings and Lipper Rankings

	Class A Shares as of Dec. 31, 2011				
	Overall	1 Year	3 Years	5 Years	10 Years
vs. Morningstar Technology Category*					
A Shares (Load)	★★	N/A	★★★	★★	N/A
A Shares (Load Waived)	★★★	N/A	★★★	★★★	N/A
Number of Funds in Category	186	N/A	186	169	N/A
vs. Morningstar Technology Category**		16% (33 of 209)	33% (62 of 186)	69% (117 of 169)	N/A
vs. Lipper Science & Technology Funds Category***		23% (37 of 160)	39% (57 of 148)	62% (86 of 139)	N/A

\*Source: ©2012 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. Had fees not been waived and/or expenses reimbursed in the past, the Morningstar rating would have been lower. 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. BofA Merrill Lynch 100 Technology Index

Valuation Statistics			Equity Sector Breakdown		
	Fund	Index	Market Sector	Fund	Index
12-Month Forward P/E	13.90	13.18	Information Technology	90.21	94.92
12-Month Trailing P/E	15.61	14.75	Consumer Discretionary	1.92	2.98
Price/Book (Wtd. Avg.)	4.08	3.34	Health Care	1.01	1.03
1-Year ROE (Wtd. Avg.)	22.63	19.83	Materials	0.94	0.00
12-Month Fwd. Growth Rate (Median) (%)	13.02	10.98	Industrials	0.64	1.07
3-Year EPS Growth Rate (Wtd. Avg.) (%)	27.13	18.22	Financials	0.43	0.00
5-Year Dividend Growth Rate (Wtd. Avg.) (%)	17.09	12.71	Consumer Staples	0.00	0.00
Weighted Average Market Cap (\$MM)	82,051	27,854	Energy	0.00	0.00
Weighted Median Market Cap (\$MM)	13,728	9,974	Telecommunication Services	0.00	0.00
3-Year Standard Deviation	21.27	24.26	Utilities	0.00	0.00
Sources: Invesco, Compustat, Thomson Financial, Merrill Lynch, StyleADVISOR			Sources: Invesco, Merrill Lynch		
Statistics			Capitalization Breakdown		
Fund vs. Index	3 Years	5 Years		Fund	Index
Alpha (%)	4.66	1.66	Giant	34.37	16.76
Beta	0.85	0.89	Large	26.21	36.91
R-Squared	0.95	0.96	Mid	22.65	46.33
Tracking Error (%)	6.12	5.71	Small	13.09	0.00
Up Capture (%)	91.78	92.08	Micro	3.68	0.00
Down Capture (%)	86.55	92.06	Based on Morningstar capitalization ranges		
Source: StyleADVISOR; based on Class A shares			Asset Mix (%)		
			at 12/31/11 at 12/31/10		
			Domestic Common Stk	88.49	83.23
			Int'l Common Stk	6.66	14.72
			Cash	4.88	2.09
			Other	-0.03	-0.04
			A negative allocation to Cash or Other, as of the date shown, is normally due to fund activity that has accrued or is pending settlement.		

### NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

Consider the investment objectives, risks, charges and expenses carefully before investing. Please read the prospectus carefully before investing. For this and more complete information about the funds, contact your financial advisor or visit [invesco.com/fundprospectus](http://invesco.com/fundprospectus).

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

# Invesco Technology Fund

Data as of Dec. 31, 2011

## Performance summary

- Despite the lack of meaningful resolutions to improve the global economy, U.S.-domiciled equities rallied in the fourth quarter. International equities also experienced growth, albeit muted, as the European sovereign debt crisis remained at the forefront of investor concerns.
- Volatility, as measured by the Chicago Board Options Exchange (CBOE) Volatility Index (VIX), decreased significantly during the fourth quarter.
- By sector, energy, industrials and materials led the equity market, producing double-digit gains for the fourth quarter. Telecommunication services, utilities and information technology (IT) were the market laggards, though still delivering high single-digit gains.
- Invesco Technology Fund's Class A shares at net asset value (NAV) underperformed the fund's style-specific benchmark, the Bank of America Merrill Lynch 100 Technology Index (BofA Merrill Lynch 100 Tech Index) during the fourth quarter. (Please see the returns table on page 1 for fund and index performance.)

## Contributors to performance

- On an absolute basis, the semiconductors, IT services, and Internet software and services industries were the largest contributors to the fund's fourth quarter performance.
- Compared to the BofA Merrill Lynch 100 Tech Index, the fund benefited from security selection in IT services, semiconductors and communications equipment.

## Detractors from performance

- The Internet & catalog retail industry was the only detractor from the fund's absolute performance during the fourth quarter.
- Security selection in the computer & peripherals and Internet software & services industries negatively affected the fund's performance relative to the BofA Merrill Lynch 100 Tech Index.
- Additionally, a minor cash position also hurt relative performance given the equity market returns of the fourth quarter.

## Top five contributors and detractors

Contributors	(%) of Total Assets	Detractors	(%) of Total Assets
1. Google Inc.	4.76	1. Amazon.com Inc.	1.92
2. Apple Inc.	9.76	2. Oracle Corp.	2.71
3. Novellus Systems Inc.	0.94	3. Rovi Corp.	0.00
4. Qualcomm Inc.	4.04	4. Broadcom Corp.	1.81
5. Visa Inc.	2.32	5. Fortinet Inc.	1.05

## Positioning and outlook

- During the quarter, we purchased **Fortinet Inc.** and sold **Rovi Corp.** (1.05% and 0.00% of total net assets, respectively). **Fortinet** provides network security to businesses, service providers and governments worldwide. **Rovi**, a global leader in digital entertainment products and services, continued to struggle and announced earnings expectations for the third quarter and 2011 fiscal year that would fall short of analyst expectations.
- We remain confident about the medium-term outlook for technology stocks, primarily due to potential for increased enterprise spending. Businesses have been reluctant to hire additional employees due to ancillary costs and, therefore, are using IT to compensate. Additionally, we believe technology needs in the emerging markets will continue to increase. Going forward, we see possible improvements in credit markets, stabilization of demand patterns and conditions for secular growth.
- We have consistently highlighted the long-term positive trends for technology in our outlook.
- We believe our competitive advantage stems from the ability to identify both long-term sustainable trends within technology and the IT companies that have superior business models and competitive advantages necessary to capitalize on those trends. These abilities are augmented by our investment strategy which focuses on the **use of free cash flow as a primary valuation metric, consistency of discipline and controlled portfolio construction with a focus on risk.**
- The IT sector has the most vertical exposure to domestic financial services firms. Consequently, we remain conscious of the headwinds affecting businesses. Further, we are watching potential foreign exchange impacts because the IT sector has broad global exposure. Longer term, we anticipate positive trends in the IT sector because we believe three key secular themes (that are independent of short-term catalysts) continue to offer support: **1.) globalization** - productivity gains support increased technology use in international markets; **2.) "consumerization"** - technology demand is consumer-driven, regardless of age or gender; **3.) proliferation** - technology continues to penetrate products ranging from automobiles and industrial controls to sporting gear and alternative energy.

Opinions expressed are those of the fund's portfolio management. Holdings are subject to change and are not buy/sell recommendations.