

AVIVA INVESTORS SELECT FUNDS ICVC

Interim Report and Financial Statements

For the six months ended 28 August 2018 (unaudited)

CONTENTS

Company Information*	2
Report of the Authorised Corporate Director*	3
Statement of Cross Holdings	4
Aviva Investors US Equity Income Fund	5
Aviva Investors US Equity Income Fund II	15
Statement of the Authorised Corporate Director's Responsibilities*	25
Authorised Corporate Director's Statement*	25
Securities Financing Transactions Regulation Disclosure	26
General Information	26

* These items comprise the Authorised Corporate Director's Report for the purposes of the rules contained in the Collective Investment Schemes Sourcebook ("the Regulations").

COMPANY INFORMATION

AUTHORISED CORPORATE DIRECTOR

Aviva Investors UK Fund Services Limited
St Helen's
1 Undershaft
London, EC3P 3DQ

Aviva Investors UK Fund Services Limited (the ACD) is a wholly owned subsidiary of Aviva Investors Holdings Limited, a company incorporated in the United Kingdom and within the Aviva Group of Companies. The ACD is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority.

DIRECTORS

I Buckle
S Ebenston
D Skinner
J Leadsom
D Clayton
M Craston
G Miller

ADMINISTRATOR AND REGISTRAR

DST Financial Services Europe Ltd
DST House
St Nicholas Lane
Basildon
Essex, SS15 5FS

FUND ACCOUNTING AND PRICING AGENT

J.P. Morgan Chase Bank, National Association (London Branch)
25 Bank Street
Canary Wharf
London, E14 5JP

INVESTMENT MANAGER

River Road Asset Management LLC
462 South Fourth Street
Louisville KY 40202 USA

The ultimate parent company of River Road Asset Management LLC is Affiliated Managers Group.

DEPOSITARY

J.P.Morgan Europe Limited
25 Bank Street
Canary Wharf
London, EC14 5JP

J.P.Morgan Europe Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
7 More London Riverside
London, SE1 2RT

REPORT OF THE AUTHORISED CORPORATE DIRECTOR

THE COMPANY

Aviva Investors Select Funds ICVC ("the Company") is an Open-Ended Investment Company (OEIC) with variable capital incorporated in England and Wales since 18 August 2004. The property of the Company is entrusted to J.P. Morgan Europe Limited ("the Depository"). The shareholders are not liable for any debts of the Company.

The object of the Company is to invest the scheme property in transferable securities, money market instruments, deposits, units in collective investment schemes, derivative instruments and forward transactions, in accordance with the FCA Rules applicable to the Company and each Fund according to the type of authorisation of the Company as stated in the Instrument of Incorporation with the aim of spreading investment risk and giving its shareholders the benefit of the results of the management of the property.

The Company has an umbrella structure which means that it contains a number of Funds, each with a different investment objective. In the financial statements you will find an investment review for the two Funds in the Aviva Investors Select Funds ICVC that are available for investment which includes details of the investment objectives.

AUTHORISED STATUS

From 18 August 2004 the Company was authorised as an Open-Ended Investment Company under Regulation 9 of the Open-Ended Investment Companies Regulations 1996 (superseded by Regulation 12 of the Open-Ended Investment Companies Regulations 2001).

The Company is authorised to operate as a "UCITS Scheme" for the purposes of the COLL sourcebook and as an "umbrella" company for the purposes of the OEIC Regulations.

THE FINANCIAL STATEMENTS

We are pleased to present the interim financial statements of the Company for the six months ended 28 August 2018. As required by the Regulations, information for each of the Funds has been included in these financial statements. On the following pages we review the performance of each of those Funds during this period. We hope that you find our review useful and informative.

ANNUAL GENERAL MEETINGS

The Company will not be holding any Annual General Meetings.

SIGNIFICANT INFORMATION

The Depository fees for the sub-funds (Funds) in the Company changed with effect from 1 March 2018 as set out in the Prospectus from that date. Based on the average net asset value of the Funds within the Company, throughout 2017, this change will not result in an increase in the Depository fees. However, should the net asset values of the Funds increase in the future, there is potential that this change may affect the level of Depository fees charged. At the same time, the range of fees that the Custodian charges for safekeeping fund assets changed in respect of the Funds of the Company. The safekeeping charges vary according to the territory or country in which the assets are held, and will change from a range of 0.0008%–0.55% to 0.001%–0.35%. Any increase in Custodian fees as a result of this change, if there is one, is considered not to have a material effect in relation to the investment of an investor.

On 4 June 2018, we made a number of changes to our entire fund range, including the Funds of the Company. This resulted in us replacing a variety of separate fees, costs and expenses of operating and administering our funds with a simple single fee called the "Fund Management Fee" or "FMF". In connection with this, we also lowered fees on a large number of our funds and reduced entry charges to zero on all but one of our funds. We also renamed certain share classes of certain funds and closed other share classes and moved any investors into an alternative share class of the same fund. The review of a Fund notes if it was affected by such a share class merger or renaming.

STATEMENT OF CROSS HOLDINGS

There are no cross holdings as at 28 August 2018.

AVIVA INVESTORS US EQUITY INCOME FUND

INVESTMENT OBJECTIVE

To provide an annualised income yield 1.5% higher than that of the Russell® 3000 Value Index which is paid quarterly, with the potential for capital growth.

INVESTMENT POLICY

The Fund aims to achieve the investment objective by principally investing in equity securities listed on regulated North American exchanges. Limited exposure to other geographic regions may be possible.

The Fund may also invest in other transferable securities, collective investment schemes, money market instruments, deposits, cash or near cash. The Fund may also use derivative instruments for the purposes of efficient portfolio management.

FUND MANAGER'S REPORT

Performance

Over the six months ended 28 August 2018 the Fund (share class 1) delivered a total return of 9.34%* compared with an average return of 5.88% for the Russell® 3000 Value benchmark, an outperformance of 3.46%.

Over the six months ended, the Fund provided an income yield (before the deduction of charges and tax) of 3.22%, compared to the Russell® 3000 Value Index yield of 2.52%, an outperformance of 0.70% but falling short of its target of providing an annualised income yield 1.5% higher than that of the Index.

Review

Q2 was a period defined by shifting, and increasing, uncertainty. Whereas the threat of conflict in Korea appeared to ease in the wake of the historic summit, the trade tensions that dominated the later part of Q1 escalated in Q2. This culminated in a series of tariffs on imports from Europe, Canada, Mexico, and China and the all too predictable retaliation against U.S. exports. Amidst the trade upheaval, the U.S. dollar broadly strengthened, and some key emerging market currencies, namely those of Argentina, Brazil, and Turkey, weakened substantially.

While the White House dialed up the pressure on trade, the Federal Reserve continued to increase short-term rates, taking the federal funds rate up 25 bps to a range of 1.75% to 2.00% in June. However, long-term rates failed to respond and the yield curve continued to flatten. The spread between the 2-year and 10-year Treasury rates continued to decline in the period, reaching a paltry 31 bps at quarter end. Just after quarter end, the spread dropped below 30 bps for the first time since July 2007. The prevailing expectation is that the Fed will continue to push short-term rates higher in the second half, but further tightening risks inverting the yield curve – a condition widely viewed as a leading indicator of a recession.

As of August, the earnings environment remains extremely positive as FactSet Research Systems reports all 11 sectors in the S&P 500 posted positive earnings growth for Q2 with an aggregate year-over-year increase of 25%, the fastest reported growth since 2010. The corporate tax cut isn't solely responsible for this move, as revenue growth accelerated to a robust 10.1% and 72% of S&P 500 companies reported actual sales above the average estimate. At 20.6%, analyst expectations for 2018 earnings growth are perhaps too conservative. Assuming economic growth remains intact there will likely be an upward bias to both 2018 and 2019 estimates in the coming quarter. Small cap stocks significantly outperformed large caps during August, as the Russell® 2000 returned 4.31% versus 3.45% for the Russell® 1000 Index. Growth stocks significantly outpaced value across small, mid, and large cap indices. Management reports support our belief that the lower tax rate represents a significant stimulus for earnings and dividend growth which should help drive positive returns over the course of the year. That said, we expect that the second half of the year will be more volatile than the first as rhetoric around tariffs will weigh heavily on investor sentiment and monetary policy tightens even further.

Broadly surveying the market, small caps led and growth stocks significantly outperformed during the period.

Ten of 11 sectors in the Russell® 3000 Value posted positive returns in the period, with Real Estate (+17.8%), Energy (+15.8%), and Health Care (+12.0%) providing the highest returns. The worst performing sectors were Consumer Staples (-0.4%), Financials (+0.6%), and Materials (+1.8%).

Looking at what worked during the period, overall stock selection was positive with the most significant positive impacts on relative performance coming from stock selection in the Industrials and Information Technology sectors. Seven of the nine Industrials holdings and five of the seven Information Technology holdings outperformed their respective broader sector returns.

The top five contributors to Portfolio return included Marathon Petroleum Corp. (MPC, +32.5%), Sabra Health Care REIT Inc. (SBRA, +45.1%), RPM International Inc. (RPM, +39.3%), Iron Mountain Inc. (IRM, +18.9%), and Ryman Hospitality Properties Inc. (RHP, +28.5%).

Speaking of what did not work, overall sector allocation was negative. The most significant negative impacts on relative performance were from stock selection in Consumer Discretionary and the underweight allocation in Health Care. Of the ten holdings in Consumer Discretionary, eight underperformed the broader sector return, including Cinemark Holdings Inc. (CNK, -8.5%) and Omnicom Group Inc. (OMC, -7.5%), the third and fifth lowest contributors to Portfolio return during the period.

The five holdings with the lowest contribution to Portfolio return during the period were Coty Inc. (CI A) (COTY, -39.1%), Nielsen Holdings Plc (NLSN, -15.3%), Cinemark Holdings Inc., Kraft Heinz Co. (KHZ, -9.7%), and Omnicom Group Inc. (OMC, -7.5%).

AVIVA INVESTORS US EQUITY INCOME FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

As of August 28, the Portfolio held a total of 55 positions. During the period, we established 4 positions and eliminated 7. We established positions in Comcast Corp. (CI A) (CMCSA, -1.1%), RPM International Inc., Walgreens Boots Alliance Inc. (WBA, +7.9%), and Black Hills Corp. (BKH, +12.9%). The five largest positions eliminated were Coty Inc. (CI A) (COTY, -39.1%), Hanesbrands Inc. (HBI, -4.9%), Microsoft Corp. (MSFT, +11.5%), CVS Health Corp. (CVS, -2.6%), and General Electric Co. (GE, -8.5%). We eliminated the positions in HBI, COTY, and CVS due to unrealized losses and stalled dividends, the position in GE due to unrealized losses and a dividend cut, and the position in MSFT as it was approaching a premium to its assessed valuation and the yield was below 2%.

Looking forward, earnings expectations are elevated, but investors are increasingly focused on ratcheting tension on the trade front and the potential disruption it could cause. Management reports support our belief that the lower tax rate represents a significant stimulus for earnings and dividend growth which should help drive positive returns over the course of the year. That said, we expect the second half of the year to be more volatile than the first as rhetoric around tariffs will weigh heavily on investor sentiment and monetary policy tightens even further.

September 2018

* Fund performance figures – share class 1, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by River Road Asset Management LLC.

© Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

The Aviva Investors US Equity Income Fund is not promoted, sponsored or endorsed by, nor in any way affiliated with Russell Investments ("Russell"). Russell is not responsible for and has not reviewed the Aviva Investors US Equity Income Fund nor any associated literature or publications and Russell makes no representation or warranty, express or implied, as to their accuracy, or completeness, or otherwise.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
Comcast 'A'	Hanesbrands
Walgreens Boots Alliance	Compass Minerals International
RPM International	Marathon Petroleum
Black Hills	Union Pacific
Kraft Heinz	Coty 'A'
PepsiCo	Microsoft
Aircastle	CVS Health
Cisco Systems	National Fuel Gas
Iron Mountain	General Electric
Target	Emerson Electric

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- Investment may be restricted to a limited number of holdings, industries, or Countries. The Fund share price may be more exposed to specific events and as a result may experience large daily price changes.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at www.avivainvestors.com or from the ACD on request.

INVESTMENT PERFORMANCE

Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Per share in class currency
Class 1 (GBP)	28.02.16	7,696	5,315,532	144.79p
	28.02.17	7,402	3,799,878	194.80p
	28.02.18	742	420,776	176.40p
	28.08.18	764	382,861	199.60p
Class 2 (GBP)	28.02.16	207,585	138,378,752	150.01p
	28.02.17	249,562	122,714,671	203.37p
	28.02.18	185,074	99,717,514	185.60p
	28.08.18	170,123	80,808,112	210.53p
Class 2 (USD)	28.02.16	12,591	13,444,062	130.75c
	28.02.17	15,863	12,493,857	157.98c
	28.02.18	12,145	10,481,675	160.42c
	28.08.18	13,043	9,922,986	169.51c
Class 5 (GBP)	28.02.18**	1	534	186.22p
	28.08.18	1	470	211.35p

* Valued at bid market prices.

** From 23 June 2017 (date of launch).

Net Asset Value – Accumulation Shares

Share class	As at	Net asset value* £000	Shares in issue	Per share in class currency
Class 1 (GBP)	28.02.16	1,504	913,218	164.66p
	28.02.17	1,103	485,750	227.00p
	28.02.18	797	378,106	210.70p
	28.08.18	870	360,198	241.66p
Class 2 (GBP)	28.02.16	9,040	5,304,501	170.42p
	28.02.17	10,844	4,580,636	236.73p
	28.02.18	7,376	3,331,778	221.40p
	28.08.18	7,648	3,004,621	254.55p
Class 3 (GBP)	28.02.16	67	38,583	173.22p
	28.02.17	93	38,583	241.46p
	28.02.18	88	38,583	226.62p
	28.08.18	101	38,583	261.01p
Class 5 (GBP)	28.02.18**	1	451	221.66p
	28.08.18	1	392	255.05p

* Valued at bid market prices.

** From 23 June 2017 (date of launch).

Share Price Record – Income Shares

Share class	Financial year	Highest price*	Lowest price*
Class 1 (GBP)	2016	150.79p	121.83p
	2017	196.55p	143.77p
	2018	198.36p	171.23p
	2019**	201.27p	163.66p
Class 2 (GBP)	2016	155.19p	125.74p
	2017	205.01p	148.98p
	2018	207.09p	180.08p
	2019**	212.28p	172.29p
Class 2 (USD)	2016	143.04c	120.64c
	2017	158.88c	129.96c
	2018	172.61c	150.72c
	2019**	170.74c	153.00c
Class 5 (GBP)	2018	198.54p	180.71p
	2019**	213.11p	172.88p

* Valued at mid market prices.

** Up to 28 August 2018.

Share Price Record – Accumulation Shares

Share class	Financial year	Highest price*	Lowest price*
Class 1 (GBP)	2016	167.00p	135.79p
	2017	227.76p	163.52p
	2018	231.14p	203.38p
	2019**	241.95p	195.49p
Class 2 (GBP)	2016	171.71p	140.01p
	2017	237.31p	169.25p
	2018	241.06p	213.62p
	2019**	254.84p	205.52p
Class 3 (GBP)	2016	174.01p	142.07p
	2017	241.96p	172.04p
	2018	245.88p	218.61p
	2019**	261.28p	210.42p
Class 5 (GBP)	2018	234.96p	213.86p
	2019**	255.33p	205.79p

* Valued at mid market prices.

** Up to 28 August 2018.

INVESTMENT PERFORMANCE (CONTINUED)

Ongoing Charges Figure*

Share class	28.08.18	28.02.18
Class 1 (GBP)	1.13%	1.64%
Class 2 (GBP)	0.88%	0.89%
Class 2 (USD)	0.88%	0.89%
Class 3 (GBP)	0.53%	0.54%
Class 5 (GBP)	0.80%	0.81%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the period. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 28 February 2015.

Share class	Financial year	Net revenue per share	Per 1,000 invested in class currency
Class 1 (GBP)	2016	3.6719p	£25.49
	2017	4.2287p	£29.36
	2018	4.4162p	£30.66
	2019*	2.5995p	£18.05
Class 2 (GBP)	2016	3.7858p	£25.57
	2017	4.4070p	£29.76
	2018	4.6298p	£31.27
	2019*	2.7392p	£18.50
Class 2 (USD)	2016	3.5209c	\$24.75
	2017	3.6084c	\$25.37
	2018	3.8096c	\$26.78
	2019*	2.2392c	\$15.74
Class 5 (GBP)	2018**	3.0686p	£15.89
	2019*	2.7937p	£14.46

* Up to 28 October 2018 (the interim distribution payment date).

** From 23 June 2017 (date of launch).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 28 February 2015.

Share class	Financial year	Net revenue per share	Per 1,000 invested in class currency
Class 1 (GBP)	2016	4.1036p	£25.87
	2017	4.8643p	£30.66
	2018	5.1955p	£32.75
	2019*	3.1159p	£19.64
Class 2 (GBP)	2016	4.2853p	£26.29
	2017	5.0476p	£30.97
	2018	5.4377p	£33.37
	2019*	3.2787p	£20.12
Class 3 (GBP)	2016	4.4342p	£26.86
	2017	5.4811p	£33.20
	2018	5.7407p	£34.77
	2019*	3.4045p	£20.62
Class 5 (GBP)	2018**	3.6134p	£15.97
	2019*	3.3374p	£14.75

* Up to 28 October 2017 (the interim distribution payment date).

** From 23 June 2017 (date of launch).

PORTFOLIO STATEMENT

As at 28 August 2018 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 97.43% (98.89%)				
Consumer Discretionary 15.57% (15.76%)				
Hotels, Restaurants & Leisure 3.49% (3.66%)				
Extended Stay America	USD	265,204	4,146	2.15
Starbucks	USD	62,686	2,574	1.34
			<u>6,720</u>	<u>3.49</u>
Leisure Products 0.82% (1.18%)				
Polaris Industries	USD	18,687	1,585	0.82
			<u>1,585</u>	<u>0.82</u>
Media 8.33% (7.11%)				
Cinemark Holdings	USD	127,704	3,768	1.96
Comcast 'A'	USD	148,545	4,196	2.18
Interpublic Group	USD	159,545	2,853	1.48
Meredith	USD	46,905	1,866	0.97
Omnicom Group	USD	62,274	3,352	1.74
			<u>16,035</u>	<u>8.33</u>
Multiline Retail 2.93% (2.46%)				
Target	USD	84,136	5,649	2.93
			<u>5,649</u>	<u>2.93</u>
Textiles, Apparel & Luxury Goods 0.00% (1.35%)				
Consumer Discretionary total			29,989	15.57
Consumer Staples 10.92% (10.88%)				
Beverages 1.74% (1.14%)				
PepsiCo	USD	38,294	3,338	1.74
			<u>3,338</u>	<u>1.74</u>
Food & Staples Retailing 3.77% (3.35%)				
Walgreens Boots Alliance	USD	48,577	2,616	1.36
Walmart	USD	63,423	4,647	2.41
			<u>7,263</u>	<u>3.77</u>
Food Products 1.44% (1.07%)				
Kraft Heinz	USD	59,878	2,766	1.44
			<u>2,766</u>	<u>1.44</u>
Household Products 2.21% (2.26%)				
Kimberly-Clark	USD	47,681	4,260	2.21
			<u>4,260</u>	<u>2.21</u>
Personal Products 1.76% (3.06%)				
Unilever, ADR	USD	75,991	3,393	1.76
			<u>3,393</u>	<u>1.76</u>
Consumer Staples total			21,020	10.92
Energy 8.99% (8.80%)				
Oil, Gas & Consumable Fuels 8.99% (8.80%)				
Chevron	USD	26,360	2,460	1.28
Exxon Mobil	USD	53,660	3,345	1.73
Marathon Petroleum	USD	104,992	6,814	3.54
Occidental Petroleum	USD	48,216	2,998	1.56
Valero Energy	USD	18,064	1,697	0.88
			<u>17,314</u>	<u>8.99</u>
Energy total			17,314	8.99

PORTFOLIO STATEMENT (CONTINUED)

As at 28 August 2018 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
Financials 15.01% (15.69%)				
Banks 10.99% (11.41%)				
BB&T	USD	147,743	5,984	3.11
PNC Financial Services Group	USD	21,032	2,376	1.23
US Bancorp	USD	141,292	5,967	3.10
Wells Fargo	USD	68,244	3,127	1.62
WesBanco	USD	96,616	3,711	1.93
			21,165	10.99
Capital Markets 1.37% (1.33%)				
Thomson Reuters	USD	78,695	2,639	1.37
			2,639	1.37
Insurance 2.65% (2.95%)				
Axis Capital Holdings	USD	48,168	2,158	1.12
CNA Financial	USD	43,373	1,527	0.80
MetLife	USD	38,471	1,404	0.73
			5,089	2.65
Financials total			28,893	15.01
Health Care 2.00% (1.96%)				
Biotechnology 2.00% (1.96%)				
Amgen	USD	24,955	3,843	2.00
			3,843	2.00
Health Care total			3,843	2.00
Industrials 15.30% (16.74%)				
Air Freight & Logistics 1.96% (1.75%)				
United Parcel Service 'B'	USD	39,235	3,767	1.96
			3,767	1.96
Building Products 1.43% (1.44%)				
Johnson Controls International	USD	89,620	2,760	1.43
			2,760	1.43
Commercial Services & Supplies 2.13% (1.82%)				
KAR Auction Services	USD	82,706	4,094	2.13
			4,094	2.13
Electrical Equipment 1.72% (2.12%)				
Emerson Electric	USD	55,761	3,314	1.72
			3,314	1.72
Industrial Conglomerates 0.00% (0.87%)				
Professional Services 0.98% (1.61%)				
Nielsen Holdings	USD	91,478	1,886	0.98
			1,886	0.98
Road & Rail 1.98% (2.41%)				
Union Pacific	USD	32,223	3,818	1.98
			3,818	1.98
Trading Companies & Distributors 5.10% (4.72%)				
Aircastle	USD	203,424	3,371	1.75
Fastenal	USD	140,869	6,447	3.35
			9,818	5.10
Industrials total			29,457	15.30

PORTFOLIO STATEMENT (CONTINUED)

As at 28 August 2018 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
Information Technology 9.14% (10.82%)				
Communications Equipment 3.35% (3.45%)				
Cisco Systems	USD	115,235	4,163	2.16
Motorola Solutions	USD	23,121	2,282	1.19
			6,445	3.35
Electronic Equipment, Instruments & Components 2.73% (2.50%)				
Corning	USD	201,772	5,260	2.73
			5,260	2.73
IT Services 0.00% (0.58%)				
Semiconductors & Semiconductor Equipment 3.06% (3.46%)				
Intel	USD	48,921	1,834	0.95
QUALCOMM	USD	77,643	4,054	2.11
			5,888	3.06
Software 0.00% (0.83%)				
Information Technology total			17,593	9.14
Materials 5.48% (5.09%)				
Chemicals 5.48% (3.81%)				
LyondellBasell Industries 'A'	USD	22,458	2,019	1.05
Praxair	USD	42,528	5,210	2.70
RPM International	USD	63,558	3,330	1.73
			10,559	5.48
Metals & Mining 0.00% (1.28%)				
Materials total			10,559	5.48
Real Estate 10.40% (9.36%)				
Equity Real Estate Investment Trusts (REITs) 10.40% (9.36%)				
GEO Group	USD	136,890	2,663	1.38
Iron Mountain	USD	187,124	5,185	2.69
Ryman Hospitality Properties	USD	46,737	3,100	1.61
Sabra Health Care REIT	USD	168,627	3,009	1.56
Ventas	USD	71,700	3,262	1.70
Weyerhaeuser	USD	102,724	2,810	1.46
			20,029	10.40
Real Estate total			20,029	10.40
Telecommunication Services 2.00% (1.84%)				
Diversified Telecommunication Services 2.00% (1.84%)				
Verizon Communications	USD	90,708	3,858	2.00
			3,858	2.00
Telecommunication Services total			3,858	2.00

PORTFOLIO STATEMENT (CONTINUED)
As at 28 August 2018 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
Utilities 2.62% (1.95%)				
Gas Utilities 1.51% (1.95%)				
National Fuel Gas	USD	66,964	2,907	1.51
			<hr/> 2,907	<hr/> 1.51
Multi-Utilities 1.11% (0.00%)				
Black Hills	USD	46,287	2,143	1.11
			<hr/> 2,143	<hr/> 1.11
Utilities total			<hr/> 5,050	<hr/> 2.62
Equities total			<hr/> 187,605	<hr/> 97.43
Investment assets			187,605	97.43
Net other assets			4,946	2.57
Net assets			<hr/> 192,551	<hr/> 100.00

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.
The comparative percentage figures in brackets are as at 28 February 2018.

STATEMENT OF TOTAL RETURN

For the six months ended 28 August 2018 (unaudited)

	£000	Six months ended 28.08.18 £000	£000	Six months ended 28.08.17 £000
Income				
Net capital gains/(losses)		23,734		(20,545)
Revenue	3,247		4,254	
Expenses	(815)		(1,154)	
Net revenue before taxation	2,432		3,100	
Taxation	(370)		(593)	
Net revenue after taxation		2,062		2,507
Total return before distributions		25,796		(18,038)
Distributions		(2,718)		(3,327)
Change in net assets attributable to shareholders from investment activities		23,078		(21,365)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 28 August 2018 (unaudited)

	£000	Six months ended 28.08.18 £000	£000	Six months ended 28.08.17 £000
Opening net assets attributable to shareholders		206,224		284,867
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	1,892		671	
Amounts payable on cancellation of shares	(38,774)		(18,844)	
		(36,882)		(18,173)
Dilution adjustment		5		-
Change in net assets attributable to shareholders from investment activities (see above)		23,078		(21,365)
Retained distribution on accumulation shares		126		138
Closing net assets attributable to shareholders		192,551		245,467

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 28 February 2018 was £206,223,872.

BALANCE SHEET

As at 28 August 2018 (unaudited)

	As at 28.08.18 £000	As at 28.02.18 £000
Assets:		
Investments	187,605	203,937
Current assets:		
Debtors	4,371	1,468
Cash and bank balances	3,475	3,195
Total assets	195,451	208,600
Liabilities:		
Investment liabilities	–	(2)
Creditors:		
Distribution payable	(1,327)	(1,111)
Other creditors	(1,573)	(1,263)
Total liabilities	(2,900)	(2,376)
Net assets attributable to shareholders	192,551	206,224

ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the financial statements for the year ended 28 February 2018 and are described in those annual financial statements.

AVIVA INVESTORS US EQUITY INCOME FUND II

INVESTMENT OBJECTIVE

To provide an annualised income yield 1.5% higher than the annual income yield obtainable on the Russell® 3000 Value index*, with the potential for capital growth.

* Income on the Fund will be paid quarterly. The income aim is a 12 month rolling target and is before the deduction of charges and tax. For the purposes of measuring the income aim the annual income yield of the Index will also be calculated on a 12 month rolling basis.

INVESTMENT POLICY

The Fund aims to achieve the investment objective by principally investing in equity securities with a minimum market capitalisation of \$1bn which are listed on regulated North American exchanges. Limited exposure to other geographic regions may be possible.

The Fund may also invest in other transferable securities, collective investment schemes, money market instruments, deposits, cash or near cash. The Fund may also use derivative instruments for the purposes of efficient portfolio management.

FUND MANAGER'S REPORT

Performance

Over the six months ended 28 August 2018 the Fund (share class 1) delivered a total return of 9.09%* compared with an average return of 5.88% for the Russell® 3000 Value benchmark, an outperformance of 3.21%.

Over the six months ended, the Fund provided an income yield (before the deduction of charges and tax) of 3.22%, compared to the Russell® 3000 Value Index yield of 2.52%, an outperformance of 0.70% but falling short of its target of providing an annualised income yield 1.5% higher than that of the Index.

Review

Q2 was a period defined by shifting, and increasing, uncertainty. Whereas the threat of conflict in Korea appeared to ease in the wake of the historic summit, the trade tensions that dominated the later part of Q1 escalated in Q2. This culminated in a series of tariffs on imports from Europe, Canada, Mexico, and China and the all too predictable retaliation against U.S. exports. Amidst the trade upheaval, the U.S. dollar broadly strengthened, and some key emerging market currencies, namely those of Argentina, Brazil, and Turkey, weakened substantially.

While the White House dialed up the pressure on trade, the Federal Reserve continued to increase short-term rates, taking the federal funds rate up 25 bps to a range of 1.75% to 2.00% in June. However, long-term rates failed to respond and the yield curve continued to flatten. The spread between the 2-year and 10-year Treasury rates continued to decline in the period, reaching a paltry 31 bps at quarter end. Just after quarter end, the spread dropped below 30 bps for the first time since July 2007. The prevailing expectation is that the Fed will continue to push short-term rates higher in the second half, but further tightening risks inverting the yield curve – a condition widely viewed as a leading indicator of a recession.

As of August, the earnings environment remains extremely positive as FactSet Research Systems reports all 11 sectors in the S&P 500 posted positive earnings growth for Q2 with an aggregate year-over-year increase of 25%, the fastest reported growth since 2010. The corporate tax cut isn't solely responsible for this move, as revenue growth accelerated to a robust 10.1% and 72% of S&P 500 companies reported actual sales above the average estimate. At 20.6%, analyst expectations for 2018 earnings growth are perhaps too conservative. Assuming economic growth remains intact there will likely be an upward bias to both 2018 and 2019 estimates in the coming quarter. Small cap stocks significantly outperformed large caps during August, as the Russell® 2000 returned 4.31% versus 3.45% for the Russell® 1000 Index. Growth stocks significantly outpaced value across small, mid, and large cap indices. Management reports support our belief that the lower tax rate represents a significant stimulus for earnings and dividend growth which should help drive positive returns over the course of the year. That said, we expect that the second half of the year will be more volatile than the first as rhetoric around tariffs will weigh heavily on investor sentiment and monetary policy tightens even further.

Broadly surveying the market, small caps led and growth stocks significantly outperformed during the period.

Ten of 11 sectors in the Russell® 3000 Value posted positive returns in the period, with Real Estate (+17.8%), Energy (+15.8%), and Health Care (+12.0%) providing the highest returns. The worst performing sectors were Consumer Staples (-0.4%), Financials (+0.6%), and Materials (+1.8%).

Looking at what worked during the period, overall stock selection was positive with the most significant positive impacts on relative performance coming from stock selection in the Industrials and Information Technology sectors. Seven of the nine Industrials holdings and five of the six Information Technology holdings outperformed their respective broader sector returns.

The top five contributors to Portfolio return included Marathon Petroleum Corp. (MPC, +32.5%), RPM International Inc. (RPM, +39.3%), Iron Mountain Inc. (IRM, +19.0%), Sabra Health Care REIT Inc. (SBRA, +45.2%), and Ryman Hospitality Properties Inc. (RHP, +28.6%).

Speaking of what did not work, overall sector allocation was negative. The most significant negative impacts on relative performance were from stock selection in Consumer Discretionary and the underweight allocation in Health Care. Of the ten holdings in Consumer Discretionary, eight underperformed the broader sector return, including Cinemark Holdings Inc. (CNK, -8.5%) and Omnicom Group Inc. (OMC, -7.4%), the second and fifth lowest contributors to Portfolio return during the period.

The five holdings with the lowest contribution to Portfolio return during the period were Coty Inc. (CI A) (COTY, -39.1%), Cinemark Holdings Inc., Nielsen Holdings Plc (NLSN, -15.2%), Kraft Heinz Co. (KHZ, -9.6%), and Omnicom Group Inc. (OMC, -7.5%).

AVIVA INVESTORS US EQUITY INCOME FUND II (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

As of August 28, the Portfolio held a total of 54 positions. During the period, we established 4 positions and eliminated 6. We established positions in Comcast Corp. (CI A) (CMCSA, -1.2%), RPM International Inc., Walgreens Boots Alliance Inc. (WBA, +7.9%), and Black Hills Corp. (BKH, +12.9%). The five largest positions eliminated were Coty Inc. (CI A) (COTY, -39.1%), Microsoft Corp. (MSFT, +11.5%), Hanesbrands Inc. (HBI, -4.9%), CVS Health Corp. (CVS, -2.5%), and General Electric Co. (GE, -8.5%). We eliminated the positions in HBI, COTY, and CVS due to unrealized losses and stalled dividends, the position in GE due to unrealized losses and a dividend cut, and the position in MSFT as it was approaching a premium to its assessed valuation and the yield was below 2%.

Looking forward, earnings expectations are elevated, but investors are increasingly focused on ratcheting tension on the trade front and the potential disruption it could cause. Management reports support our belief that the lower tax rate represents a significant stimulus for earnings and dividend growth which should help drive positive returns over the course of the year. That said, we expect the second half of the year to be more volatile than the first as rhetoric around tariffs will weigh heavily on investor sentiment and monetary policy tightens even further.

September 2018

* Fund performance figures – share class 1, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by River Road Asset Management LLC.

© Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

The Aviva Investors US Equity Income II Fund is not promoted, sponsored or endorsed by, nor in any way affiliated with Russell Investments ("Russell"). Russell is not responsible for and has not reviewed the Aviva Investors US Equity Income II Fund nor any associated literature or publications and Russell makes no representation or warranty, express or implied, as to their accuracy, or completeness, or otherwise.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
Comcast 'A'	Hanesbrands
Walgreens Boots Alliance	Compass Minerals International
RPM International	Coty 'A'
Black Hills	Microsoft
Kraft Heinz	CVS Health
PepsiCo	General Electric
CNA Financial	Marathon Petroleum
Sabra Health Care REIT	Union Pacific
US Bancorp	National Fuel Gas
Cisco Systems	Valero Energy

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The value of investments and the income from them will change over time.
- The Fund price may fall as well as rise and as a result you may not get back the original amount you invested.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at www.avivainvestors.com or from the ACD on request.

INVESTMENT PERFORMANCE

Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Per share in class currency
Class 1 (GBP)	28.02.16	146	120,729	121.14p
	28.02.17	170	105,139	162.00p
	28.02.18	154	105,139	146.77p
	28.08.18	1,991	1,201,594	165.66p
Class 2 (GBP)	28.02.16	171,704	139,098,828	123.44p
	28.02.17	316,551	190,329,296	166.32p
	28.02.18	310,565	204,558,500	151.82p
	28.08.18	315,921	183,896,742	171.79p
Class 2 (USD)	28.02.16	1,143	1,451,673	109.95c
	28.02.17	1,255	1,182,591	132.02c
	28.02.18	1,805	1,862,880	134.12c
	28.08.18	1,905	1,738,107	141.35c
Class 5 (GBP)	28.02.18**	1	653	152.31p
	28.08.18	1	576	172.43p

* Valued at bid market prices.

** From 23 June 2017 (date of launch).

Net Asset Value – Accumulation Shares

Share class	As at	Net asset value* £000	Shares in issue	Per share in class currency
Class 2 (GBP)	28.02.16	11,219	8,556,231	131.12p
	28.02.17	19,487	10,777,903	180.81p
	28.02.18	21,566	12,756,372	169.06p
	28.08.18	28,980	14,944,364	193.92p
Class 3 (GBP)	28.02.16	67	38,976	171.76p
	28.02.17	93	38,976	237.69p
	28.02.18	87	38,976	223.02p
	28.08.18	100	38,976	256.26p
Class 5 (GBP)	28.02.18**	1	591	169.25p
	28.08.18	1	515	194.26p

* Valued at bid market prices.

** From 23 June 2017 (date of launch).

Share Price Record – Income Shares

Share class	Financial year	Highest price*	Lowest price*
Class 1 (GBP)	2016	125.62p	101.73p
	2017	163.02p	120.32p
	2018	164.82p	142.35p
	2019**	167.04p	135.96p
Class 2 (GBP)	2016	127.16p	103.26p
	2017	167.31p	122.61p
	2018	169.22p	147.19p
	2019**	173.21p	140.72p
Class 2 (USD)	2016	119.75c	101.19c
	2017	132.80c	109.32c
	2018	144.63c	126.46c
	2019**	142.38c	127.70c
Class 5 (GBP)	2018	162.60p	147.69p
	2019**	173.85p	141.18p

* Valued at mid market prices.

** Up to 28 August 2018.

Share Price Record – Accumulation Shares

Share class	Financial year	Highest price*	Lowest price*
Class 2 (GBP)	2016	131.68p	107.55p
	2017	180.85p	130.24p
	2018	183.96p	162.98p
	2019**	194.14p	156.70p
Class 3 (GBP)	2016	171.99p	140.66p
	2017	237.74p	170.62p
	2018	241.84p	214.96p
	2019**	256.52p	206.77p
Class 5 (GBP)	2018	179.63p	163.15p
	2019**	194.47p	156.89p

* Valued at mid market prices.

** Up to 28 August 2018.

Ongoing Charges Figure*

Share class	28.08.18	28.02.18
Class 1 (GBP)	1.13%	1.63%
Class 2 (GBP)	0.88%	0.88%
Class 2 (USD)	0.88%	0.88%
Class 3 (GBP)	0.53%	0.53%
Class 5 (GBP)	0.80%	0.80%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the period. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

COMPARATIVE TABLES (CONTINUED)

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 28 February 2015.

Share class	Financial year	Net revenue per share	Per 1,000 invested in class currency
Class 1 (GBP)	2016	2.9466p	£24.56
	2017	3.3827p	£28.19
	2018	3.6157p	£30.14
	2019*	2.1699p	£18.09
Class 2 (GBP)	2016	2.9935p	£24.67
	2017	3.4645p	£28.55
	2018	3.7259p	£30.71
	2019*	2.2482p	£18.53
Class 2 (USD)	2016	2.8505c	\$23.86
	2017	2.8882c	\$24.17
	2018	3.1354c	\$26.24
	2019*	1.8785c	\$15.72
Class 5 (GBP)	2018**	2.5154p	£15.86
	2019*	2.2750p	£14.34

* Up to 28 October 2018 (the interim distribution payment date).

** From 23 June 2017 (date of launch).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 28 February 2015.

Share class	Financial year	Net revenue per share	Per 1,000 invested in class currency
Class 2 (GBP)	2016	3.1236p	£24.98
	2017	3.7087p	£29.66
	2018	4.0862p	£32.68
	2019*	2.5122p	£20.09
Class 3 (GBP)	2016	4.2167p	£25.83
	2017	4.4916p	£27.51
	2018	5.5631p	£34.07
	2019*	3.3615p	£20.59
Class 5 (GBP)	2018**	2.7667p	£15.95
	2019*	2.5372p	£14.63

* Up to 28 October 2018 (the interim distribution payment date).

** From 23 June 2017 (date of launch).

PORTFOLIO STATEMENT

As at 28 August 2018 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 99.37% (97.73%)				
Consumer Discretionary 16.43% (16.28%)				
Hotels, Restaurants & Leisure 3.68% (3.77%)				
Extended Stay America	USD	506,399	7,916	2.27
Starbucks	USD	119,743	4,918	1.41
			<u>12,834</u>	<u>3.68</u>
Leisure Products 0.85% (1.22%)				
Polaris Industries	USD	35,149	2,981	0.85
			<u>2,981</u>	<u>0.85</u>
Media 8.81% (7.33%)				
Cinemark Holdings	USD	243,940	7,197	2.06
Comcast 'A'	USD	284,153	8,027	2.30
Interpublic Group	USD	311,086	5,563	1.59
Meredith	USD	88,990	3,540	1.02
Omnicom Group	USD	119,221	6,418	1.84
			<u>30,745</u>	<u>8.81</u>
Multiline Retail 3.09% (2.57%)				
Target	USD	160,384	10,769	3.09
			<u>10,769</u>	<u>3.09</u>
Textiles, Apparel & Luxury Goods 0.00% (1.39%)				
Consumer Discretionary total			57,329	16.43
Consumer Staples 11.41% (11.11%)				
Beverages 1.80% (1.09%)				
PepsiCo	USD	71,955	6,272	1.80
			<u>6,272</u>	<u>1.80</u>
Food & Staples Retailing 3.88% (3.37%)				
Walgreens Boots Alliance	USD	92,406	4,976	1.43
Walmart	USD	116,767	8,556	2.45
			<u>13,532</u>	<u>3.88</u>
Food Products 1.53% (1.10%)				
Kraft Heinz	USD	115,932	5,354	1.53
			<u>5,354</u>	<u>1.53</u>
Household Products 2.38% (2.37%)				
Kimberly-Clark	USD	92,776	8,289	2.38
			<u>8,289</u>	<u>2.38</u>
Personal Products 1.82% (3.18%)				
Unilever, ADR	USD	142,366	6,357	1.82
			<u>6,357</u>	<u>1.82</u>
Consumer Staples total			39,804	11.41
Energy 9.36% (9.12%)				
Oil, Gas & Consumable Fuels 9.36% (9.12%)				
Chevron	USD	45,505	4,246	1.22
Exxon Mobil	USD	106,486	6,638	1.90
Marathon Petroleum	USD	197,672	12,828	3.68
Occidental Petroleum	USD	92,384	5,746	1.65
Valero Energy	USD	33,984	3,192	0.91
			<u>32,650</u>	<u>9.36</u>
Energy total			32,650	9.36

PORTFOLIO STATEMENT (CONTINUED)

As at 28 August 2018 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
Financials 13.65% (13.67%)				
Banks 9.40% (9.66%)				
BB&T	USD	268,853	10,889	3.12
PNC Financial Services Group	USD	40,181	4,540	1.30
US Bancorp	USD	267,807	11,310	3.24
Wells Fargo	USD	132,470	6,071	1.74
			<u>32,810</u>	<u>9.40</u>
Capital Markets 1.49% (1.40%)				
Thomson Reuters	USD	154,601	5,185	1.49
			<u>5,185</u>	<u>1.49</u>
Insurance 2.76% (2.61%)				
Axis Capital Holdings	USD	92,763	4,156	1.19
CNA Financial	USD	81,314	2,863	0.82
MetLife	USD	72,000	2,627	0.75
			<u>9,646</u>	<u>2.76</u>
Financials total			47,641	13.65
Health Care 2.08% (1.99%)				
Biotechnology 2.08% (1.99%)				
Amgen	USD	47,132	7,258	2.08
			<u>7,258</u>	<u>2.08</u>
Health Care total			7,258	2.08
Industrials 15.13% (16.42%)				
Air Freight & Logistics 2.14% (1.87%)				
United Parcel Service 'B'	USD	77,787	7,469	2.14
			<u>7,469</u>	<u>2.14</u>
Building Products 1.52% (1.48%)				
Johnson Controls International	USD	172,193	5,302	1.52
			<u>5,302</u>	<u>1.52</u>
Commercial Services & Supplies 2.27% (1.88%)				
KAR Auction Services	USD	159,587	7,900	2.27
			<u>7,900</u>	<u>2.27</u>
Electrical Equipment 1.83% (2.07%)				
Emerson Electric	USD	107,244	6,373	1.83
			<u>6,373</u>	<u>1.83</u>
Industrial Conglomerates 0.00% (0.93%)				
Professional Services 1.02% (1.68%)				
Nielsen Holdings	USD	173,177	3,571	1.02
			<u>3,571</u>	<u>1.02</u>
Road & Rail 2.08% (2.43%)				
Union Pacific	USD	61,245	7,256	2.08
			<u>7,256</u>	<u>2.08</u>
Trading Companies & Distributors 4.27% (4.08%)				
Aircastle	USD	137,319	2,276	0.65
Fastenal	USD	276,041	12,633	3.62
			<u>14,909</u>	<u>4.27</u>
Industrials total			52,780	15.13

PORTFOLIO STATEMENT (CONTINUED)

As at 28 August 2018 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
Information Technology 9.73% (10.66%)				
Communications Equipment 3.50% (3.54%)				
Cisco Systems	USD	218,924	7,909	2.26
Motorola Solutions	USD	43,737	4,316	1.24
			<u>12,225</u>	<u>3.50</u>
Electronic Equipment, Instruments & Components 3.02% (2.69%)				
Corning	USD	404,222	10,538	3.02
			<u>10,538</u>	<u>3.02</u>
Semiconductors & Semiconductor Equipment 3.21% (3.57%)				
Intel	USD	91,740	3,439	0.99
QUALCOMM	USD	148,264	7,742	2.22
			<u>11,181</u>	<u>3.21</u>
Software 0.00% (0.86%)				
Information Technology total			33,944	9.73
Materials 5.77% (5.18%)				
Chemicals 5.77% (3.91%)				
LyondellBasell Industries 'A'	USD	42,966	3,863	1.11
Praxair	USD	81,311	9,962	2.86
RPM International	USD	120,072	6,291	1.80
			<u>20,116</u>	<u>5.77</u>
Metals & Mining 0.00% (1.27%)				
Materials total			20,116	5.77
Real Estate 10.91% (9.33%)				
Equity Real Estate Investment Trusts (REITs) 10.91% (9.33%)				
GEO Group	USD	271,409	5,280	1.51
Iron Mountain	USD	356,157	9,868	2.83
Ryman Hospitality Properties	USD	88,308	5,857	1.68
Sabra Health Care REIT	USD	314,265	5,607	1.61
Ventas	USD	141,324	6,430	1.84
Weyerhaeuser	USD	183,169	5,011	1.44
			<u>38,053</u>	<u>10.91</u>
Real Estate total			38,053	10.91
Telecommunication Services 2.15% (1.93%)				
Diversified Telecommunication Services 2.15% (1.93%)				
Verizon Communications	USD	176,576	7,510	2.15
			<u>7,510</u>	<u>2.15</u>
Telecommunication Services total			7,510	2.15

PORTFOLIO STATEMENT (CONTINUED)
As at 28 August 2018 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
Utilities 2.75% (2.04%)				
Gas Utilities 1.60% (2.04%)				
National Fuel Gas	USD	128,596	5,583	1.60
			<hr/> 5,583	<hr/> 1.60
Multi-Utilities 1.15% (0.00%)				
Black Hills	USD	86,838	4,020	1.15
			<hr/> 4,020	<hr/> 1.15
Utilities total			<hr/> 9,603	<hr/> 2.75
Equities total			<hr/> 346,688	<hr/> 99.37
Investment assets			346,688	99.37
Net other assets			2,211	0.63
Net assets			<hr/> 348,899	<hr/> 100.00

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.
The comparative percentage figures in brackets are as at 28 February 2018.

STATEMENT OF TOTAL RETURN

For the six months ended 28 August 2018 (unaudited)

	£000	Six months ended 28.08.18 £000	£000	Six months ended 28.08.17 £000
Income				
Net capital gains/(losses)		42,236		(24,952)
Revenue	5,658		5,384	
Expenses	(1,425)		(1,468)	
Net revenue before taxation	4,233		3,916	
Taxation	(645)		(787)	
Net revenue after taxation		3,588		3,129
Total return before distributions		45,824		(21,823)
Distributions		(4,714)		(4,181)
Change in net assets attributable to shareholders from investment activities		41,110		(26,004)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 28 August 2018 (unaudited)

	£000	Six months ended 28.08.18 £000	£000	Six months ended 28.08.17 £000
Opening net assets attributable to shareholders		334,179		337,556
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	14,463		42,492	
Amounts payable on cancellation of shares	(41,219)		(4,861)	
		(26,756)		37,631
Change in net assets attributable to shareholders from investment activities (see above)		41,110		(26,004)
Retained distribution on accumulation shares		366		248
Closing net assets attributable to shareholders		348,899		349,431

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 28 February 2018 was £334,178,543.

BALANCE SHEET

As at 28 August 2018 (unaudited)

	As at 28.08.18 £000	As at 28.02.18 £000
Assets:		
Investments	346,688	326,591
Current assets:		
Debtors	1,823	2,329
Cash and bank balances	5,459	7,412
Total assets	353,970	336,332
Liabilities:		
Creditors:		
Distribution payable	(2,292)	(1,771)
Other creditors	(2,779)	(382)
Total liabilities	(5,071)	(2,153)
Net assets attributable to shareholders	348,899	334,179

ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the financial statements for the year ended 28 February 2018 and are described in those annual financial statements.

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook of the Financial Conduct Authority requires the Authorised Corporate Director (ACD) to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company at the period end and of the net income and net gains or losses on the scheme property of the Company for the period then ended.

In preparing the financial statements the ACD is required to:

- follow applicable accounting standards;
- make judgements and estimates that are reasonable and prudent;
- select suitable accounting policies and then apply them consistently;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future; and
- comply with the Instrument of Incorporation and the Statement of Recommended Practice for Authorised Funds.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the Regulations and the Instrument of Incorporation.

The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUTHORISED CORPORATE DIRECTOR'S STATEMENT

We hereby approve the Report and Financial Statements of Aviva Investors Select Funds ICVC for the six months ended 28 August 2018 on behalf of Aviva Investors UK Fund Services Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.

I Buckle
Director

S Ebenston
Director
24 October 2018

SECURITIES FINANCING TRANSACTIONS REGULATION DISCLOSURE

None of the Funds in the Company currently undertakes securities financing transactions (as defined in Article 3 of Regulation (EU) 2015/2365) or uses total return swaps.

GENERAL INFORMATION

Investments in Aviva Investors Select Funds ICVC are intended to be medium to long term investments and should not be considered as a short term investment.

Past performance is not a guide to the future.

The value of an investment in the Funds and the revenue from it may go down as well as up, and you may not get back the original amount invested.

Where Funds are invested abroad, the value of your investment may rise and fall purely on account of movement in exchange rates.

Please refer to the Prospectus and the Key Investor Information Documents (which are available on the internet at www.avivainvestors.com or from the ACD on request) for a full description of the risks involved when investing in the Funds.

Any future returns and opinions expressed are those of the Investment Manager and should not be relied upon as indicating any guarantee of return from investment in the Funds.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

Publication of Prices

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at www.avivainvestors.com. Calls to this number may be recorded for training or monitoring purposes. Calls are free from landlines and mobiles.

