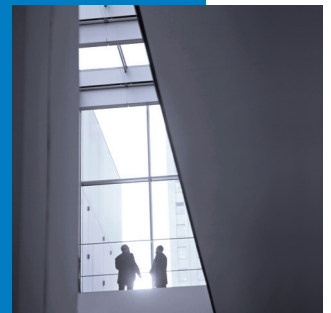


Annual Report and Accounts

For the year ended
31 January 2012
Audited



This Annual Report of the Company does not constitute an offer of Shares. Shares are offered on the basis of the information contained in the current Prospectus (and the documents referred to within it) supplemented by the last available Annual Report of the Company and any subsequently published Semi-Annual Report. Copies of the current Prospectus, latest Annual and Semi-Annual Reports and Portfolio Changes for the Company are available free of charge from the registered office of the Company or from any of the companies registered as distributors of the Company, or for investors in Switzerland, from the Representative of the Company in Switzerland.

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Directors' Report

I INTRODUCTION

Fidelity Funds II (the "Company") is an open-ended investment company established in Luxembourg as a société d'investissement à capital variable ("SICAV"). It has an umbrella structure and its assets are held in a number of different funds ("sub-funds"). Each sub-fund is a separate portfolio of securities managed in accordance with specific investment objectives.

Shares of the Company (the "Shares") are authorised for sale in a number of jurisdictions and are listed on the Luxembourg Stock Exchange.

II FINANCIAL STATEMENTS

The Board of Directors of the Company (the "Board") submits its Report and the audited financial statements for the year ended 31 January 2012.

The audited financial statements are set out on pages 7 to 17 of this Annual Report, with results for the year appearing in the Statement of Operations and Changes in Net Assets on pages 14 and 15.

A copy of the Annual Report may be obtained upon request from the offices of companies registered as distributors or from the Registered Office of the Company. Alternatively, please go to https://www.fidelityworldwideinvestment.com/statutory/fid_funds_2_annual_reports.page. Comparative figures for the previous year can be found in the Annual Report of the Company for the year ended 31 January 2011.

III ACTIVITIES DURING THE YEAR

During the year, the Company followed the normal activities of an open-ended investment company. The Investment Manager's Report that follows gives an overview of performance. Assets under management on 31 January 2012 exceeded USD 692 million (2011: USD 614 million). The Directors may from time to time close sub-funds as well as add further sub-funds with different investment objectives, subject to the approval of the Commission de Surveillance du Secteur Financier ("CSSF").

As at 31 January 2012, the Company consisted of 5 active sub-funds, one of which, the Swiss Franc Currency Fund, was closed subsequent to the year end date.

IV BOARD OF DIRECTORS

The Directors of the Company are listed on page 5. There are no service contracts proposed or in existence between any of the Directors and the Company. FIL (Luxembourg) S.A. ("FILUX") is a Corporate Director of the Company and has a contract with the Company in its capacity as Central Administrative Agent as described below. FILUX is represented by Allan Pelvang, who replaced Marc Wathelet in this role as permanent Representative of the Corporate Director on 5 April 2011. There are no service contracts proposed or in existence between any of the other Directors and the Company. In accordance with the Articles of Incorporation of the Company all current Directors will retire at the Annual General Meeting. All of the retiring Directors, being eligible, are standing for re-election.

Directors' Responsibilities

The Board of Directors has overall responsibility for the Company's affairs and the Board has established contracts with key service providers under which it delegates the day-to-day management of the Company to the Investment Manager and the Central Administrative Agent as described below and receives regular reports from these organisations. The Directors are formally responsible for the Report and Accounts of the Company for each financial year, which are required under general principles to give a true and fair view of the state of affairs of the Company. In accordance with those same principles, the Directors are responsible for:

- selecting suitable accounting policies and applying them consistently;
- preparing the accounts on a going concern basis;
- maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company; and
- complying with both the Luxembourg Law of 10 August 1915, as amended, on commercial companies and the Luxembourg Law of 17 December 2010 on undertakings for collective investment.

The Central Administrative Agent, as delegate of the Board of Directors, is responsible for the Company's system of internal control and for reviewing its effectiveness. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The duties of the Investment Manager and Central Administrative Agent include the design, implementation and maintenance of controls and procedures to administer the assets of the Company and to manage its affairs properly. The system extends to operational and compliance controls and risk management. Regular reports on controls and compliance issues are provided by the Supervisory Officers to the Board.

V SUPERVISORY OFFICERS

The three Supervisory Officers (the "SOs") serving during the financial year were Mr Stephan von Bismarck, Mr Nishith Gandhi and Mr Charles Hutchinson.

The SOs have a duty to ensure that the tasks of the General Distributor, FIL Distributors ("FID"), the Investment Manager, FIL Fund Management Limited ("FFML"), and the Central Administrative Agent (FILUX) are performed in compliance with Luxembourg law, the Company's Articles of Incorporation and current Prospectus. Amongst other things, the SOs ensure compliance with the investment restrictions of the Company and oversee the implementation of the investment policy of each sub-fund by the appointed Investment Manager, FFML. They also ensure that the risks linked to the activities carried out by FFML, FILUX and FID are correctly managed, monitored and reported to the Board of Directors of the Company.

Directors' Report

VI ROLE OF INVESTMENT MANAGER AND CENTRAL ADMINISTRATIVE AGENT

FFML provides day-to-day investment management of the Company, under the supervision and subject to the control of the Board of Directors. FFML is authorised to act on behalf of the Company and to select agents, brokers and dealers through whom to execute transactions and is required to provide the Board of Directors with any reports it may require.

FFML may receive investment advice from, and act upon the advice of, any company within the FIL Limited ("FIL") organisation, including affiliate companies of FFML, and may execute, transact and otherwise carry out its functions, duties and obligations with or through any of these FIL companies. FFML remains responsible for the proper performance by such companies of those responsibilities.

FILUX continues to act as the appointed Registrar, Transfer Agent, Administrative Service Agent and Domiciliary Agent for the Company and its sub-funds and Share classes. FILUX processes subscriptions, redemptions, conversions and transfers of Shares and enters these transactions in the register of Shareholders of the Company. It provides services in connection with keeping the Company's accounts, determination of the NAV of Shares in each sub-fund on each valuation date, preparation and distribution of Shareholder reports and provision of other administrative services.

In addition, the Company has appointed FIL to provide services in relation to the investments of the sub-funds including valuation, statistical, technical, reporting and other assistance.

VII CORPORATE GOVERNANCE

The Board applies a clear and transparent corporate governance framework for the management of the Company's affairs.

1. The Board has adopted the ALFI Code of Conduct issued in September 2009, which sets out the principles of good governance, and considers that the Company has been in compliance with it in all material respects throughout the financial year ended 31 January 2012. Any subsequent amendment to the ALFI Code of Conduct will be considered by the Board prior to adoption and necessary disclosure will be made in the annual financial statements.
2. There are contractual arrangements in place governing the relationships with FIL as well as other third party suppliers to the Company.
3. The Directors take decisions in the interests of the Company and its Shareholders and refrain from taking part in any deliberation or decision which creates conflict between their personal interests and those of the Company and its Shareholders.
4. The Board meets at least twice a year. The Board requests and receives reports from the SOs, FFML, FILUX and FID on the various activities including compliance controls and risk management undertaken by the relevant FIL companies. Senior representatives of these companies attend meetings by invitation, thus enabling the Board of Directors to question the reports presented to it.
5. As part of the control framework within FIL, all FIL group employees are subject to a Code of Ethics, which, among other things, sets out procedures for personal account dealing in securities. The Board receives regular reports on the Code of Ethics to ensure that any conflicts of interest between personal accounts dealing by FIL group staff and the interests of the Company are properly managed.
6. The Board reviews the annual financial statements, the external audit process, corporate governance issues, sub-custodian arrangements and the relationship with the external Auditor, including the recommendation to Shareholders of its appointment and level of fees. The Board meets with the external Auditor in the absence of representatives of FFML at least once a year.
7. The nomination of new Directors is considered by the Board and is subject to the approval of the CSSF and ultimately the approval of Shareholders at the Annual General Meeting. Directors, all of whom are affiliated with FFML or its holding company FIL or its subsidiaries, have waived their fees for the year ended 31 January 2012.
8. The Directors are committed to ensuring that Shareholders are kept informed of matters relevant to their investment and that all Shareholders are treated fairly. The maintenance and integrity of information concerning the Company on the FIL website is the responsibility of FIL. FILUX is responsible for the accuracy of translations of legal documents which may be available to investors in languages other than English. The Directors approve the English form of the financial statements presented to them at Board meetings.

The external Auditor, PricewaterhouseCoopers S.à r.l., being eligible, offers itself for re-election for the year from 1 February 2012 to 31 January 2013.

VIII OTHER INFORMATION

Commissions and Interfunding

FFML uses supplemental research in the course of its work for the Company and other clients that are paid for or provided by brokers through whom the Investment Manager executes transactions for the Company and other clients.

The Company participates in the Investment Manager's interfunding programme whereby FIL's traders, on occasion, identify situations where an account or sub-fund managed by FIL is buying the same security that another account or sub-fund is selling. If a trader can confirm that it would be in the interests of both accounts to execute a transaction between them rather than in the market then an interfund transaction is executed.

Swiss investors

Swiss investors are advised that the present sub-funds of the Company have been authorised by the Swiss Financial Market Supervisory Authority for distribution in Switzerland.

Directors' Report

IX BUSINESS OF THE ANNUAL GENERAL MEETING

The Board of Directors is proposing the following resolutions be put to the Shareholders at the Annual General Meeting of the Company to be held on 31 May 2012 at noon at 2a rue Albert Borschette, L-1246 Luxembourg:

- the presentation of the Report of the Board of Directors;
- the presentation of the Audit Report;
- the approval of the Statement of Net Assets and Statement of Operations and Changes in Net Assets for the year ended 31 January 2012;
- the discharge of the Board of Directors;
- the re-election of the Directors;
- the re-election of the external Auditor; and
- consideration of such other business that may properly come before the Annual General Meeting under the Articles of Association.

BOARD OF DIRECTORS

FIDELITY FUNDS II

5 April 2012

Board of Directors

Nishith Gandhi

Director
Grand Duchy of Luxembourg

Charles E. Hutchinson

Director
Grand Duchy of Luxembourg

Mikael Nikou

Director
Sweden

FIL (Luxembourg) S.A.

Corporate Director
Represented by Allan Pelvang
Grand Duchy of Luxembourg

Supervisory Officers

Stephan von Bismarck

Supervisory Officer
United Kingdom

Nishith Gandhi

Supervisory Officer
Grand Duchy of Luxembourg

Charles E. Hutchinson

Supervisory Officer
Grand Duchy of Luxembourg

Investment Manager's Report*

Performance Overview

Over the last 12 months to the end of January 2012, concerns about the worsening debt crisis in peripheral European economies and faltering global economic growth resulted in a flight to safer assets such as US treasuries and German bunds. Volatility remained high as Greece's fiscal health deteriorated due to a deeper than expected recession. Various measures announced by the European Union (EU) also failed to contain the crisis. Furthermore, the risk that the crisis would spread to other European nations increased sharply on the back of rapidly unfolding political events in Greece and Italy. These events led to the fall of the political leadership in both countries and the installation of new technocratic governments. Additionally, the end of the second round of quantitative easing in the US, the launch of "Operation Twist" whereby the Federal Reserve (Fed) would lengthen the maturity of its bond holdings to reduce long term borrowing costs, and the long drawn out political debate over raising the US debt ceiling limit were other widely reported headlines that contributed to periods of volatility.

In Europe, the European Central Bank (ECB) raised its interest rates in April for the first time in two years, and again in July, taking its refinancing rate to 1.5%. The shift in its monetary policy stance was driven by the upside risk to price stability. This risk stemmed from the region's positive underlying economic momentum, which was mainly supported by strong growth in Germany and France. However, the worsening eurozone crisis coupled with weak economic data intensified the downside risks to growth, prompting the central bank to lower its main refinancing rate twice in consecutive months, taking it to 1% in December. The ECB also introduced a new three year long term refinancing operation to provide liquidity to the region's banks as money market conditions worsened, threatening the stability of the financial system. The central bank also reactivated its bond purchase programme after the rising contagion risk spurred Italian and Spanish government bond yields to euro-era highs. In the currency markets, the euro weakened against all major currencies, including the US dollar, sterling and the yen.

In the UK, the threat of economic contraction increased significantly in light of high unemployment rates, weak consumer sentiment and slowing global demand. As a result, the Bank of England (BoE) elected to increase its monetary stimulus policy by GBP 75 billion to GBP 275 billion via its asset purchase facility. The central bank's policy rate remained at 0.50%. Meanwhile, the high inflation witnessed during the first half of the period showed signs of moderation. Inflation is expected to fall sharply in early 2012 as the impact of base effects, such as Value Added Tax increases and commodity price rises, drop out of year-on-year comparison. In the currency markets, sterling weakened against the US dollar and the yen, but strengthened against the euro.

In the US, the Fed extended its pledge to keep interest rates low through at least late 2014. It also signalled that it may consider additional asset purchases to boost growth as it anticipates that unemployment will remain high and inflation low. The Fed also reduced its forecast for growth in 2013 to 2.8% from 3.2%, down from a previous forecast of 3.0-3.5%. Although the unemployment rate fell to 8.3% in January 2012, weakness in the job market continued as the labour force participation rate declined. Household spending continued to advance, but growth in business fixed investment slowed and the housing sector remained weak. Inflation has been subdued in recent months, and longer term inflation expectations have remained stable. In the currency markets, the US dollar strengthened against the euro and sterling.

The Reserve Bank of Australia (RBA) cut its interest rates twice in November and December, lowering the benchmark rate to 4.25% from 4.75%. Increasing risks of a further slowdown in global growth along with expectations of a decline in Australia's commodity exports in light of the eurozone crisis propelled the central bank towards the rate cuts. The Australian economy continues to record moderate growth. Retail spending remains subdued, although demand for services has been growing relatively strongly. The unemployment rate has been steady at 5.25% over recent months, after increasing slightly in the middle of the year. Recent inflation data was also broadly in line with the central bank's expectations. Over the period, the Australian dollar strengthened against all major currencies.

Performance**

Sub-fund name	Currency	One Year	Five Years	Since launch
Australian Dollar Currency Fund - A Shares	AUD	3.67%	22.37%	135.62%
Euro Currency Fund - A Shares	EUR	0.06%	6.63%	78.51%
Sterling Currency Fund - A Shares	GBP	0.06%	9.14%	115.75%
Swiss Franc Currency Fund - A Shares	CHF	0.01%	2.30%	26.37%
US Dollar Currency Fund - A Shares	USD	0.05%	6.00%	66.93%

* The information stated in this report is historical and not necessarily indicative of future performance.

** Returns are calculated from published Net Asset Value price to published Net Asset Value price. This calculation does not include any initial charge. In all instances annual fees and expenses are included. The calculation represents the true investment performance of the class of Shares, in the currency of the class.

Australian Dollar Currency Fund

Schedule of Investments as at 31 January 2012

	Country Code	Ccy	Shares or Nominal	Year-end Value AUD	% Net Assets
SECURITIES ADMITTED TO OR DEALT ON AN OFFICIAL STOCK EXCHANGE					
Financials					
Westpac Banking 5.025% FRN 19/03/2012 MTN	AU	AUD	10,000,000	10,008,156	7.08
Rabobank Nederland (Australia) 4.50% 17/02/2012 EMTN	NL	AUD	3,608,000	3,606,835	2.55
GE Capital Australia Funding 8.00% 13/02/2012 EMTN	AU	AUD	2,410,000	2,411,856	1.71
				16,026,847	11.34

SECURITIES ADMITTED TO OR DEALT ON OTHER REGULATED MARKETS

Financials					
National Australia Bank 5.25% 04/05/2012 MTN	AU	AUD	6,000,000	6,009,621	4.25
National Australia Bank 4.25% 26/03/2012	AU	AUD	6,000,000	5,998,373	4.25
RBS (Australia) 5.40% FRN 27/03/2012 MTN	GB	AUD	5,000,000	5,007,037	3.54
Commonwealth Bank of Australia 5.25% 17/04/2012	AU	AUD	5,000,000	5,006,635	3.54
Toyota Motor Credit 3.58% 07/02/2012 EMTN	US	AUD	5,000,000	4,999,132	3.54
KfW 4.86% 27/09/2012 EMTN	DE	AUD	4,000,000	4,004,799	2.83
				31,025,597	21.96

MONEY MARKET INSTRUMENTS

Sumitomo Mitsui CD 3.713% 06/02/2012	AU	AUD	6,000,000	5,996,356	4.24
UBS CP 4.45% 06/02/2012	CH	AUD	6,000,000	5,996,320	4.24
DnB NOR Bank CP 4.60% 07/02/2012	NO	AUD	6,000,000	5,995,436	4.24
NRW.BANK CP 4.89% 07/02/2012	DE	AUD	6,000,000	5,995,151	4.24
Sumitomo CP 4.32% 29/02/2012	GB	AUD	6,000,000	5,979,910	4.23
Landesbank Hessen-Thuringen CP 4.20% 02/03/2012	DE	AUD	6,000,000	5,979,076	4.23
Credit Suisse FB Sydney CP 4.45% 05/03/2012	AU	AUD	6,000,000	5,975,711	4.23
Standard Chartered Bank CP 4.50% 05/03/2012	GB	AUD	6,000,000	5,975,437	4.23
Landeskreditbank CP 4.25% 30/04/2012	DE	AUD	6,000,000	5,937,628	4.20
Deutsche Bank (Australia) CP 4.40% 21/02/2012	AU	AUD	5,000,000	4,987,830	3.53
Nestlé (Australia) CP 4.25% 23/02/2012	AU	AUD	5,000,000	4,987,061	3.53
Nederlandse Waterschapsbank CP 4.45% 28/02/2012	NL	AUD	5,000,000	4,983,439	3.53
Bank of Tokyo-Mitsubishi UFJ CD 4.261% 29/02/2012	JP	AUD	5,000,000	4,983,222	3.53
ING Bank (Australia) CP 4.57% 28/02/2012	AU	AUD	5,000,000	4,982,996	3.53
FMS Wertmanagement CP 4.86% 29/02/2012	DE	AUD	5,000,000	4,981,404	3.53
FMS Wertmanagement CP 4.47% 27/04/2012	DE	AUD	5,000,000	4,947,205	3.50
				88,684,182	62.77

Total Investments (Cost AUD 135,736,626)				135,736,626	96.08
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BANK DEPOSITS

Royal Bank of Scotland TD 4.23% 01/02/2012	GB	AUD	7,000,000	7,000,000	4.95
Barclays Bank TD 4.20% 01/02/2012	GB	AUD	3,087,238	3,087,238	2.19
				10,087,238	7.14

Total Investments (including Bank Deposits)				145,823,864	103.22
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Other Assets and Liabilities				(4,550,258)	(3.22)
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Net Assets				141,273,606	100.00
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GEOGRAPHICAL SPLIT

Country	Country Code	% Net Assets
Australia	AU	39.90
Germany	DE	22.54
UK	GB	19.15
Netherlands	NL	6.08
Switzerland	CH	4.24
Norway	NO	4.24
USA	US	3.54
Japan	JP	3.53
Cash and other net liabilities		(3.22)

The accompanying notes to the financial statements form an integral part of these financial statements.

The percentage of net assets in the schedule of investments and in the geographical split is subject to rounding.

Euro Currency Fund

Schedule of Investments as at 31 January 2012

	Country Code	Ccy	Shares or Nominal	Year-end Value EUR	% Net Assets
SECURITIES ADMITTED TO OR DEALT ON AN OFFICIAL STOCK EXCHANGE					
Energy					
Shell Int'l Finance 3.375% 09/02/2012 EMTN	NL	EUR	2,000,000	2,001,158	4.70
				<u>2,001,158</u>	<u>4.70</u>
Financials					
GE Capital Euro Funding 3.375% 08/02/2012 EMTN	IE	EUR	1,934,000	1,935,088	4.54
Rabobank Nederland 4.125% 04/04/2012 EMTN	NL	EUR	1,500,000	1,507,973	3.54
Toyota Motor Credit 5.25% 03/02/2012 EMTN	US	EUR	1,500,000	1,500,367	3.52
NRW.BANK 3.00% 13/02/2012 EMTN	DE	EUR	1,200,000	1,200,992	2.82
Land Nordrhein-Westfalen 3.625% 15/02/2012	DE	EUR	1,000,000	1,001,167	2.35
ABN Amro Bank 2.485% FRN 03/02/2012	NL	EUR	1,000,000	1,000,096	2.35
KfW 1.60% FRN 29/05/2012 EMTN	DE	EUR	500,000	501,713	1.18
Rabobank Nederland 3.50% 23/03/2012 EMTN	NL	EUR	500,000	501,700	1.18
				<u>9,149,096</u>	<u>21.47</u>
MONEY MARKET INSTRUMENTS					
HSBC CD 0.70% 21/02/2012	GB	EUR	2,000,000	2,000,000	4.69
Netherlands CP 0.15% 06/02/2012	NL	EUR	1,500,000	1,499,981	3.52
Lloyds TSB Bank CP 0.30% 10/02/2012	GB	EUR	1,500,000	1,499,912	3.52
Bank of Tokyo-Mitsubishi UFJ CD 0.30% 01/03/2012	JP	EUR	1,500,000	1,499,613	3.52
DnB NOR Bank CP 0.31% 23/03/2012	NO	EUR	1,500,000	1,499,342	3.52
FMS Wertmanagement CP 0.73% 29/02/2012	DE	EUR	1,500,000	1,499,150	3.52
StadHypotek CP 0.795% 12/04/2012	SE	EUR	1,500,000	1,497,653	3.51
Nordea Bank CP 1.20% 30/03/2012	SE	EUR	1,500,000	1,497,110	3.51
Barclays Bank CD 0.79% 16/03/2012	GB	EUR	1,000,000	1,000,000	2.35
DZ Bank CD 0.376% 06/02/2012	DE	EUR	1,000,000	999,937	2.35
Mizuho Corporate Bank CD 0.239% 23/02/2012	GB	EUR	1,000,000	999,847	2.35
SMBCE CD 0.314% 20/02/2012	GB	EUR	1,000,000	999,826	2.35
ING Bank CP 1.28% 06/02/2012	NL	EUR	1,000,000	999,823	2.35
SMBCE CD 0.30% 29/02/2012	GB	EUR	1,000,000	999,759	2.35
Sumitomo CP 0.36% 27/02/2012	GB	EUR	1,000,000	999,740	2.35
ING Bank CP 0.63% 20/02/2012	NL	EUR	1,000,000	999,668	2.35
UBS CP 0.92% 14/02/2012	CH	EUR	1,000,000	999,668	2.35
Deutsche Bank London CP 0.36% 06/03/2012	GB	EUR	1,000,000	999,660	2.35
Barclays Bank CP 0.91% 28/02/2012	GB	EUR	1,000,000	999,319	2.34
UBS CP 0.74% 12/03/2012	CH	EUR	1,000,000	999,179	2.34
FMS Wertmanagement CP 0.41% 17/04/2012	DE	EUR	1,000,000	999,135	2.34
Mizuho Corporate Bank CD 0.292% 06/02/2012	GB	EUR	500,000	499,976	1.17
Bank of Tokyo-Mitsubishi UFJ CD 0.306% 23/02/2012	JP	EUR	500,000	499,902	1.17
Nordea Bank CP 1.235% 05/03/2012	SE	EUR	500,000	499,436	1.17
Svenska Handelsbanken CP 0.89% 05/04/2012	SE	EUR	500,000	499,211	1.17
FMS Wertmanagement CP 0.46% 25/07/2012	DE	EUR	500,000	498,885	1.17
				<u>27,985,732</u>	<u>65.67</u>
Total Investments (Cost EUR 39,135,986)				<u>39,135,986</u>	<u>91.83</u>
BANK DEPOSITS					
DnB NOR Bank TD 0.23% 01/02/2012	NO	EUR	2,320,289	2,320,289	5.44
Royal Bank of Scotland TD 0.15% 03/02/2012	GB	EUR	2,000,078	2,000,078	4.69
Deutsche Bank TD 0.22% 03/02/2012	DE	EUR	2,000,000	2,000,000	4.69
				<u>6,320,367</u>	<u>14.83</u>
Total Investments (including Bank Deposits)				<u>45,456,353</u>	<u>106.66</u>
Other Assets and Liabilities				(2,838,978)	(6.66)
Net Assets				<u>42,617,375</u>	<u>100.00</u>

GEOGRAPHICAL SPLIT

Country	Country Code	% Net Assets
UK	GB	30.50
Germany	DE	20.42
Netherlands	NL	19.97
Sweden	SE	9.37
Norway	NO	8.96
Japan	JP	4.69
Switzerland	CH	4.69
Ireland	IE	4.54
USA	US	3.52
Cash and other net liabilities		(6.66)

The accompanying notes to the financial statements form an integral part of these financial statements.

The percentage of net assets in the schedule of investments and in the geographical split is subject to rounding.

Sterling Currency Fund

Schedule of Investments as at 31 January 2012

	Country Code	Ccy	Shares or Nominal	Year-end Value GBP	% Net Assets
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SECURITIES ADMITTED TO OR DEALT ON AN OFFICIAL STOCK EXCHANGE

Financials

Lloyds TSB Bank 2.75% 16/03/2012 EMTN	GB	GBP	1,496,000	1,499,663	1.18
				<u>1,499,663</u>	<u>1.18</u>

MONEY MARKET INSTRUMENTS

Rabobank Nederland CP 0.80% 12/04/2012	NL	GBP	4,000,000	3,993,788	3.15
ANZ Banking Group CD 0.90% 10/02/2012	NZ	GBP	3,000,000	3,000,074	2.36
Svenska Handelsbanken CD 0.955% 21/03/2012	SE	GBP	3,000,000	3,000,020	2.36
HSBC CD 0.90% 20/02/2012	GB	GBP	3,000,000	3,000,015	2.36
Barclays Bank CP 0.76% 06/02/2012	GB	GBP	3,000,000	2,999,688	2.36
Sumitomo Mitsui CD 0.703% 09/02/2012	AU	GBP	3,000,000	2,999,474	2.36
Bank of Tokyo-Mitsubishi UFJ CD 0.661% 14/02/2012	JP	GBP	3,000,000	2,999,231	2.36
ABN Amro Bank CD 0.603% 16/02/2012	NL	GBP	3,000,000	2,999,199	2.36
ING Bank CP 0.77% 17/02/2012	NL	GBP	3,000,000	2,998,988	2.36
DnB NOR Bank CP 0.755% 21/02/2012	NO	GBP	3,000,000	2,998,761	2.36
SMBCE CD 0.672% 23/02/2012	GB	GBP	3,000,000	2,998,717	2.36
Bank of Tokyo-Mitsubishi UFJ CD 0.629% 01/03/2012	JP	GBP	3,000,000	2,998,380	2.36
Landesbank Hessen-Thuringen CP 0.70% 01/03/2012	DE	GBP	3,000,000	2,998,332	2.36
NRW.BANK CP 0.645% 19/03/2012	DE	GBP	3,000,000	2,997,511	2.36
UBS CP 0.83% 12/03/2012	CH	GBP	3,000,000	2,997,275	2.36
Credit Suisse FB Sydney CP 0.65% 27/03/2012	AU	GBP	3,000,000	2,997,065	2.36
Nordea Bank CP 1.045% 07/03/2012	SE	GBP	3,000,000	2,997,004	2.36
UBS CP 0.80% 23/03/2012	CH	GBP	3,000,000	2,996,651	2.36
Standard Chartered Bank CP 0.75% 30/03/2012	GB	GBP	3,000,000	2,996,429	2.36
Nederlandse Waterschapsbank CP 0.93% 19/03/2012	NL	GBP	3,000,000	2,996,419	2.36
FMS Wertmanagement CP 1.07% 16/03/2012	DE	GBP	3,000,000	2,996,141	2.36
Nordea Bank CP 1.06% 19/03/2012	SE	GBP	3,000,000	2,995,920	2.36
Landeskreditbank CP 0.65% 30/04/2012	DE	GBP	3,000,000	2,995,253	2.36
National Australia Bank CD 0.859% 23/04/2012	AU	GBP	3,000,000	2,994,086	2.36
Landeskreditbank CP 0.68% 30/05/2012	DE	GBP	3,000,000	2,993,364	2.36
National Australia Bank CD 0.861% 08/05/2012	AU	GBP	3,000,000	2,993,005	2.36
FMS Wertmanagement CP 1.05% 23/05/2012	DE	GBP	3,000,000	2,990,368	2.36
ANZ Banking Group CD 0.90% 09/03/2012	AU	GBP	2,500,000	2,500,025	1.97
DnB NOR Bank CP 0.81% 07/02/2012	NO	GBP	2,500,000	2,499,668	1.97
ABN Amro Bank CP 0.67% 09/02/2012	NL	GBP	2,500,000	2,499,633	1.97
ING Bank CP 0.97% 07/02/2012	NL	GBP	2,500,000	2,499,602	1.97
Mizuho Corporate Bank CD 0.685% 13/02/2012	GB	GBP	2,500,000	2,499,384	1.97
Standard Chartered Bank CP 0.84% 05/03/2012	GB	GBP	2,500,000	2,498,104	1.97
NRW.BANK CP 0.75% 12/03/2012	DE	GBP	2,500,000	2,497,948	1.97
Barclays Bank CP 0.83% 16/03/2012	GB	GBP	2,500,000	2,497,502	1.97
Svenska Handelsbanken CD 1.02% 10/04/2012	SE	GBP	2,000,000	2,000,019	1.58
Credit Suisse FB Sydney CP 0.75% 20/02/2012	AU	GBP	2,000,000	1,999,220	1.58
Rabobank Nederland CP 0.80% 19/04/2012	NL	GBP	2,000,000	1,996,588	1.57
Credit Suisse FB Sydney CP 0.71% 06/02/2012	AU	GBP	1,000,000	999,903	0.79
StadHypotek CP 0.96% 16/04/2012	SE	GBP	1,000,000	998,032	0.79
				<u>109,906,786</u>	<u>86.59</u>

Total Investments (Cost GBP 111,406,449)

111,406,449 87.77

BANK DEPOSITS

Deutsche Bank TD 0.50% 01/02/2012	DE	GBP	9,000,000	9,000,000	7.09
Lloyd Group TD 0.50% 01/02/2012	GB	GBP	5,529,061	5,529,061	4.36
Swedbank TD 0.58% 02/02/2012	SE	GBP	4,000,000	4,000,000	3.15
				<u>18,529,061</u>	<u>14.60</u>

Total Investments (including Bank Deposits)

129,935,510 102.37

Other Assets and Liabilities

(3,006,239) (2.37)

Net Assets

126,929,271 100.00

GEOGRAPHICAL SPLIT

Country	Country Code	% Net Assets
Germany	DE	23.22
UK	GB	20.89
Netherlands	NL	15.74
Australia	AU	13.77
Sweden	SE	12.60
Japan	JP	4.73
Switzerland	CH	4.72
Norway	NO	4.33
New Zealand	NZ	2.36
Cash and other net liabilities		(2.37)

The accompanying notes to the financial statements form an integral part of these financial statements.

The percentage of net assets in the schedule of investments and in the geographical split is subject to rounding.

US Dollar Currency Fund

Schedule of Investments as at 31 January 2012

	Country Code	Ccy	Shares or Nominal	Year-end Value USD	% Net Assets
SECURITIES ADMITTED TO OR DEALT ON AN OFFICIAL STOCK EXCHANGE					
Financials					
Barclays Bank 1.327% FRN 05/03/2012 Reg S	GB	USD	6,000,000	6,004,429	2.27
KfW 2.25% 16/04/2012 GMTN	DE	USD	3,750,000	3,763,759	1.42
Bank Nederlandse Gemeenten 6.00% 26/03/2012 EMTN	NL	USD	1,241,000	1,251,117	0.47
Nederlandse Waterschapsbank 1.375% 17/02/2012 EMTN	NL	USD	337,000	337,133	0.13
				11,356,438	4.29

MONEY MARKET INSTRUMENTS

DnB NOR Bank CP 0.20% 06/02/2012	NO	USD	7,000,000	6,999,806	2.64
Svenska Handelsbanken CD 0.51% 28/03/2012	SE	USD	6,000,000	6,000,047	2.27
Bank of Tokyo-Mitsubishi UFJ CD 0.311% 09/02/2012	JP	USD	6,000,000	5,999,533	2.27
Bank of Tokyo-Mitsubishi UFJ CD 0.324% 10/02/2012	JP	USD	6,000,000	5,999,460	2.27
Sumitomo Mitsui CD 0.277% 13/02/2012	AU	USD	6,000,000	5,999,400	2.27
ING Bank CP 0.30% 17/02/2012	NL	USD	6,000,000	5,999,200	2.27
Landesbank Hessen-Thüringen CP 0.25% 23/02/2012	DE	USD	6,000,000	5,999,084	2.27
ABN Amro Bank CP 0.45% 17/02/2012	NL	USD	6,000,000	5,998,800	2.27
Credit Suisse FB Sydney CP 0.41% 21/02/2012	AU	USD	6,000,000	5,998,634	2.27
Mizuho (Australia) CD 0.364% 23/02/2012	AU	USD	6,000,000	5,998,607	2.27
Barclays Bank CP 0.37% 28/02/2012	GB	USD	6,000,000	5,998,336	2.27
FMS Wertmanagement CP 0.50% 28/02/2012	DE	USD	6,000,000	5,997,754	2.27
Zurich Finance (USA) CP 0.45% 09/03/2012	US	USD	6,000,000	5,997,227	2.26
Deutsche Bank (Australia) CP 0.495% 12/03/2012	AU	USD	6,000,000	5,996,703	2.26
NRW.BANK CP 0.33% 03/04/2012	DE	USD	6,000,000	5,996,592	2.26
Standard Chartered Bank CP 0.445% 06/02/2012	GB	USD	5,000,000	4,999,691	1.89
Commonwealth Bank of Australia CP 0.32% 08/02/2012	AU	USD	5,000,000	4,999,689	1.89
Mizuho (Australia) CD 0.347% 09/02/2012	AU	USD	5,000,000	4,999,567	1.89
Barclays Bank CP 0.35% 10/02/2012	GB	USD	5,000,000	4,999,563	1.89
UBS CP 0.34% 13/02/2012	CH	USD	5,000,000	4,999,434	1.89
NRW.BANK CP 0.41% 13/02/2012	DE	USD	5,000,000	4,999,317	1.89
DZ Bank CD 0.286% 21/02/2012	DE	USD	5,000,000	4,999,167	1.89
DZ Bank CP 0.30% 23/02/2012	DE	USD	5,000,000	4,999,084	1.89
UBS CP 0.38% 21/02/2012	CH	USD	5,000,000	4,998,945	1.89
Credit Suisse FB Sydney CP 0.42% 23/02/2012	AU	USD	5,000,000	4,998,718	1.89
ABN Amro Bank CP 0.38% 27/02/2012	NL	USD	5,000,000	4,998,628	1.89
Svenska Handelsbanken CP 0.45% 29/02/2012	SE	USD	5,000,000	4,998,252	1.89
Landeskreditbank CP 0.475% 29/02/2012	DE	USD	5,000,000	4,998,154	1.89
ANZ Banking Group CP 0.40% 26/03/2012	NZ	USD	5,000,000	4,997,004	1.89
Rabobank Nederland CD 0.465% 23/04/2012	NL	USD	5,000,000	4,994,654	1.89
FMS Wertmanagement CP 0.57% 16/04/2012	DE	USD	5,000,000	4,994,071	1.89
FMS Wertmanagement CP 0.63% 08/05/2012	DE	USD	5,000,000	4,991,531	1.89
Commonwealth Bank of Australia CP 0.38% 19/03/2012	AU	USD	4,500,000	4,497,770	1.70
Nederlandse Waterschapsbank CP 0.39% 27/02/2012	NL	USD	4,000,000	3,998,875	1.51
National Australia Bank CD 0.34% 05/03/2012	AU	USD	4,000,000	3,998,681	1.51
Standard Chartered Bank CP 0.40% 30/03/2012	GB	USD	4,000,000	3,997,424	1.51
Nederlandse Waterschapsbank CP 0.56% 19/03/2012	NL	USD	4,000,000	3,997,081	1.51
Rabobank Nederland CP 0.52% 28/03/2012	NL	USD	4,000,000	3,996,770	1.51
Landeskreditbank CP 0.33% 26/03/2012	DE	USD	3,000,000	2,998,516	1.13
Landeskreditbank CP 0.34% 13/04/2012	DE	USD	3,000,000	2,997,962	1.13
Nederlandse Waterschapsbank CP 0.30% 30/04/2012	NL	USD	3,000,000	2,997,777	1.13
Standard Chartered Bank CD 0.63% 05/03/2012	GB	USD	2,000,000	2,000,146	0.76
Pohjola Bank CP 0.17% 07/02/2012	FI	USD	2,000,000	1,999,943	0.76
National Australia Bank CD 0.377% 17/02/2012	AU	USD	2,000,000	1,999,645	0.76
UBS CP 0.38% 05/03/2012	CH	USD	2,000,000	1,999,304	0.76
Nordea Bank CP 0.45% 05/04/2012	SE	USD	2,000,000	1,998,402	0.75
Rabobank Nederland (Australia) CP 0.56% 17/05/2012	AU	USD	2,000,000	1,996,708	0.75
Commonwealth Bank of Australia CD 0.32% 14/02/2012	AU	USD	1,000,000	999,989	0.38
Credit Suisse FB Sydney CP 0.41% 05/03/2012	AU	USD	1,000,000	999,624	0.38
				223,419,269	84.37

Total Investments (Cost USD 234,775,707)

234,775,707 **88.66**

BANK DEPOSITS

Deutsche Bank TD 0.11% 01/02/2012	DE	USD	18,625,636	18,625,636	7.03
Nationwide TD 0.15% 03/02/2012	GB	USD	7,000,000	7,000,000	2.64
Swedbank TD 0.17% 06/02/2012	SE	USD	7,000,000	7,000,000	2.64
				32,625,636	12.32

Total Investments (including Bank Deposits)

267,401,343 **100.98**

Other Assets and Liabilities

(2,604,258) (0.98)

Net Assets

264,797,085 **100.00**

GEOGRAPHICAL SPLIT

Country	Country Code	% Net Assets
Germany	DE	28.84
Australia	AU	20.20
Netherlands	NL	14.57
UK	GB	13.22
Sweden	SE	7.55
Japan	JP	4.53
Switzerland	CH	4.53
Norway	NO	2.64
USA	US	2.26
New Zealand	NZ	1.89
Finland	FI	0.76
Cash and other net liabilities		(0.98)

The accompanying notes to the financial statements form an integral part of these financial statements.

The percentage of net assets in the schedule of investments and in the geographical split is subject to rounding.

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Statement of Net Assets as at 31 January 2012

NAME	Combined	Australian Dollar Currency Fund	Euro Currency Fund	Sterling Currency Fund	Swiss Franc Currency Fund
CURRENCY	USD	AUD	EUR	GBP	CHF
ASSETS					
Investments in securities at year-end value	605,197,850	135,736,626	39,135,986	111,406,449	-
Bank deposits	80,753,149	10,087,238	6,320,367	18,529,061	-
Cash at banks	23,744,826	-	-	-	21,895,104
Receivables on sub-fund Shares issued	230,267	76,669	-	54,961	-
Interest receivable	1,548,095	828,072	355,225	60,383	-
Other receivables	46,720	-	-	-	43,081
Total Assets	711,520,907	146,728,605	45,811,578	130,050,854	21,938,185
LIABILITIES					
Payables on investments purchased	13,393,364	2,599,374	2,999,894	2,998,332	-
Payables on sub-fund Shares redeemed	4,808,276	2,703,170	170,680	40,646	879,371
Expenses payable	397,931	152,455	23,629	82,605	-
Total Liabilities	18,599,571	5,454,999	3,194,203	3,121,583	879,371
NET ASSETS as at 31.01.12	692,921,336	141,273,606	42,617,375	126,929,271	21,058,814
NET ASSETS as at 31.01.11	614,646,751	115,136,939	50,645,963	147,056,704	33,434,053
NET ASSETS as at 31.01.10	669,029,222	131,356,001	74,001,418	157,022,770	36,095,365
SHARES OUTSTANDING					
- A Shares		3,997,207	2,387,378	5,883,073	666,552
NET ASSET VALUE PER SHARE as at 31.01.12					
- A Shares (in sub-fund currency)		35.343	17.851	21.575	31.593
NET ASSET VALUE PER SHARE as at 31.01.11					
- A Shares (in sub-fund currency)		34.093	17.840	21.563	31.590
NET ASSET VALUE PER SHARE as at 31.01.10					
- A Shares (in sub-fund currency)		32.951	17.830	21.551	31.587
COST OF INVESTMENTS	605,197,850	135,736,626	39,135,986	111,406,449	-

The accompanying notes to the financial statements form an integral part of these financial statements.

US Dollar
Currency Fund

USD

234,775,707

32,625,636

-

62,440

111,770

-

267,575,553

1,999,943

703,123

75,402

2,778,468

264,797,085

158,898,834

164,326,218

7,931,172

33.386

33.370

33.353

234,775,707

Statement of Operations and Changes in Net Assets

for the year ended 31 January 2012

NAME	Combined	Australian Dollar Currency Fund	Euro Currency Fund	Sterling Currency Fund	Swiss Franc Currency Fund
CURRENCY	USD	AUD	EUR	GBP	CHF
INVESTMENT INCOME					
Net interest income	9,351,614	6,122,456	493,231	978,320	14,185
Net income	9,351,614	6,122,456	493,231	978,320	14,185
EXPENSES					
Investment management fee	6,455,060	1,269,546	478,027	1,317,103	305,483
Administration expenses	645,498	126,953	47,802	131,709	30,548
Government taxes	65,915	13,015	4,849	13,393	3,060
Custody fees	188,594	40,199	28,263	28,517	16,294
Other expenses	660,811	130,250	48,827	134,639	30,956
Total expenses	8,015,878	1,579,963	607,768	1,625,361	386,341
Fees waived	(3,703,921)	(23,369)	(139,370)	(712,939)	(336,031)
Expense reimbursement	(42,490)	-	-	-	(39,180)
Net expenses	4,269,467	1,556,594	468,398	912,422	11,130
NET INVESTMENT INCOME / (LOSS)	5,082,147	4,565,862	24,833	65,898	3,055
Net realised gain / (loss) on securities	24,614	-	3,359	11,349	-
RESULTS OF OPERATIONS	5,106,761	4,565,862	28,192	77,247	3,055
CAPITAL SHARE TRANSACTIONS					
Proceeds from sub-fund Shares issued	411,125,089	107,388,045	34,767,431	33,240,353	8,912
Payment for sub-fund Shares redeemed	(338,718,994)	(86,249,401)	(42,821,522)	(53,442,608)	(12,386,256)
Equalisation	477,962	432,161	(2,689)	(2,425)	(950)
Increase / (decrease) derived from capital Share transactions	72,884,057	21,570,805	(8,056,780)	(20,204,680)	(12,378,294)
NET INCREASE / (DECREASE)	77,990,818	26,136,667	(8,028,588)	(20,127,433)	(12,375,239)
NET ASSETS					
Beginning of year	614,930,518 *	115,136,939	50,645,963	147,056,704	33,434,053
End of year	692,921,336 **	141,273,606	42,617,375	126,929,271	21,058,814
- A Shares (in sub-fund currency)					
Shares outstanding - beginning of year		3,377,115	2,838,830	6,819,987	1,058,369
Shares issued		3,145,037	1,948,791	1,541,576	282
Shares redeemed		(2,524,945)	(2,400,243)	(2,478,490)	(392,099)
Net increase / (decrease) in Shares		620,092	(451,452)	(936,914)	(391,817)
Shares outstanding - end of year		3,997,207	2,387,378	5,883,073	666,552

* The combined net assets total at the beginning of the year has been translated at the foreign exchange rates as of 31 January 2012, recalculated from an original amount of USD 614,646,751 using the foreign exchange rates as of 31 January 2011.

** For comparison purposes, the combined net assets total as at 31 January 2012, translated in EUR at the foreign exchange rate as of 31 January 2012, is EUR 530,872,507.

The accompanying notes to the financial statements form an integral part of these financial statements.

US Dollar
Currency Fund

USD

663,070
663,070

2,079,657
207,963
21,377
46,511
213,386
2,568,894
(2,009,767)
-

559,127

103,943
2,352
106,295

199,568,889
(93,805,272)
28,339
105,791,956
105,898,251

158,898,834
264,797,085

4,761,722
5,980,364
(2,810,914)
3,169,450
7,931,172

Notes to the Financial Statements

1. General

The Company is an open-ended investment company constituted in Bermuda on 1 November 1991 and redomiciled in Luxembourg as a SICAV on 31 July 2000.

The Company is a self-managed SICAV under part I of the Luxembourg Law of 17 December 2010 as from 1 July 2011, which replaces the Luxembourg Law of 20 December 2002 and implements Directive 2009/65/EC ("UCITS IV Directive").

The Company comprises various sub-funds each relating to a separate investment portfolio of securities, cash and other assets.

2. Significant Accounting Policies

The financial statements are prepared in accordance with the Luxembourg legal and regulatory requirements relating to undertakings for collective investments.

SECURITY VALUATION. Investments in securities traded on any stock exchange are valued at the last available price at the time when the valuation is carried out on the principal stock exchange on which such security is traded. Securities dealt on any over the counter market are valued in the same manner. The valuation of short-dated debt transferable securities and money market instruments not traded on a regulated exchange is determined by means of the amortised cost method. Under this method, amortised cost is determined by valuing the security at original cost and thereafter accreting (amortising) the discount (premium) to its nominal value at a constant rate until maturity. All other assets are valued in such manner as the Directors of the Company consider appropriate. As at 31 January 2012, all securities in all sub-funds were valued at amortised cost. All holdings owned by the Company are quoted on a regulated market, except where otherwise distinguished in a sub-fund's Schedule of Investments.

FAIR VALUE ADJUSTMENTS POLICY. Fair value adjustments may be implemented to protect the interests of Shareholders against market timing practices. Accordingly if a sub-fund invests in markets that are closed for business at the time the sub-fund is valued, the Directors may, by derogation from the provisions above under security valuation, allow for the securities included in a particular portfolio to be adjusted to reflect more accurately the fair value of the sub-fund's investments at the point of valuation. As at 31 January 2012, no sub-funds were impacted by this fair value adjustment policy.

BANK DEPOSITS AND CASH AT BANKS. All deposits and cash at bank amounts are carried at face value.

INVESTMENT SECURITY TRANSACTIONS. Investment security transactions are accounted for on the date securities are purchased or sold. The computation of the cost of sales of securities is made on the basis of average cost.

FOREIGN EXCHANGE. The Company's designated currency is USD. Assets and liabilities as at 31 January 2012, have been translated at the prevailing exchange rates on that date. The Directors determine the designated currency of each sub-fund. All transactions denominated in foreign currencies during the year are translated into the sub-fund's designated currency at the exchange rate prevailing on the day of transaction.

FUND SHARE TRANSACTIONS. The issue and redemption price per Share of each sub-fund is the Net Asset Value per Share on the date of trade.

INCOME. Interest income is accounted for on an accrual basis.

ZERO COUPON DISCLOSURE. Zero coupon bonds and zero coupon money market instruments are disclosed in the Schedule of Investments at a rate reflecting the actual return.

COMBINED ACCOUNTS. The combined financial statements have been presented in USD and represent the total financial statements of the different sub-funds. Sub-funds stated in currencies other than USD have been translated at exchange rates ruling at the year-end.

3. Investment Management Fees and Other Transactions with the Investment Manager or its Affiliates

Pursuant to the Investment Management Agreement dated 31 July 2000 (as amended) and the assignment and amendment agreement dated 4 August 2005, FFML is entitled to a monthly management fee, accrued daily and based on the average total net assets of each sub-fund, at an annual rate of 1.00%.

FIL and its affiliates may waive any or all of their fees and limit the maximum level of expenses (with certain exceptions) that the sub-funds would be paying. The fees waived by FIL and its affiliates during the year ended 31 January 2012 are disclosed in the Statement of Operations and Changes in Net Assets under "Fees waived". In addition, FFML has temporarily borne certain expenses of the Swiss Franc Currency Fund as disclosed in the Statement of Operations and Changes in Net Assets under "Expense reimbursement". These actions are voluntary and may be revised or stopped at any time, in which case the Company will bear such fees up to the amount permitted by the Prospectus.

FIL and FILUX provide valuation, record keeping and administrative services to the Company and earned, before fees waived, USD 645,498 in fees for these services during the year ended 31 January 2012.

Certain officers and Directors of the Company are also directors, officers or employees of FIL or its affiliates.

There were no transactions through connected brokers during the year.

4. Transaction Fees

No transaction fees relating to the purchase or sale of securities were charged to any of the sub-funds during the year ended 31 January 2012.

5. Directors' Fees

All Directors are affiliated with FIL and have waived their fees for the year ended 31 January 2012, so no Directors' fees were charged for the year.

6. Taxation

The Company is not liable to any Luxembourg taxes on income or on realised or unrealised capital gains, nor to any Luxembourg withholding tax. The sub-funds are subject to an annual subscription tax of 0.01%, calculated and payable quarterly on the net assets of the sub-fund on the last day of each calendar quarter. Capital gains, dividends and interest may be subject to capital gain and withholding taxes or other taxes imposed by the country of origin concerned and such taxes may not be recoverable by the Company or its Shareholders.

7. Global Risk Exposure

The global risk exposure is analysed for each sub-fund, and utilising the commitment approach it has been determined that the total derivative exposure is zero for the year ended 31 January 2012.

8. Statement of Changes in Investments

A list for each sub-fund, specifying for each investment the total purchases and sales which occurred during the year under review, may be obtained free of charge upon request from the Registered Office of the Company or from any of the companies registered as Distributors of the Company.

It is possible to receive information about the full holdings of the sub-funds in which you invest, at any point in time during the year. This is available upon request by contacting your usual Fidelity Representative.

9. Subsequent Events

The following sub-fund was closed after the year ended 31 January 2012:

Sub-fund name	Date of closure
Swiss Franc Currency Fund	10/02/2012

10. Rates of Exchange

The USD exchange rates as at 31 January 2012 were:

Currency	Exchange rate	Currency	Exchange rate
Australian dollar (AUD)	0.94361878	Pound sterling (GBP)	0.63481987
Euro (EUR)	0.76613676	Swiss franc (CHF)	0.9221

Audit Report

To the Shareholders of Fidelity Funds II

We have audited the accompanying financial statements of Fidelity Funds II (the "SICAV") and of each of its sub-funds, which comprise the Statement of Net Assets and the Schedule of Investments as at 31 January 2012 and the Statement of Operations and Changes in Net Assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the SICAV for the financial statements

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Fidelity Funds II and of each of its sub-funds as of 31 January 2012, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Other matters

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

PricewaterhouseCoopers S.à r.l.

Luxembourg, 5 April 2012

Represented by

John Parkhouse

Unaudited Supplementary Information

The European Directive on Savings Income 2003/48/EC

The EU Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (hereinafter the "Directive") provides that from 1 July 2005, paying agents established in a member state of the EU or certain dependent or associated territories of member states who make certain savings income payments to individuals resident in another member state or to residual entities within the sense of the Directive (and, depending on the home state of the paying agent, possibly also to individuals and residual entities within the sense of the Directive resident in certain dependent or associated territories of member states) will be obliged, depending on the jurisdiction of establishment of the paying agent, either to report details of the payment and payee to fiscal authorities or to withhold tax from it.

The law of 21 June 2005 (the "Law") has implemented into Luxembourg law the Directive. Pursuant to the Law and in accordance with the letter of the Directive, the withholding tax applicable in Luxembourg is set at 15% from 1 July 2005 until 30 June 2008, then 20% from 1 July 2008 until 30 June 2011, rising to 35% from 1 July 2011. Article 9 of the Law provides however that no withholding tax will be withheld if the Beneficiary explicitly authorises the paying agent in writing to proceed to an Exchange of Information or if the Beneficiary provides the paying agent with an exemption certificate drawn up in the name of the Beneficiary by the competent authority in their country of residence. Dividends distributed by the Company will fall into the scope of the Directive if more than 15% of the relevant sub-fund's assets are invested in debt claims (as defined in the Law). Redemption proceeds realised by Shareholders on the disposal of Shares will fall into the scope of the Directive if more than 40% until 31 December 2010 and 25% from 1 January 2011 of the relevant sub-fund's assets are invested in debt claims.

The Company falls within the application of the Directive as follows:

Sub-fund name	Status period	Distributions	Redemptions	Establishing status
Australian Dollar Currency Fund	01.06.11 - 31.05.12	IN	IN	Asset Test
Euro Currency Fund	01.06.11 - 31.05.12	IN	IN	Asset Test
Sterling Currency Fund	01.06.11 - 31.05.12	IN	IN	Asset Test
Swiss Franc Currency Fund	01.06.11 - 31.05.12	IN	IN	Asset Test
US Dollar Currency Fund	01.06.11 - 31.05.12	IN	IN	Asset Test

IN = in scope of the Law

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