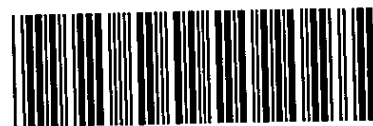


FIDELITY MANAGEMENT & RESEARCH (U K) INC
(A Wholly-Owned Subsidiary of
Fidelity Management & Research Company)

FINANCIAL STATEMENTS

For the Years Ended December 31, 2012 and 2011

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Independent Auditor's Report

To the Stockholder of Fidelity Management & Research (U.K.) Inc (a Wholly-Owned Subsidiary of Fidelity Management & Research Company)

We have audited the accompanying financial statements of Fidelity Management & Research (U.K.) Inc, which comprise the statements of financial condition as of December 31, 2012 and December 31, 2011, and the related statements of income, statements of comprehensive income, statements of changes in stockholder's equity and statements of cash flows for the years then ended

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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 our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company'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 Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, 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 referred to above present fairly, in all material respects, the financial position of Fidelity Management & Research (U.K.) Inc at December 31, 2012 and December 31, 2011, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.


Priscilla A. Cooper

Dublin, Ireland
April 23, 2013



FIDELITY MANAGEMENT & RESEARCH (U.K.) INC
 (A Wholly-Owned Subsidiary of
 Fidelity Management & Research Company)
 STATEMENTS OF FINANCIAL CONDITION
 December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Cash	\$22,103,468	\$15,934,023
Investments available for sale, at fair value (cost of \$40,022 and \$1,689,847 in 2012 and 2011, respectively)	40,023	1,680,263
Net receivable from the Ultimate Parent	10,188,644	5,477,792
Fixed assets, net	1,002,420	538,124
Other assets	399,172	403,144
Deferred tax asset, net	<u>5,367,088</u>	<u>3,607,207</u>
Total Assets	<u>\$39,100,815</u>	<u>\$27,640,553</u>
<u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$20,988,846	\$9,194,974
Income tax payable	<u>1,632,779</u>	<u>892,367</u>
Total Liabilities	<u>22,621,625</u>	<u>10,087,341</u>
<u>STOCKHOLDER'S EQUITY</u>		
Common stock, \$1 par value 300,000 shares, authorized 100 shares issued and outstanding	100	100
Additional paid-in capital	11,716,177	11,716,177
Accumulated other comprehensive income/(loss)	40,341	(9,980)
Retained earnings	<u>13,431,764</u>	<u>7,720,189</u>
Total Stockholder's Equity, before Net Receivable from the Ultimate Parent	25,188,382	19,426,486
Less - Net receivable from the Ultimate Parent	<u>(8,709,192)</u>	<u>(1,873,274)</u>
Total Stockholder's Equity, net	<u>16,479,190</u>	<u>17,553,212</u>
Total Liabilities and Stockholder's Equity	<u>\$39,100,815</u>	<u>\$27,640,553</u>


 LAWRENCE J BRINDISI
 DIRECTOR

The accompanying notes are an integral part
of the financial statements

FIDELITY MANAGEMENT & RESEARCH (U K) INC
 (A Wholly-Owned Subsidiary of
 Fidelity Management & Research Company)
 STATEMENTS OF INCOME
 for the years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating Revenues		
Management fees	\$25,997,836	\$26,981,296
Research fees	<u>62,712,889</u>	<u>24,187,248</u>
Total operating revenues	<u>88,710,725</u>	<u>51,168,544</u>
Operating Expenses		
Compensation and benefits	66,124,294	36,757,809
General and administrative	6,240,331	3,433,648
Research	2,159,873	1,060,279
Travel and entertainment	3,261,312	2,517,134
Relocation	1,925,997	901,742
Other	<u>2,741,609</u>	<u>2,094,151</u>
Total operating expenses	<u>82,453,416</u>	<u>46,764,763</u>
Investment and other income		
Dividend and interest income	7,060	9,827
Other income	837,157	482,131
Foreign exchange gain/(loss), net	<u>1,039,833</u>	<u>(200,224)</u>
Total investment and other income	<u>1,884,050</u>	<u>291,734</u>
Income before charge equivalent to taxes on income	8,141,359	4,695,515
Charge equivalent to taxes on income	<u>2,429,784</u>	<u>1,554,123</u>
Net income	<u>\$5,711,575</u>	<u>\$3,141,392</u>

The accompanying notes are an integral part
 of the financial statements

FIDELITY MANAGEMENT & RESEARCH (U K) INC
 (A Wholly-Owned Subsidiary of
 Fidelity Management & Research Company)
 STATEMENTS OF COMPREHENSIVE INCOME
 for the years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Net income	\$5,711,575	\$3,141,392
Other comprehensive income / (loss), net of tax		
Unrealized gains/(losses) on investments available for sale, net of tax benefit of \$18,142 in 2012 and of \$2,285 in 2011	<u>50,321</u>	<u>(7,670)</u>
Total other comprehensive gain/ (loss)	<u>50,321</u>	<u>(7,670)</u>
Comprehensive income	<u>\$5,761,896</u>	<u>\$3,133,722</u>

The accompanying notes are an integral part
 of the financial statements

FIDELITY MANAGEMENT & RESEARCH (U.K.) INC
 (A Wholly Owned Subsidiary of
 Fidelity Management & Research Company)
 STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
 for the years ended December 31, 2012 and 2011

	Common stock	Additional paid-in capital	Accumulated other comprehensive income/(loss)	Retained earnings	Net receivable from FMR LLC	Stockholder's equity, net
Balance at December 31, 2010	\$100	\$11,716,177	\$(2,310)	\$12,724,805	\$(4,314,156)	\$20,124,616
Net income	-	-	-	3,141,392	-	3,141,392
Other comprehensive (loss)	-	-	(7,670)	-	-	(7,670)
Dividends Paid	-	-	-	(8,146,008)	-	(8,146,008)
Change in net receivable from the Ultimate Parent	-	-	-	-	2,440,882	2,440,882
Balance at December 31 2011	\$100	\$11,716,177	\$(9,980)	\$7,720,189	\$(1,873,274)	\$17,553,212
Net income	-	-	-	5,711,575	-	5,711,575
Other comprehensive gain	-	-	50,321	-	-	50,321
Change in net receivable from the Ultimate Parent	-	-	-	-	(6,835,918)	(6,835,918)
Balance at December 31, 2012	\$100	\$11,716,177	\$40,341	\$13,431,764	\$(8,709,192)	\$16,479,190

The accompanying notes are an integral part
of the financial statements

FIDELITY MANAGEMENT & RESEARCH (U K) INC
 (A Wholly-Owned Subsidiary of
 Fidelity Management & Research Company)
 STATEMENTS OF CASH FLOWS
 for the years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash flows provided by operating activities		
Net income	\$5,711,575	\$3,141,392
Adjustments to reconcile net income to cash provided by operating activities		
Amortization and depreciation	300,095	119,171
Change in operating assets and liabilities		
Other assets	3,974	(261,084)
Deferred taxes	(1,759,881)	(1,407,559)
Accounts payable and accrued expenses	11,793,871	3,049,543
Income taxes payable	<u>740,412</u>	<u>(382,582)</u>
Cash provided by operating activities	<u>16,790,046</u>	<u>4,258,881</u>
Cash flows provided by/(used in) investing activities		
Disposals of Investments available for sale	1,640,239	-
Net purchases and sales of investments available for sale	50,321	(9,825)
Purchase of fixed assets	<u>(764,391)</u>	<u>(501,434)</u>
Cash provided by/(used in) investing activities	<u>926,169</u>	<u>(511,259)</u>
Cash flows (used in) /provided by financing activities		
Dividends paid	-	(8,146,008)
Net receivable from the Ultimate Parent	<u>(11,546,770)</u>	<u>13,121,584</u>
Cash flows (used in) /provided by financing activities	<u>(11,546,770)</u>	<u>4,975,576</u>
Net change in cash	6,169,445	8,723,198
Cash, beginning of year	<u>15,934,023</u>	<u>7,210,825</u>
Cash, end of year	<u>\$22,103,468</u>	<u>\$15,934,023</u>
<u>Supplemental cash flow information</u>		
Cash paid for income taxes	<u>\$1,558,749</u>	<u>\$2,784,125</u>

The accompanying notes are an integral part
 of the financial statements

FIDELITY MANAGEMENT & RESEARCH (U K) INC
 (A Wholly-Owned Subsidiary of
 Fidelity Management & Research Company)
 NOTES TO FINANCIAL STATEMENTS

A Business

Fidelity Management & Research (U K) Inc (the "Company") is a wholly-owned subsidiary of Fidelity Management & Research Company (the "Parent") which in turn is a wholly-owned subsidiary of FMR LLC (the "Ultimate Parent"). The Company is registered with the United States Securities and Exchange Commission as an investment adviser and has been authorized to engage in investment management activities in the United Kingdom by the United Kingdom Financial Services Authority. The Company primarily provides investment sub-advisory and research services to related parties and affiliates of the Ultimate Parent. The Company is committed to the Financial Reporting Council's Stewardship Code and a copy of the Company's Stewardship Code Statement is available on request.

B Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as well as the reported amounts of revenues and expenses. Such estimates include payroll tax liabilities for those employees on expatriate assignments. Actual results could differ from the estimates included in the financial statements.

Foreign Currency Translation

The financial statements of the Company are prepared using the U S Dollar (\$) as the functional currency. For operating activities denominated in other currencies, the results are translated into U S Dollars using average exchange rates which approximate the transaction rates during the period. Foreign currency denominated assets and liabilities are translated using exchange rates at the end of each period. Resulting gains/losses are included in net income. Foreign currency gains/(losses) on available for sale securities are included in the statement of financial condition as a component of accumulated other comprehensive income/(loss).

Revenue Recognition

Management fees earned from sub-advisory services are recognized as such services are performed and the fees are based on a percentage of net assets in those funds. In addition, in certain mutual funds, the management fee may be increased or decreased depending on fund performance relative to a specified financial market index. Certain management fees include a performance component, subject to a maximum positive or negative adjustment, and are computed and recorded monthly based on the assets performance over a rolling 36-month period. At a minimum, the Company earns research and management fees under sub-advisory agreements with the Parent or other affiliates which entitles the Company to total operating revenue of cost plus 10%.

Trading desk fees are earned by the Company for the execution of trade orders for the Parent or other affiliates. The Company generates fees of cost plus 10% from total operating expenses incurred for these services.

FIDELITY MANAGEMENT & RESEARCH (U K) INC
 (A Wholly-Owned Subsidiary of
 Fidelity Management & Research Company)
 NOTES TO FINANCIAL STATEMENTS

B Summary of Significant Accounting Policies (continued)

Cash

For purposes of reporting cash flows and amounts in the statements of financial condition, cash principally includes cash in bank accounts which is denominated in pounds sterling ("GBP"). The Company defines cash as cash on hand, demand deposits, and time deposits with original maturities less than 60 days.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and are comprised of leasehold improvements, furniture and computer equipment. Depreciation is computed primarily using the straight-line method based on estimated useful lives of ten years, five years and three years, respectively.

As of December 31, 2012 and 2011, the cost of fixed assets was \$1,490,887 and \$1,220,414 respectively.

Net Receivable from the Ultimate Parent

Net receivables from the Ultimate Parent, which have been received prior to the issuance of the audited financial statements, are classified as an asset.

Investments

Investments consist of shares held in money market funds managed by a related party of the Ultimate Parent and are classified as available for sale. The investments are stated at fair value, which is determined using quoted net asset value per share. The net after-tax unrealized gain/loss on investments available for sale is included in other comprehensive income. Gains and losses on sales of investments are computed on a specific identified cost basis. Interest income is recognized as earned and dividend income is recognized on the ex-dividend date.

The Company evaluates investments for other-than-temporary declines in fair value below carrying value on a quarterly basis. The Company considers many factors, including the length of time and the extent to which the fair value has been less than cost, the financial condition of the issuer and information from industry analyst reports and external credit ratings. In addition to these factors, if the Company has the intent to sell an investment, or it is more likely than not that the Company will be required to sell an investment before recovery, or the Company does not expect to recover the entire amortized cost basis of an investment, the Company will record another-than-temporary impairment. If the Company does not intend to sell an investment and it is not more likely than not that the Company will be required to sell an investment but the investment has suffered a credit loss, the impairment charge will be separated into the credit loss component, which is recorded in earnings, and the remainder, which is recorded in other comprehensive income.

FIDELITY MANAGEMENT & RESEARCH (U K) INC
(A Wholly-Owned Subsidiary of
Fidelity Management & Research Company)
NOTES TO FINANCIAL STATEMENTS

B Summary of Significant Accounting Policies, continued

Fair Value Measurement

The Company categorizes the financial assets and liabilities carried at fair value in its statements of financial condition based upon a three-level valuation hierarchy. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable valuation inputs (Level 3). If the inputs used to measure a financial asset or liability cross different levels of the hierarchy, categorization is based on the lowest level input that is significant to the fair value measurement. Management's assessment of the significance of a particular input to the overall fair value measurement of a financial asset or liability requires judgment, and considers factors specific to the asset or liability. The three levels are described below:

- Level 1 - Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets and liabilities in an active market
- Level 2 - Financial assets and liabilities whose values are based on quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability
- Level 3 - Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable in the market and significant to the overall fair value measurement. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the asset or liability, and are based on the best available information, some of which is internally developed

As of December 31, 2012 and 2011, all of the Company's \$40,023 and \$1,680,263, respectively, of investments are classified as Level 2, as the values are based on unadjusted quoted prices for identical assets and liabilities in an active market.

During the year, there were no significant transfers in or out of levels 1 or 2.

Accumulated Other Comprehensive Income/(Loss)

Accumulated other comprehensive income/(loss) consists of unrealized appreciation or depreciation on available for sale investments at December 31, 2012 and 2011.

Income Taxes

The Company files a foreign income tax return. In addition, the Ultimate Parent allocates to the Company a direct intercompany charge equivalent to taxes due in income as if it were filing a tax return on a separate return basis. Deferred income taxes are allocated to the Company by the Ultimate Parent as a direct charge and arise from the differences in the timing of recognition of revenue and expense for tax and financial reporting purposes.

The Company applies a more-likely-than-not threshold for purposes of recognizing tax uncertainties. Therefore, tax benefits that have a greater than 50% likelihood of being sustained upon examination by the relevant taxing authorities are recognized.

FIDELITY MANAGEMENT & RESEARCH (U K) INC
(A Wholly-Owned Subsidiary of
Fidelity Management & Research Company)
NOTES TO FINANCIAL STATEMENTS

B Summary of Significant Accounting Policies, continued

Share-based compensation

The Company participates in various FMR LLC share-based compensatory plans and is assessed a compensation charge that is amortized over the period in which the compensation charge is earned by the employee participants. The FMR LLC share plans are accounted for as share appreciation rights and provide holders with participation in FMR LLC's net asset value per share, as defined by FMR LLC, over their respective terms. These plans are cash settled at the end of their defined term or in the event employee participants are no longer eligible holders. The accumulated value of these plans including certain additional cash bonuses on selected plans is amortized over the applicable vesting periods with a charge to employee compensation and benefits.

C Recent Accounting Pronouncements

Fair Value Measurements

In May 2011, the Financial Accounting Standards Board issued amended guidance regarding fair value measurements and disclosures. The amended guidance requires nonpublic entities to disclose quantitative information about unobservable inputs and assumptions used in the measurements and a description of the valuation processes in place for certain Level 3 financial assets and liabilities. The Company adopted this standard effective January 1, 2012. Adoption of this amended guidance did not have an impact on the financial statements.

D Investments

At December 31, 2012, investments available for sale consist of the following

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Money market investments	\$40,022	\$ 1	\$ -	\$40,023

At December 31, 2011, investments available for sale consist of the following

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Money market investments	\$1,689,847	\$ -	\$(9,584)	\$1,680,263

Investments consist primarily of investments in money market funds. Unrealized gains and losses on money market funds for the years ended December 31, 2012 and 2011 are the result of foreign currency translations.

FIDELITY MANAGEMENT & RESEARCH (UK) INC
(A Wholly-Owned Subsidiary of
Fidelity Management & Research Company)
NOTES TO FINANCIAL STATEMENTS

E Fixed Assets

At December 31, fixed assets, at cost, consist of

	2012	2011
Leasehold improvements	\$19,140	\$513,033
Furniture	57,120	37,339
Computer equipment	1,414,627	670,042
	<u>1,490,887</u>	<u>1,220,414</u>
Less Accumulated depreciation	<u>(488,467)</u>	<u>(682,290)</u>
	<u>\$1,002,420</u>	<u>\$538,124</u>

For the year ended December 31, 2012 and 2011, depreciation expense was \$300,096 and \$119,171, respectively

F Charge Equivalent to Taxes on Income

The Ultimate Parent is subject to flow-through treatment for federal income taxes as an S-Corporation, which generally allows taxable income, deductions and credits to flow directly to its shareholders, and remains subject to income taxes at the entity level in certain state and international jurisdictions. The Company is also subject to taxation under the Subchapter S rules.

The provision for income taxes consists of the following at December 31

	2012	2011
Current		
State income taxes allocated	-	121,374
Foreign	4,189,665	2,693,952
	<u>4,189,665</u>	<u>2,815,326</u>
Deferred		
Foreign	(1,759,881)	(1,261,203)
	<u>(1,759,881)</u>	<u>(1,261,203)</u>
Charge equivalent to taxes on income	<u>\$2,429,784</u>	<u>\$1,554,123</u>

As at December 31, 2012 and 2011 the Company had a net deferred tax asset of \$5,367,088 and \$3,607,207, respectively. The principal sources of temporary differences which comprise the deferred tax asset are deferred compensation and capital allowances.

The Company's standard rate of income tax is 26.5% and its effective rate is 30%. This increase is mainly due to timing differences resulting from unpaid share-based compensatory plan expense.

G Capital Requirements

The Company is subject to certain financial regulatory resource rules that require the Company to maintain a certain level of capital, as defined by the Financial Service Authority in the United Kingdom.

FIDELITY MANAGEMENT & RESEARCH (U K) INC
(A Wholly-Owned Subsidiary of
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NOTES TO FINANCIAL STATEMENTS

G Capital Requirements (continued)

Kingdom At December 31, 2012 and 2011, the minimum liquid capital requirements have been satisfied by the Company For purposes of computing the minimum liquid capital requirement, the net receivable from the Ultimate Parent is not considered a reduction of stockholder's equity

H Transactions with Related Parties and Affiliates

The Company has several agreements and business arrangements with related parties and affiliates to procure substantially all of its operational and support services All intercompany transactions with the Ultimate Parent and its subsidiaries are settled during the normal course of business through intercompany accounts with the Ultimate Parent and its subsidiaries The Company receives credit for the collection of its receivables and is charged for the settlement of its liabilities through these intercompany accounts In accordance with this arrangement, amounts owed from and due to the Ultimate Parent and its subsidiaries are shown as a net receivable from the Ultimate Parent at December 31, 2012 and 2011, respectively

Substantially all of the Company's revenue is earned from affiliates The Company earns certain management and research fees from affiliates related to various Fidelity mutual funds and other institutional client accounts Fees earned but not yet collected were \$10,188,644 and \$5,477,792 in 2012 and 2011 respectively

A summary of the services and related expenses charged to the Company for the year ended December 31, are as follows

	2012	2011
General, administrative and other	\$8,981,940	\$5,527,800

The Company participates in FIL Life Insurance Limited's defined contribution profit sharing plans covering substantially all employees Annual contributions to the profit sharing plan are based either on stated percentages of eligible employees compensation or employee contributions FIL Life Insurance Limited is a related party A charge of \$1,764,401 and \$936,581 is included in compensation and benefits expense in the Statements of Income for 2012 and 2011, respectively

The Company participates in various FMR LLC share-based compensatory plans and is assessed a compensation charge that is amortized over the period in which it is earned The FMR LLC share plans are accounted for as share appreciation rights and provides holders with participation in FMR LLC's Net Asset Value per share, as defined by FMR LLC, over their respective terms These plans are cash-settled at the end of their defined term or in the event employee participants are no longer eligible holders The accumulated value of these plans including certain additional cash bonuses on select plans is amortized over the applicable vesting periods with a charge to employee compensation and benefits For the years ended December 31, 2012 and 2011, aggregate compensation expense related to these retirement and stock-based compensatory plans was \$13,726,912 and \$9,350,945, respectively

Investments held in money market funds are managed by a related party of the Ultimate Parent and are classified as available for sale These are detailed in Footnote D

FIDELITY MANAGEMENT & RESEARCH (U K) INC
(A Wholly-Owned Subsidiary of
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NOTES TO FINANCIAL STATEMENTS

I Subsequent Events

On January 1, 2013, the Company acquired 100% share ownership in Pyramis Global Advisors (UK) Limited, an investment advisory entity, from Pyramis Global Advisors Holdings Corp, a subsidiary of the Ultimate Parent. Further integration of the UK business is expected within the next twelve months.

The Company evaluated subsequent events through April 26, 2013, the date the financial statements were available to be issued, and did not identify any other events that would require adjustments to or disclosure in its financial statements.