



AIM International Small Company Fund

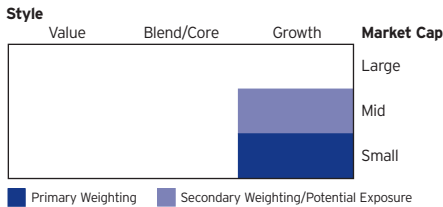
International/global growth

Data as of Dec. 31, 2009

Fund Facts

Nasdaq	A: IEGAX B: IEGBX C: IEGCX Y: IEGYX I: IEGIX
Total Net Assets	\$482,661,885
Total Number of Holdings	78
Annual Turnover (as of 12/31/08)	19%

Investment Map(s)



The map illustrates areas in which the fund typically invests, not necessarily within a limited period of time.

Top Equity Holdings

	% of Total Net Assets
Equatorial Energia SA	3.70
IGB Corp. Berhad	3.32
American Bank Note S.A.	3.32
Paddy Power PLC	2.79
TGS-NOPEC Geophysical Co.	2.74
Jumbo S.A.	2.42
Homeserve PLC	2.39
MITIE Group PLC	2.27
Wirecard AG	2.20
Parkson Holdings Berhad	2.11

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

Top Countries

United Kingdom	16.61
Canada	14.17
Brazil	7.01
Malaysia	5.43
Ireland	4.64
Hong Kong	4.50
Philippines	4.45
Germany	4.42
Norway	4.33
Thailand	3.96

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

Expense Ratios

	% Net	% Total
Class A Shares	1.58	1.59
Class C Shares	2.33	2.34
Class Y Shares	1.33	1.34

Per the current prospectus

Net = Total annual operating expenses less any contractual fee waivers and/or expense reimbursements by the adviser in effect through at least June 30, 2010. See current prospectus for more information.

Investment objective and strategy

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

Portfolio management

Jason T. Holzer, Steve Cao, Borge Endresen

How does the fund fit into your portfolio?

As of the close of business on Jan. 29, 2010, AIM International Small Company Fund will limit public sales of its shares to certain investors. For more information on who may continue to invest in the fund, please see the prospectus.

- **Dedicated small-cap exposure.** The fund offers investors the ability to tap into the extremely inefficient (i.e., under-researched) small-cap universe across both developed and emerging international markets.
- **Diversification.** The fund's lower correlation to the U.S. and large-cap international markets provides attractive diversification benefits.
- **Satellite strategy.** The fund's unique international small-cap mandate may enhance return potential and diversify risk in a core-plus-satellite asset allocation strategy.

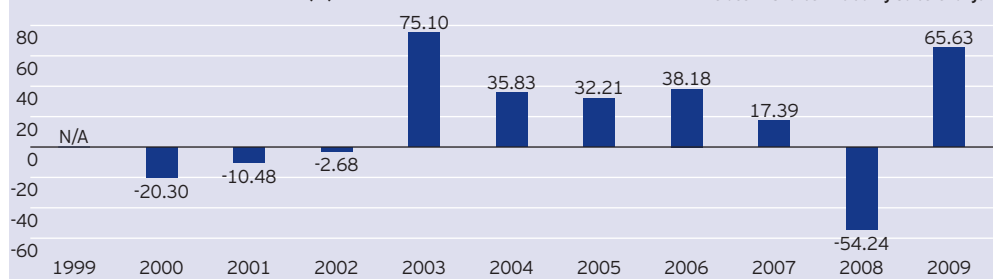
Investment Results

Period	Class A Shares Inception: 08/31/00		Class C Shares Inception: 08/31/00		Class Y Shares Inception: 10/03/08		as of Dec. 31, 2009
	Max Load 5.50%	NAV	Max CDSC 1.00%	NAV	NAV	MSCI World Ex-US Small Cap Index	
Inception	10.49	11.16	10.38	10.38	11.20	-	
5 Years	8.97	10.21	9.40	9.40	10.29	3.87	
3 Years	-5.61	-3.82	-4.52	-4.52	-3.70	-6.80	
1 Year	56.60	65.63	63.48	64.48	66.09	50.82	
Quarter	-0.32	5.48	4.36	5.36	5.60	0.48	

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit invescoaim.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. Returns since the Class Y shares' inception date are actual returns. All other returns are blended returns of actual Class Y share performance and restated Class A share performance (for periods prior to the inception date of Class Y shares) at NAV and reflect the Rule 12b-1 fees as well as any fee waivers or expense reimbursements applicable to Class A shares. Had fees not been waived and/or expenses reimbursed currently or in the past, returns would have been lower. 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 (%)



Inception year is 2000.

About risk

The values of convertible securities in which the fund invests may be affected by market interest rates, the risk that the issuer may default on interest or principal payments, and the value of the underlying common stock into which these securities may be converted.

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

Prices of equity securities change in response to many factors, including the historical and prospective earnings of the issuer, the value of its assets, general economic conditions, interest rates, investor perceptions and market liquidity.

Foreign securities have additional risks, including exchange rate changes, political and economic upheaval, relative

About risk (continued)

lack of information, relatively low market liquidity, and the potential lack of strict financial and accounting controls and standards.

Investing in a fund that invests in smaller companies involves risks not associated with investing in more established companies, such as business risk, stock price fluctuations and illiquidity.

Because 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 an investment in the fund.

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.

The MSCI World Ex-US Small Cap Index is an unmanaged index considered representative of small-cap stocks of global developed markets, excluding those of the U.S. 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. 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. **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 Dec. 31, 2009				
	Overall	1 Year	3 Years	5 Years	10 Years
vs. Morningstar Foreign Small/Mid Growth Category*					
A Shares (Load)	★★★★	N/A	★★★★	★★★★	N/A
A Shares (Load Waived)	★★★★	N/A	★★★★	★★★★	N/A
Number of Funds in Category	103	N/A	103	78	N/A
vs. Morningstar Foreign Small/Mid Growth Category**		8%	33%	6%	N/A
		(11 of 130)	(34 of 103)	(5 of 78)	N/A
vs. Lipper International Small/Mid-Cap Growth Category***		10%	29%	7%	N/A
		(9 of 92)	(23 of 79)	(4 of 62)	N/A

*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. 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. MSCI World Ex-US Small Cap Index

Valuation Statistics

	Fund	Index
12-Month Forward P/E	12.58	16.19
12-Month Trailing P/E	14.22	25.00
Price/Book LTM (Wtd. Avg.)	2.80	2.11
1-Year ROE (Wtd. Avg.)	18.46	6.68
12-Month Fwd. Growth Rate (Median) (%)	12.75	22.10
3-Year EPS Growth Rate (Wtd. Avg.) (%)	13.78	6.73
5-Year Dividend Growth Rate (Wtd. Avg.) (%)	16.26	9.64
Weighted Average Market Cap (\$MM)	1,430	1,435
Weighted Median Market Cap (\$MM)	1,310	1,265
3-Year Standard Deviation	28.10	27.32

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

Statistics

Fund vs. Index	3 Years	5 Years
Alpha (%)	3.37	6.42
Beta	0.99	1.01
R-Squared	0.93	0.91
Tracking Error (%)	7.64	7.03
Up Capture (%)	110.86	122.71
Down Capture (%)	99.03	98.32

Source: StyleADVISOR; based on Class A shares

Asset Mix (%)

	at 12/31/09	at 12/31/08
International Common Stock	88.71	92.75
Cash	9.35	4.88
International Preferred Stock	1.30	2.60
Domestic Common Stock	0.38	0.00
Other	0.26	-0.23

Equity Sector Breakdown

Market Sector	% of Total Net Assets	
	Fund	Index
Industrials	23.04	23.53
Consumer Discretionary	22.31	16.65
Financials	12.14	18.38
Information Technology	9.51	8.10
Utilities	7.18	1.94
Energy	6.95	7.13
Consumer Staples	6.43	5.61
Materials	1.66	12.06
Telecommunication Services	0.69	0.65
Health Care	0.61	5.77

Sources: Invesco, MSCI

Capitalization Breakdown

	% of Equities	
	Fund	Index
Giant	0.00	0.00
Large	1.08	0.29
Mid	47.86	53.49
Small	40.48	41.19
Micro	10.57	5.03

Based on Morningstar capitalization ranges

Geographic Diversification

Region	% of Total Net Assets	
	Fund	Index
Europe		40.26
Asia		27.90
Latin America		7.05
Africa/Middle East		1.09
North America		14.22
Developed Market Exposure		64.52
Emerging Markets Exposure		26.00

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 adviser and read it carefully before investing.

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

AIM International Small Company Fund

Data as of Dec. 31, 2009

Performance summary

- International equity markets continued to perform well during the fourth quarter on further improvement in the real economy attributable to the extraordinary government stimulus measures implemented earlier in the year.
- The fund participated in this rebound, delivering positive returns and outperforming versus the MSCI World Ex-US Small Cap Index. This outperformance was driven by several factors, including strong stock selection across a number of sectors and geographic regions. (Please see the returns table on page 1 for fund and index performance).

Contributors to performance

- **Geographic.** Our investments in Ireland, Malaysia, Brazil and Germany delivered strong results, enabling the fund to significantly outperform the index across each of these markets. A meaningful underweight to the relatively weaker Japanese market was a significant positive contributor to relative results as well.
- **Sectors.** In terms of sectors, stock selection across consumer discretionary, financials, industrials, energy and information technology (IT) made the highest contributions to relative results.
- **Key stock contributors.** Two of the leading contributors to fund performance were in the consumer discretionary sector: property development and investment firm **Paliburg Holdings** (Hong Kong) and gambling services provider **Paddy Power PLC** (Ireland) (1.71% and 2.79% of total net assets, respectively). The rebound in share price of **Paliburg Holdings** has been driven by a re-rating in valuation. **Paddy Power** performed well as investors increasingly recognized that the company is far more sensitive to the healthy online gaming market than the still-challenging Irish economy.
- **Emerging markets.** The fund's ability to invest in the best opportunities across the small-cap universe, in both developed and emerging markets, enabled fund managers to identify and invest in high-quality stocks in emerging markets that have minimal exposure in the index. The continued rally in this segment over the quarter supported relative results.

Detractors from performance

- **Geographic.** Stock selection in the U.K. and nonexposure to Australia were a drag on relative results.
- **Sector.** Underperformance at the sector level was concentrated in the materials sector, driven by a continued underweight position to the generally lower quality, commodity-based metals and mining industry.
- **Key stock detractors.** Key detractors from performance included consumer discretionary holdings **Intralot SA** and **Game Group PLC** (1.41% and 0.59% of total net assets, respectively). **Intralot**, the Greek gaming systems developer, has been hit hard by adverse foreign exchange developments and start-up costs for new contracts. In addition, recent Greek macro news didn't help sentiment even though Greece at this point is insignificant in terms of business exposure. **Game Group**, a British video game retailer, is a recent addition to the fund as it is extremely cheap, although thus far we appear to have been a touch early as practically the entire sector has reported a poor Christmas. This sector is very cyclical, and our expectation is that sales will again be re-ignited as new gaming platforms are launched, and Microsoft's Project Natal is showing particular promise (not a fund holding).

Top contributors and detractors

Contributors	(%) of Total Assets	Detractors	(%) of Total Assets
1. Paliburg Holdings	1.71	1. First Gen Corp. RTS	0.33
2. TGS-NOPEC Geophysical Co.	2.74	2. Intralot SA	1.41
3. Total Energy Services	1.39	3. Game Group PLC	0.59
4. Paddy Power PLC	2.79	4. Kier Group PLC	1.56
5. American Banknote SA	3.32	5. Nippon Ceramic Co. Ltd.	1.30

Positioning and outlook

- **Stocks purchased.** Several new high-quality names were added to the portfolio including **Daylight Resources Trust**, **Prosafe SE**, **Ultra Electronics Holdings PLC** and **Vinda International Holdings** (1.18%, 1.09%, 0.99% and 0.92% of total net assets, respectively).
- **Stocks sold.** Deteriorating fundamentals (e.g. earnings concerns, stretched valuations, etc.) led to the sale of **Kon Bam Groep** and **Hung Poo Real Estate**, while **Highpine Oil & Gas Ltd** (Canada) was the subject of a takeover bid (each 0% of total net assets).
- **Overweight/underweight vs. index.** At the close of the period, the fund's largest overweight positions were in the consumer discretionary, consumer staples and utilities sectors. The fund's largest underweight positions were in the materials, financials and health care sectors.
- **Outlook.** Within this environment, our bias for companies with well-capitalized balance sheets (with little-to-no debt), strong cash flow generation and attractive valuation remains unwavering.
- The fund's nimble asset size allows us the ability to identify and invest in several high-quality, micro-cap gems that often offer undiscovered and under-researched investment opportunities.
- Our process remains focused on bottom-up stock picking rather than macro forecasts. We believe that identifying attractive individual securities is less difficult than consistently making correct market or economic forecasts.
- From a broader market perspective, international small-cap equity remains a very favorable asset class that has historically produced higher risk-adjusted returns than large-cap companies.
- Although the recent rally in foreign small caps has largely equalized the valuations of foreign small- and large-cap indexes, international small caps remain at a large discount to U.S. small caps, further supporting the case for small-cap diversification abroad.

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

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