AIM Limited Maturity Treasury Fund

Semiannual Report to Shareholders ▪ January 31, 2009

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For the most current month-end Fund performance and commentary, please visit invescoaim.com.

Unless otherwise noted, all data provided by Invesco Aim.

This report must be accompanied or preceded by a currently effective Fund prospectus, which contains more complete information, including sales charges and expenses. Investors should read it carefully before investing.

Fund Performance

Performance summary

Fund vs. Indexes

Cumulative total returns, 7/31/08 to 1/31/09, at net asset value (NAV). Performance shown does not include applicable contingent deferred sales charges (CDSC) or front-end sales charges, which would have reduced performance.

Class A Shares	3.00%
Class A3 Shares	2.94
Class Y Shares*	3.03
Barclays Capital U.S. Aggregate Index▼** (Broad Market Index)	3.23
Barclays Capital 1-2 Year U.S. Government Bond Index▼** (Style-Specific Index)	3.31
Lipper Short U.S. Treasury Funds Category Average▼ (Peer Group)	3.75

▼Lipper Inc.

*Share class incepted during the reporting period. A detailed explanation follows later in this report.

**Effective 11/03/08, the Lehman Brothers indexes were rebranded as Barclays Capital indexes.

The **Barclays Capital U.S. Aggregate Index** covers U.S. investment-grade fixed-rate bonds with components for government and corporate securities, mortgage pass-throughs, and asset-backed securities.

The **Barclays Capital 1-2 Year U.S. Government Bond Index** includes market value-weighted government debt issues with maturities between one and two years.

The **Lipper Short U.S. Treasury Funds Category Average** represents an average of all of the funds in the Lipper Short U.S. Treasury Funds category. These funds invest at least 65% of their assets in U.S. Treasury bills, notes, and bonds with dollar-weighted average maturities of less than three years.

The Fund is not managed to track the performance of any particular index, including the indexes defined here, and consequently, the performance of the Fund may deviate significantly from the performance of the indexes.

A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges. Performance of an index of funds reflects fund expenses; performance of a market index does not.

Average Annual Total Returns
As of 1/31/09, including maximum applicable sales charges

Class A Shares	
Inception (12/15/87)	5.22%
10 Years	3.79
5 Years	2.99
1 Year	2.69
Class A3 Shares	
10 Years	3.72%
5 Years	3.06
1 Year	3.58
Class Y Shares	
10 Years	3.89%
5 Years	3.20
1 Year	3.72

Average Annual Total Returns
As of 12/31/08, the most recent calendar quarter-end, including maximum applicable sales charges

Class A Shares	
Inception (12/15/87)	5.25%
10 Years	3.85
5 Years	3.07
1 Year	4.47
Class A3 Shares	
10 Years	3.78%
5 Years	3.15
1 Year	5.39
Class Y Shares	
10 Years	3.95%
5 Years	3.27
1 Year	5.52

The inception date of Class A3 shares is October 31, 2002. Returns since that date are historical returns. All other returns are the blended returns of the historical performance of Class A3 shares since their inception and the restated historical performance of Class A shares (for periods prior to the inception of Class A3 shares) at net asset value, adjusted to reflect the higher Rule 12b-1 fees applicable to Class A3 shares. Class A shares' inception date is December 15, 1987.

Class Y shares' inception date is October 3, 2008; returns since that 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 net asset value. The restated Class A share performance reflects the Rule 12b-1 fees applicable to Class A shares as well as any fee waivers or expense reimbursements received by Class A shares. Class A shares' inception date is December 15, 1987.

The total annual Fund operating expense ratio set forth in the most recent Fund prospectus as of the date of this report for Class A, Class A3 and Class Y shares was 0.61%, 0.71% and 0.46%, respectively. The expense ratios presented above may vary from the expense ratios presented in other sections of this report that are based on expenses incurred during the period covered by this report.

The performance data quoted represent past performance and cannot guarantee comparable future results; current performance may be lower or higher. Please visit invescoaim.com for the most recent month-end performance. Performance figures reflect reinvested distributions, changes in net asset value and the effect of the maximum sales charge unless otherwise stated. Performance figures do not reflect deduction of taxes a shareholder would pay on Fund distributions or sale of Fund shares. Investment return and principal value will fluctuate so that you may have a gain or loss when you sell shares.

Class A share performance reflects the maximum 1.00% sales charge. Class A3 shares do not have a front-end sales charge or a CDSC; therefore, performance quoted is at net asset value. Class Y shares do not have a front-end sales charge or a CDSC; therefore, performance is at net asset value. The performance of the Fund's share classes will differ primarily due to different sales charge structures and class expenses.

Had the advisor not waived fees and/or reimbursed expenses in the past, performance would have been lower.

Bruce Crockett

Dear Fellow Shareholders:

Since my last letter, continuing troubles in the global economy and financial markets have negatively affected all investors. While no one likes to see investment values decline as sharply as they have recently, as mutual fund investors we can find some consolation in the knowledge that our fund investments are more transparent, more comprehensively governed, and more closely regulated than most other kinds of investments.

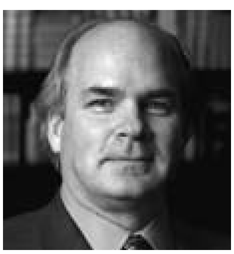
In addition, mutual funds generally are more diversified than other investments; as shareholders we invest not in a single security but in a portfolio of multiple securities. Mutual fund investors also have the opportunity to diversify further among different types of funds that each deploy a different strategy and focus on different kinds of securities. To develop a diversified and disciplined investing plan that is right for you, I encourage you to consult an investment professional who has the knowledge and the tools to help you establish, implement, and monitor the plan. You may also visit the Invesco Aim website at invescoaim.com to read timely market commentary from Invesco Aim management, strategists and portfolio managers. The site recently received a Gold Award for its user-friendly navigation and graphics from The Mutual Funds Monitor Awards, sponsored by Corporate Insight.

As always, your Board of Trustees and Invesco Aim are committed to putting your interests first by controlling costs, monitoring investment performance and streamlining the investment management process. Your Board has already begun the annual review and management contract renewal process with the continuing goal of making AIM funds one of the best and most cost-effective ways for you to invest your hard-earned money.

Please feel free to contact me in writing with your questions or concerns. You can send an email to me at bruce@brucecrockett.com.

Sincerely,

Bruce L. Crockett
Independent Chair, AIM Funds Board of Trustees



Philip Taylor

Dear Shareholders:

Calendar year 2008 was a painful one for investors, with major market indexes in the U.S. and overseas declining sharply. Unfortunately, but as expected, that decline continued in January 2009.

No one can predict when this difficult period might end. Problems that began in the credit markets and the financials sector have now spread throughout the global economy. The U.S. housing market remains weak, recent corporate earnings were largely disappointing, and consumer confidence and spending have declined in recent months.

In response to these challenges, the U.S. Federal Reserve (the Fed) sharply reduced short-term interest rate targets in an effort to stimulate economic growth. The Fed, the U.S. Department of the Treasury and other federal agencies have taken — and seem likely to continue to take — extraordinary action to bolster investor confidence, inject liquidity into the credit markets and jumpstart the economy.

Even with the distractions from this difficult environment, I remain focused on my long-term investment goals, and I urge you to do the same. It's important to remember that many of history's significant investment opportunities were the result of crises that, in their time, were unprecedented. Our portfolio managers have managed funds in up markets and down markets, and they are working diligently to find ways to capitalize on this extended market decline.

In times like these, a trusted financial advisor who is familiar with your individual investment goals, financial situation and risk tolerance can provide useful advice and reassurance. Your financial advisor can provide market guidance and can monitor your investments to keep you on track regarding your long-term goals.

While market conditions may change, our commitment to putting shareholders first and providing excellent customer service remains constant. If you have questions about your account, contact us at 800 959 4246. Thank you for your continued confidence in Invesco Aim and for allowing us to serve you.

Sincerely,

Philip Taylor
Senior Managing Director, Invesco Ltd., CEO, Invesco Aim

Schedule of Investments

January 31, 2009
(Unaudited)

	Maturity Date	Principal Amount	Value
U.S. Treasury Notes–99.50%			
2.00%	02/28/10	$22,000,000	$ 22,331,662
1.75%	03/31/10	21,900,000	22,187,438
2.13%	04/30/10	22,000,000	22,426,250
2.63%	05/31/10	21,900,000	22,481,719
2.88%	06/30/10	21,800,000	22,488,062
2.75%	07/31/10	21,900,000	22,587,797
2.38%	08/31/10	21,900,000	22,481,719
2.00%	09/30/10	21,900,000	22,361,953
1.50%	10/31/10	22,400,000	22,669,500
1.25%	11/30/10	22,300,000	22,467,250
0.88%	12/31/10	22,300,000	22,293,031
0.88%	01/31/11	21,900,000	21,869,187
TOTAL INVESTMENTS--99.50% (Cost $265,070,073)			268,645,568
OTHER ASSETS LESS LIABILITIES–0.50%			1,354,249
NET ASSETS–100.00%			$269,999,817

Portfolio Composition

U.S. Treasury Notes, based on Net Assets
as of January 31, 2009

	Interest Rate	% of Total Net Assets
02/28/10	2.00%	8.27%
03/31/10	1.75	8.22
04/30/10	2.13	8.30
05/31/10	2.63	8.33
06/30/10	2.88	8.33
07/31/10	2.75	8.36
08/31/10	2.38	8.33
09/30/10	2.00	8.28
10/31/10	1.50	8.40
11/30/10	1.25	8.32
12/31/10	0.88	8.26
01/31/11	0.88	8.10
OTHER ASSETS LESS LIABILITIES	—	0.50

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Assets and Liabilities

January 31, 2009
(Unaudited)

Assets:

Investments, at value (Cost $265,070,073)	$268,645,568
Receivables for:	
Investments sold	21,841,660
Fund shares sold	1,111,432
Interest	1,646,073
Investment for trustee deferred compensation and retirement plans	34,160
Other assets	41,562
Total assets	293,320,455

Liabilities:

Payables for:	
Investments purchased	21,873,757
Fund shares reacquired	1,211,862
Amount due custodian	9,475
Dividends	24,916
Accrued fees to affiliates	88,683
Accrued other operating expenses	36,819
Trustee deferred compensation and retirement plans	75,126
Total liabilities	23,320,638
Net assets applicable to shares outstanding	$269,999,817

Net assets consist of:

Shares of beneficial interest	$269,580,572
Undistributed net investment income	(5,244)
Undistributed net realized gain (loss)	(3,151,006)
Unrealized appreciation	3,575,495
	$269,999,817

Net Assets:

Class A	$104,337,256
Class A3	$130,521,872
Class Y	$ 11,703,644
Institutional Class	$ 23,437,045

Shares outstanding, $0.01 par value per share, unlimited number of shares authorized:

Class A	9,942,653
Class A3	12,440,848
Class Y	1,115,723
Institutional Class	2,231,403
Class A:	
Net asset value per share	$ 10.49
Maximum offering price per share (Net asset value of $10.49 ÷ 99.00%)	$ 10.60
Class A3:	
Net asset value and offering price per share	$ 10.49
Class Y:	
Net asset value and offering price per share	$ 10.49
Institutional Class:	
Net asset value and offering price per share	$ 10.50

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Operations

For the six months ended January 31, 2009
(Unaudited)

Investment income:	
Interest	$2,667,988
Expenses:	
Advisory fees	240,206
Administrative services fees	40,939
Custodian fees	6,015
Distribution fees:	
Class A	82,681
Class A3	131,921
Transfer agent fees — A, A3 and Y	162,283
Transfer agent fees — Institutional	3,356
Trustees' and officers' fees and benefits	11,687
Other	75,274
Total expenses	754,362
Less: Expenses reimbursed and expense offset arrangement(s)	(1,885)
Net expenses	752,477
Net investment income	1,915,511
Realized and unrealized gain from:	
Net realized gain from investment securities	2,323,703
Change in net unrealized appreciation of investment securities	2,424,837
Net realized and unrealized gain	4,748,540
Net increase in net assets resulting from operations	$6,664,051

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Changes in Net Assets

For the six months ended January 31, 2009 and the year ended July 31, 2008
(Unaudited)

	January 31, 2009	July 31, 2008
Operations:		
Net investment income	$ 1,915,511	$ 6,424,850
Net realized gain	2,323,703	3,610,710
Change in net unrealized appreciation	2,424,837	913,945
Net increase in net assets resulting from operations	6,664,051	10,949,505
Distributions to shareholders from net investment income:		
Class A	(917,153)	(4,241,157)
Class A3	(777,202)	(1,652,030)
Class Y	(32,549)	—
Institutional Class	(188,710)	(531,661)
Total distributions from net investment income	(1,915,614)	(6,424,848)
Share transactions–net:		
Class A	(12,403,866)	(30,884,179)
Class A3	38,556,846	62,758,283
Class Y	11,659,118	—
Institutional Class	4,985,050	5,457,024
Net increase in net assets resulting from share transactions	42,797,148	37,331,128
Net increase in net assets	47,545,585	41,855,785
Net assets:		
Beginning of period	222,454,232	180,598,447
End of period (includes undistributed net investment income of $(5,244) and $(5,141), respectively)	$269,999,817	$222,454,232

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Notes to Financial Statements

January 31, 2009
(Unaudited)

NOTE 1—Significant Accounting Policies

AIM Limited Maturity Treasury Fund (the "Fund") is a series portfolio of AIM Investment Securities Funds (the "Trust"). The Trust is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end series management investment company consisting of eleven separate portfolios, each authorized to issue an unlimited number of shares of beneficial interest. The assets, liabilities and operations of each portfolio are accounted for separately. Information presented in these financial statements pertains only to the Fund. Matters affecting each portfolio or class will be voted on exclusively by the shareholders of such portfolio or class.

The Fund's investment objective is liquidity with minimum fluctuation of principal value, and consistent with this objective, the highest total return achievable.

The Fund currently consists of four different classes of shares: Class A, Class A3, Class Y and Institutional Class. As of the close of business on October 30, 2002, Class A shares were closed to new investors. Class A shares are sold with a front-end sales charge unless certain waiver criteria are met and under certain circumstances load waiver shares may be subject to contingent deferred sales charges ("CDSC"). Class A3, Class Y and Institutional Class shares are sold at net asset value.

The following is a summary of the significant accounting policies followed by the Fund in the preparation of its financial statements.

A. Security Valuations — Securities, including restricted securities, are valued according to the following policy.

Securities are fair valued using an evaluated quote provided by an independent pricing service approved by the Board of Trustees. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices and may reflect appropriate factors such as institution-size trading in similar groups of securities, yield, quality, coupon rate, maturity, type of issue, individual trading characteristics and other market data. Short-term obligations, including commercial paper, having 60 days or less to maturity are recorded at amortized cost which approximates value. Debt securities are subject to interest rate and credit risks. In addition, all debt securities involve some risk of default with respect to interest and principal payments.

Securities for which market quotations either are not readily available or are unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust's officers following procedures approved by the Board of Trustees. Some of the factors which may be considered in determining fair value are fundamental analytical data relating to the investment; the nature and duration of any restrictions on transferability or disposition; trading in similar securities by the same issuer or comparable companies; relevant political, economic or issuer specific news; and other relevant factors under the circumstances.

Valuations change in response to many factors including the historical and prospective earnings of the issuer, the value of the issuer's assets, general economic conditions, interest rates, investor perceptions and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

B. Securities Transactions and Investment Income — Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income is recorded on the accrual basis from settlement date. Dividend income is recorded on the ex-dividend date. Bond premiums and discounts are amortized and/or accreted for financial reporting purposes.

The Fund may periodically participate in litigation related to Fund investments. As such, the Fund may receive proceeds from litigation settlements. Any proceeds received are included in the Statement of Operations as realized gain/loss for investments no longer held and as unrealized gain/loss for investments still held.

Brokerage commissions and mark ups are considered transaction costs and are recorded as an increase to the cost basis of securities purchased and/or a reduction of proceeds on a sale of securities. Such transaction costs are included in the determination of realized and unrealized gain (loss) from investment securities reported in the Statement of Operations and the Statement of Changes in Net Assets and the realized and unrealized net gains (losses) on securities per share in the Financial Highlights. Transaction costs are included in the calculation of the Fund's net asset value and, accordingly, they reduce the Fund's total returns. These transaction costs are not considered operating expenses and are not reflected in net investment income reported in the Statement of Operations and Statement of Changes in Net Assets, or the net investment income per share and ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Fund and the advisor.

The Fund allocates realized and unrealized capital gains and losses to a class based on the relative net assets of each class. The Fund allocates income to a class based on the relative value of the settled shares of each class.

C. Distributions — Distributions from income are declared daily and paid monthly. Distributions from net realized capital gain, if any, are generally paid annually and recorded on ex-dividend date. The Fund may elect to treat a portion of the proceeds from redemptions as distributions for federal income tax purposes.

D. Federal Income Taxes — The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code necessary to qualify as a regulated investment company and to distribute substantially all of the Fund's taxable earnings to shareholders. As such, the Fund will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income taxes is recorded in the financial statements.

The Fund files tax returns in the U.S. Federal jurisdiction and certain other jurisdictions. Generally the Fund is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.

E. Expenses — Fees provided for under the Rule 12b-1 plan of a particular class of the Fund are charged to the operations of such class. Transfer agency fees and expenses and other shareholder recordkeeping fees and expenses attributable to the Institutional Class are charged to such class. Transfer agency fees and expenses and other shareholder recordkeeping fees and expenses relating to all other classes are allocated among those classes based on relative net assets. All other expenses are allocated among the classes based on relative net assets.

F. Accounting Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period including estimates and assumptions related to taxation. Actual results could differ from those estimates by a significant amount.

G. Indemnifications — Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust (including the Trust's investment manager) is indemnified against certain liabilities that may arise out of performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. The risk of material loss as a result of such indemnification claims is considered remote.

NOTE 2—Advisory Fees and Other Fees Paid to Affiliates

The Trust has entered into a master investment advisory agreement with Invesco Aim Advisors, Inc. (the "Advisor" or "Invesco Aim"). Under the terms of the investment advisory agreement, the Fund pays an advisory fee to the Advisor based on the annual rate of the Fund's average daily net assets as follows:

Average Net Assets	Rate
First $500 million	0.20%
Over $500 million	0.175%

Under the terms of a master sub-advisory agreement approved by shareholders of the Fund between the Advisor and each of Invesco Asset Management Deutschland GmbH, Invesco Asset Management Limited, Invesco Asset Management (Japan) Limited, Invesco Australia Limited, Invesco Global Asset Management (N.A.), Inc., Invesco Hong Kong Limited, Invesco Institutional (N.A.), Inc., Invesco Senior Secured Management, Inc. and Invesco Trimark Ltd. (collectively, the "Affiliated Sub-Advisors") the Advisor, not the Fund, may pay 40% of the fees paid to the Advisor to any such Affiliated Sub-Advisor(s) that provide discretionary investment management services to the Fund based on the percentage of assets allocated to such Sub-Advisor(s).

At the request of the Trustees of the Trust, Invesco Ltd. ("Invesco") agreed to reimburse expenses incurred by the Fund in connection with market timing matters in the AIM Funds, which may include legal, audit, shareholder reporting, communications and trustee expenses. These expenses along with the related expense reimbursement are included in the Statement of Operations. For the six months ended January 31, 2009, Invesco reimbursed expenses of the Fund in the amount of $196.

The Trust has entered into a master administrative services agreement with Invesco Aim pursuant to which the Fund has agreed to pay Invesco Aim for certain administrative costs incurred in providing accounting services to the Fund. For the six months ended January 31, 2009, expenses incurred under the agreement are shown in the Statement of Operations as administrative services fees.

The Trust has entered into a transfer agency and service agreement with Invesco Aim Investment Services, Inc. ("IAIS") pursuant to which the Fund has agreed to pay IAIS a fee for providing transfer agency and shareholder services to the Fund and reimburse IAIS for certain expenses incurred by IAIS in the course of providing such services. IAIS may make payments to intermediaries that provide omnibus account services, sub-accounting services and/or networking services. All fees payable by IAIS to intermediaries that provide omnibus account services or sub-accounting are charged back to the Fund, subject to certain limitations approved by the Trust's Board of Trustees. For the six months ended January 31, 2009, expenses incurred under the agreement are shown in the Statement of Operations as transfer agency fees.

The Trust has entered into master distribution agreements with Invesco Aim Distributors, Inc. ("IADI") to serve as the distributor for the Class A, Class A3, Class Y and Institutional Class shares of the Fund. The Trust has adopted plans pursuant to Rule 12b-1 under the 1940 Act with respect to the Fund's Class A and Class A3 shares (collectively the "Plans"). The Fund, pursuant to the Plans, pays IADI compensation at the annual rate of 0.15% of the Fund's average daily net assets of Class A shares and 0.25% of the average daily net assets of Class A3 shares. Of the Plan payments, up to 0.25% of the average daily net assets of each class of shares may be paid to furnish continuing personal shareholder services to customers who purchase and own shares of such classes. Any amounts not paid as a service fee under the Plans would constitute an asset-based sales charge. Rules of the Financial Industry Regulatory Authority ("FINRA") also impose a cap on the total sales charges, including asset-based sales charges that may be paid by any class of shares of the Fund. For the six months ended January 31, 2009, expenses incurred under the Plans are shown in the Statement of Operations as distribution fees.

Front-end sales commissions and CDSC (collectively the "sales charges") are not recorded as expenses of the Fund. Front-end sales commissions are deducted from proceeds from the sales of Fund shares prior to investment in Class A shares of the Fund. CDSC are deducted from redemption proceeds prior to remittance to the shareholder. During the six months ended January 31, 2009, IADI advised the Fund that IADI retained $1,113 in front-end sales commissions from the sale of Class A shares and $3,674 from Class A shares for CDSC imposed upon redemptions by shareholders.

Certain officers and trustees of the Trust are officers and directors of Invesco Aim, IAIS and/or IADI.

NOTE 3—Supplemental Information

The Fund adopted the provisions of Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" (SFAS 157), effective with the beginning of the Fund's fiscal year. SFAS 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SFAS 157 establishes a hierarchy that prioritizes the inputs to valuation methods giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs

(Level 3) generally when market prices are not readily available or are unreliable. Based on the valuation inputs the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

Level 1 — Prices are determined using quoted prices in an active market for identical assets.

Level 2 — Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3 — Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

Below is a summary of the tiered valuation input levels, as of the end of the reporting period, January 31, 2009. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

Input Level	Investments in Securities
Level 1	$ —
Level 2	268,645,568
Level 3	—
	$268,645,568

NOTE 4—Expense Offset Arrangement

The expense offset arrangement is comprised of transfer agency credits which result from balances in Demand Deposit Accounts (DDA) used by the transfer agent for clearing shareholder transactions. For the six months ended January 31, 2009, the Fund received credits from this arrangement, which resulted in the reduction of the Fund's total expenses of $1,689.

NOTE 5—Trustees' and Officers' Fees and Benefits

"Trustees' and Officers' Fees and Benefits" include amounts accrued by the Fund to pay remuneration to certain Trustees and Officers of the Fund. Trustees have the option to defer compensation payable by the Fund, and "Trustees' and Officers' Fees and Benefits" also include amounts accrued by the Fund to fund such deferred compensation amounts. Those Trustees who defer compensation have the option to select various AIM Funds in which their deferral accounts shall be deemed to be invested. Finally, certain current Trustees are eligible to participate in a retirement plan that provides for benefits to be paid upon retirement to Trustees over a period of time based on the number of years of service. The Fund may have certain former Trustees who also participate in a retirement plan and receive benefits under such plan. "Trustees' and Officers' Fees and Benefits" include amounts accrued by the Fund to fund such retirement benefits. Obligations under the deferred compensation and retirement plans represent unsecured claims against the general assets of the Fund.

During the six months ended January 31, 2009, the Fund paid legal fees of $1,971 for services rendered by Kramer, Levin, Naftalis & Frankel LLP as counsel to the Independent Trustees. A member of that firm is a Trustee of the Trust.

NOTE 6—Cash Balances

The Fund may borrow for leveraging in an amount up to 5% of the Fund's total assets (excluding the amount borrowed) at the time the borrowing is made. In doing so, the Fund is permitted to temporarily carry a negative or overdrawn balance in its account with The Bank of New York Mellon, the custodian bank. To compensate the custodian bank for such overdrafts, the overdrawn Fund may either (i) leave funds as a compensating balance in the account so the custodian bank can be compensated by earning the additional interest; or (ii) compensate by paying the custodian bank at a rate agreed upon by the custodian bank and Invesco Aim, not to exceed the contractually agreed upon rate. A Fund may not purchase additional securities when any borrowings from banks exceeds 5% of the Fund's total assets.

NOTE 7—Tax Information

The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. Reclassifications are made to the Fund's capital accounts to reflect income and gains available for distribution (or available capital loss carryforward) under income tax regulations. The tax character of distributions paid during the year and the tax components of net assets will be reported at the Fund's fiscal year-end.

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Fund to utilize. The ability to utilize capital loss carryforward in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions.

The Fund had a capital loss carryforward as of July 31, 2008 which expires as follows:

Expiration	Capital Loss Carryforward*
July 31, 2014	$2,144,599
July 31, 2015	3,286,688
Total capital loss carryforward	$5,431,287

* Capital loss carryforward as of the date listed above is reduced for limitations, if any, to the extent required by the Internal Revenue Code.

NOTE 8—Investment Securities

The aggregate amount of long-term U.S. government obligations purchased and sold by the Fund during the six months ended January 31, 2009 was $227,739,314 and $184,616,839, respectively. Cost of investments on a tax basis includes the adjustments for financial reporting purposes as of the most recently completed Federal income tax reporting period end.

Unrealized Appreciation (Depreciation) of Investment Securities on a Tax Basis	
Aggregate unrealized appreciation of investment securities	$3,587,530
Aggregate unrealized (depreciation) of investment securities	(55,460)
Net unrealized appreciation of investment securities	$3,532,070

Cost of investments for tax purposes is $265,113,498.

NOTE 9—Share Information

	Summary of Share Activity			
	Six months ended January 31, 2009[a]		Year ended July 31, 2008	
	Shares	Amount	Shares	Amount
Sold:				
Class A	478,676	$ 4,993,072	1,286,351	$ 13,181,488
Class A3	12,010,266	125,130,469	8,506,899	87,066,227
Class Y[b]	1,145,008	11,967,324	—	—
Institutional Class	878,433	9,182,917	1,312,346	13,465,832
Issued as reinvestment of dividends:				
Class A	79,417	825,606	364,238	3,726,164
Class A3	67,580	704,027	148,355	1,522,955
Class Y	2,458	25,753	—	—
Institutional Class	17,213	179,280	49,323	505,716
Reacquired:				
Class A[b]	(1,748,410)	(18,222,544)	(4,656,768)	(47,791,831)
Class A3[b]	(8,406,941)	(87,277,650)	(2,520,889)	(25,830,899)
Class Y	(31,743)	(333,959)	—	—
Institutional Class	(420,373)	(4,377,147)	(834,375)	(8,514,524)
Net increase in share activity	4,071,584	$ 42,797,148	3,655,480	$ 37,331,128

(a) There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 21% of the outstanding shares of the Fund. IADI has an agreement with these entities to sell Fund shares. The Fund, Invesco Aim and/or Invesco Aim affiliates may make payments to these entities, which are considered to be related to the Fund, for providing services to the Fund, Invesco Aim and/or Invesco Aim affiliates including but not limited to services such as securities brokerage, distribution, third party record keeping and account servicing. The Trust has no knowledge as to whether all or any portion of the shares owned of record by these entities are also owned beneficially.

(b) Effective upon the commencement date of Class Y shares, October 3, 2008, the following shares were converted from Class A and Class A3 into Class Y shares of the Fund:

Class	Shares	Amount
Class Y	437,219	$ 4,542,706
Class A	(404,845)	(4,206,339)
Class A3	(32,374)	(336,367)

NOTE 10—Financial Highlights

The following schedule presents financial highlights for a share of the Fund outstanding throughout the periods indicated.

	Net asset value, beginning of period	Net investment income	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends from net investment income	Distributions from net realized gains	Total Distributions	Net asset value, end of period	Total Return[a]	Net assets, end of period (000s omitted)	Ratio of expenses to average net assets with fee waivers and/or expenses absorbed	Ratio of expenses to average net assets without fee waivers and/or expenses absorbed	Ratio of net investment income to average net assets	Portfolio turnover[b]
Class A														
Six months ended 01/31/09	$10.27	$0.09[c]	$ 0.22	0.31	$(0.09)	$ —	$(0.09)	$10.49	3.00%	$104,337	0.61[d]	0.61[d]	1.59[d]	77%
Year ended 07/31/08	10.03	0.33[c]	0.24	0.57	(0.33)	—	(0.33)	10.27	5.76	114,347	0.61	0.61	3.19	126
Year ended 07/31/07	10.00	0.41	0.03	0.44	(0.41)	—	(0.41)	10.03	4.47	141,832	0.67	0.67	4.08	107
Year ended 07/31/06	10.10	0.33	(0.10)	0.23	(0.33)	—	(0.33)	10.00	2.31	178,347	0.66	0.66	3.26	103
Year ended 07/31/05	10.25	0.20[c]	(0.13)	0.07	(0.20)	(0.02)	(0.22)	10.10	0.68	241,553	0.60	0.61	1.96	142
Year ended 07/31/04	10.46	0.12	(0.04)	0.08	(0.12)	(0.17)	(0.29)	10.25	0.75	366,473	0.59	0.60	1.13	100
Class A3														
Six months ended 01/31/09	10.27	0.08[c]	0.22	0.30	(0.08)	—	(0.08)	10.49	2.94	130,522	0.71[d]	0.71[d]	1.49[d]	77
Year ended 07/31/08	10.03	0.32[c]	0.24	0.56	(0.32)	—	(0.32)	10.27	5.65	90,058	0.71	0.71	3.10	126
Year ended 07/31/07	10.00	0.40	0.03	0.43	(0.40)	—	(0.40)	10.03	4.37	26,431	0.77	0.77	3.98	107
Year ended 07/31/06	10.09	0.32	(0.09)	0.23	(0.32)	—	(0.32)	10.00	2.31	33,476	0.76	0.76	3.16	103
Year ended 07/31/05	10.25	0.18[c]	(0.14)	0.04	(0.18)	(0.02)	(0.20)	10.09	0.39	40,524	0.79	0.80	1.77	142
Year ended 07/31/04	10.46	0.10	(0.04)	0.06	(0.10)	(0.17)	(0.27)	10.25	0.56	58,453	0.79	0.80	0.93	100
Class Y														
Six months ended 01/31/09[e]	10.39	0.06[c]	0.09	0.15	(0.05)	—	(0.05)	10.49	1.47	11,704	0.46[d]	0.46[d]	1.74[d]	77
Institutional Class														
Six months ended 01/31/09	10.28	0.10[c]	0.22	0.32	(0.10)	—	(0.10)	10.50	3.13	23,437	0.34[d]	0.34[d]	1.86[d]	77
Year ended 07/31/08	10.04	0.35[c]	0.24	0.59	(0.35)	—	(0.35)	10.28	6.02	18,049	0.36	0.36	3.45	126
Year ended 07/31/07	10.00	0.44	0.04	0.48	(0.44)	—	(0.44)	10.04	4.88	12,335	0.36	0.36	4.38	107
Year ended 07/31/06	10.10	0.36	(0.10)	0.26	(0.36)	—	(0.36)	10.00	2.63	14,389	0.35	0.35	3.57	103
Year ended 07/31/05	10.25	0.23[c]	(0.13)	0.10	(0.23)	(0.02)	(0.25)	10.10	0.93	11,412	0.31	0.32	2.25	142
Year ended 07/31/04	10.46	0.14	(0.04)	0.10	(0.14)	(0.17)	(0.31)	10.25	1.01	4,641	0.34	0.35	1.38	100

(a) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions. Does not include sales charges and is not annualized for periods less than one year, if applicable.
(b) Portfolio turnover is calculated at the fund level and is not annualized for periods less than one year, if applicable.
(c) Calculated using average shares outstanding.
(d) Ratios are annualized and based on average daily net assets (000's omitted) of $109,342, $104,677, $6,927, and $19,786 for Class A, Class A3, Class Y, and Institutional Class shares, respectively.
(e) Commencement date of Class Y shares was October 3, 2008.
(f) Annualized.

NOTE 11—Legal Proceedings

Terms used in the Legal Proceedings Note are defined terms solely for the purpose of this note.

Settled Enforcement Actions and Investigations Related to Market Timing

On May 23, 2008, the Securities and Exchange Commission ("SEC") publicly posted its final approval of the Distribution Plans ("Distribution Plans") for the distribution of monies placed into two separate Fair Funds created pursuant to a settlement reached on October 8, 2004 between Invesco Funds Group, Inc. ("IFG"), Invesco Aim Advisors, Inc. ("Invesco Aim") and Invesco Aim Distributors, Inc. ("IADI") and the SEC (the "Order"). One of the Fair Funds consists of $325 million, plus interest and any contributions by other settling parties, for distribution to shareholders of certain mutual funds formerly advised by IFG who may have been harmed by market timing and related activity. The second Fair Fund consists of $50 million, plus interest and any contributions by other settling parties, for distribution to shareholders of mutual funds advised by Invesco Aim who may have been harmed by market timing and related activity. The Distribution Plans provide for the distribution to all eligible investors to compensate such investors for injury they may have suffered as a result of market timing in the affected funds. The Distribution Plans include a provision for any residual amounts in the Fair Funds to be distributed in the future to the affected funds. Because the distribution of the Fair Funds has not yet commenced, management of Invesco Aim and the Fund are unable to estimate the amount of distribution to be made to the Fund, if any.

At the request of the trustees of the AIM Funds, Invesco Ltd. ("Invesco"), the parent company of IFG and Invesco Aim, has agreed to reimburse expenses incurred by the AIM Funds related to market timing matters.

Pending Litigation and Regulatory Inquiries

Civil lawsuits, including purported class action and shareholder derivative suits, have been filed against certain of the AIM Funds, IFG, Invesco Aim, IADI and/or related entities and individuals alleging that the defendants permitted improper market timing and related activity in the AIM Funds.

These lawsuits allege as theories of recovery, depending on the lawsuit, violations of various provisions of the Federal and state securities laws and the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), negligence, breach of fiduciary duty and/or breach of contract. These lawsuits seek remedies that include, depending on the lawsuit, damages, restitution, injunctive relief, imposition of a constructive trust, removal of certain directors and/or employees, various corrective measures under ERISA, rescission of certain AIM Funds' advisory agreements and/or distribution plans and recovery of all fees paid.

All lawsuits based on allegations of market timing, late trading and related issues were transferred to the United States District Court for the District of Maryland (the "MDL Court"). Pursuant to an Order of the MDL Court, plaintiffs in these lawsuits consolidated their claims for pre-trial purposes into three amended complaints against various Invesco Aim- and IFG-related parties: (i) a Consolidated Amended Class Action Complaint purportedly brought on behalf of shareholders of the AIM Funds; (ii) a Consolidated Amended Fund Derivative Complaint purportedly brought on behalf of the AIM Funds and fund registrants; and (iii) an Amended Class Action Complaint for Violations of ERISA purportedly brought on behalf of participants in the Invesco 401(k) plan. Based on orders issued by the MDL Court, all claims asserted against the AIM Funds that have been transferred to the MDL Court have been dismissed, although certain Funds remain nominal defendants in the Consolidated Amended Fund Derivative Complaint. On January 5, 2008, the parties reached an agreement in principle to settle both the Consolidated Amended Class Action Complaint and Consolidated Amended Fund Derivative Complaint, subject to the MDL Court approval. Individual class members have the right to object. On December 15, 2008, the parties reached an agreement in principle to settle the Amended Class Action Complaint for Violations of ERISA, subject to the MDL Court approval. Individual class members have the right to object. No payments are required under the settlement; however, the parties agreed that certain limited changes to benefit plans and participants' accounts would be made.

IFG, Invesco Aim, IADI and/or related entities and individuals have received inquiries from numerous regulators in the form of subpoenas or other oral or written requests for information and/or documents related to one or more of the following issues, among others, some of which concern one or more AIM Funds: market timing activity, late trading, fair value pricing, excessive or improper advisory and/or distribution fees, mutual fund sales practices, including revenue sharing and directed-brokerage arrangements, investments in securities of other registered investment companies, contractual plans, issues related to Section 529 college savings plans and procedures for locating lost security holders. IFG, Invesco Aim and IADI have advised the Fund that they are providing full cooperation with respect to these inquiries. Regulatory actions and/or additional civil lawsuits related to these or other issues may be filed against the AIM Funds, IFG, Invesco Aim and/or related entities and individuals in the future.

Management of Invesco Aim and the Fund believe that the outcome of the Pending Litigation and Regulatory Inquiries described above will have no material adverse affect on the Fund or on the ability of Invesco Aim and IADI to provide ongoing services to the Fund.

Calculating your ongoing Fund expenses

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, which may include sales charges (loads) on purchase payments or contingent deferred sales charges on redemptions, and redemption fees, if any; and (2) ongoing costs, including management fees; distribution and/or service (12b-1) fees; and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with ongoing costs of investing in other mutual funds. With the exception of the actual ending account value and expenses of the Class Y Shares, the example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period August 1, 2008, through January 31, 2009. The actual ending account and expenses of the Class Y shares in the below example are based on an investment of $1,000 invested as of close of business October 3, 2008 (commencement date) and held through January 31, 2009.

Actual expenses

The table below provides information about actual account values and actual expenses. You may use the information in this table, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the table under the heading entitled "Actual Expenses Paid During Period" to estimate the expenses you paid on your account during this period (as of close of business October 3, 2008 through January 31, 2009 for the Class Y shares). Because the actual ending account value and expense information in the example is not based upon a six month period for the Class Y shares, the ending account value and expense information may not provide a meaningful comparison to mutual funds that provide such information for a full six month period.

Hypothetical example for comparison purposes

The table below also provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return.

The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as sales charges (loads) on purchase payments, contingent deferred sales charges on redemptions, and redemption fees, if any. Therefore, the hypothetical information is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transaction costs were included, your costs would have been higher.

		ACTUAL		HYPOTHETICAL (5% annual return before expenses)		
Class	Beginning Account Value (08/01/08)	Ending Account Value (01/31/09)[1]	Expenses Paid During Period[2]	Ending Account Value (01/31/09)	Expenses Paid During Period[2,3]	Annualized Expense Ratio
A	$1,000.00	$1,030.00	$3.12	$1,022.13	$3.11	0.61%
A3	1,000.00	1,029.40	3.63	1,021.63	3.62	0.71
Y	1,000.00	1,014.70	1.54	1,022.89	2.35	0.46

1 The actual ending account value is based on the actual total return of the Fund for the period August 1, 2008, through January 31, 2009 (as of close of business October 3, 2008, through January 31, 2009 for the Class Y shares), after actual expenses and will differ from the hypothetical ending account value which is based on the Fund's expense ratio and a hypothetical annual return of 5% before expenses.

2 Expenses are equal to the Fund's annualized expense ratio as indicated above multiplied by the average account value over the period, multiplied by 184/365 to reflect the most recent fiscal half year. For the Class Y shares actual expenses are equal to the annualized expense ratio indicated above multiplied by the average account value over the period, multiplied by 121 (as of close of business October 3, 2008, through January 31, 2009)/365. Because the Class Y shares have not been in existence for a full six month period, the actual ending account value and expense information shown may not provide a meaningful comparison to fund expense information of classes that show such data for a full six month period and, because the actual ending account value and expense information in the expense example covers a short time period, return and expense data may not be indicative of return and expense data for longer time periods.

3 Hypothetical expenses are equal to the annualized expense ratio indicated above multiplied by the average account value over the period, multiplied by 184/365 to reflect a one-half year period. The hypothetical ending account value and expenses may be used to compare ongoing costs of investing in Class Y shares of the Fund and other funds because such data is based on a full six month period.

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Fund holdings and proxy voting information

The Fund provides a complete list of its holdings four times in each fiscal year, at the quarter-ends. For the second and fourth quarters, the lists appear in the Fund's semiannual and annual reports to shareholders. For the first and third quarters, the Fund files the lists with the Securities and Exchange Commission (SEC) on Form N-Q. The most recent list of portfolio holdings is available at invescoaim.com. From our home page, click on Products & Performance, then Mutual Funds, then Fund Overview. Select your Fund from the drop-down menu and click on Complete Quarterly Holdings. Shareholders can also look up the Fund's Forms N-Q on the SEC website at sec.gov. Copies of the Fund's Forms N-Q may be reviewed and copied at the SEC Public Reference Room in Washington, D.C. You can obtain information on the operation of the Public Reference Room, including information about duplicating fee charges, by calling 202 942 8090 or 800 732 0330, or by electronic request at the following email address: publicinfo@sec.gov. The SEC file numbers for the Fund are 811-05686 and 033-39519.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, from our Client Services department at 800 959 4246 or on the Invesco Aim website, invescoaim.com. On the home page, scroll down and click on Proxy Policy. The information is also available on the SEC website, sec.gov.

Information regarding how the Fund voted proxies related to its portfolio securities during the 12 months ended June 30, 2008, is available at our website. Go to invescoaim.com, access the About Us tab, click on Required Notices and then click on Proxy Voting Activity. Next, select the Fund from the drop-down menu. The information is also available on the SEC website, sec.gov.

If used after April 20, 2009, this report must be accompanied by a Fund fact sheet or Invesco Aim Quarterly Performance Review for the most recent quarter-end. Invesco Aim[SM] is a service mark of Invesco Aim Management Group, Inc. Invesco Aim Advisors, Inc., Invesco Aim Capital Management, Inc., Invesco Aim Private Asset Management, Inc. and Invesco PowerShares Capital Management LLC are the investment advisors for the products and services represented by Invesco Aim; they each provide investment advisory services to individual and institutional clients and do not sell securities. Please refer to each fund's prospectus for information on the fund's subadvisors. Invesco Aim Distributors, Inc. is the U.S. distributor for the retail mutual funds, exchange-traded funds and institutional money market funds and the subdistributor for the STIC Global Funds represented by Invesco Aim. All entities are indirect, wholly owned subsidiaries of Invesco Ltd.

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

Invesco Aim