11

Aberdeen Latin American Income Fund Limited

Annual Report and Accounts
31 August 2011

Aberdeen

Contents

The cover image is Ponte Octavio Frias Di Oliveira, Sao Paolo, Brazil

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser. If you have sold or otherwise transferred all your Ordinary shares in Aberdeen Latin American Income Fund Limited, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Financial Highlights

	2011
Ordinary share price total return[A]	**+5.3%**
Net asset value total return[A]	**+6.4%**
Benchmark total return[A]	**+6.0%**
Dividends per Ordinary share	**4.25p**

[A]For period 16 August 2010 (launch date) to 31 August 2011.

Source: Aberdeen Asset Management, Morningstar, Russell Mellon, Lipper & JPMorgan

Financial Calendar

31 October 2011	Payment of fourth interim dividend for period ended 31 August 2011
12 December 2011	Annual General Meeting at No.1 Seaton Place, St Helier, Jersey JE4 8YJ at 10.00am
18 January 2012	London shareholder briefing at Bow Bells House at 12 noon
31 January 2012	Payment of first interim dividend for year ending 31 August 2012
April 2012	Announcement of half yearly results for the six months ending 29 February 2012
30 April 2012	Payment of second interim dividend for year ending 31 August 2012
31 July 2012	Payment of third interim dividend for year ending 31 August 2012
31 October 2012	Payment of fourth interim dividend for year ending 31 August 2012
November 2012	Announcement of results for the year ending 31 August 2012

Corporate Summary

The Company

Aberdeen Latin American Income Fund Limited (the "Company") is a Jersey-incorporated, closed-ended investment company and its shares are listed on the London Stock Exchange. The Company is a member of the Association of Investment Companies.

Investment Objective

The investment objective of the Company is to provide Ordinary shareholders with a total return, with an above average yield, primarily through investing in Latin America.

Investment Policy

The Company will invest in the Latin American region through investment in:

- companies listed on stock exchanges in the Latin American region;
- Latin American securities (such as ADRs and GDRs) listed on other international stock exchanges;
- companies listed on other international exchanges that derive significant revenues or profits from the Latin American region; and
- debt issued by governments in the Latin American region.

The Company will invest in a diversified portfolio consisting primarily of equities, equity-related and fixed income investments, with at least 25% of its gross assets invested in equity and equity-related investments and at least 25% of its gross assets invested in fixed income investments. The Company's investment policy is flexible, enabling it to invest in all types of securities, including (but not limited to) equities, preference shares, debt, convertible securities, warrants, depositary receipts and other equity-related securities.

Achieving the Investment Policy

The Company's portfolio will not be managed by reference to any benchmark and, therefore, the composition of its portfolio is not restricted by minimum or maximum country, market capitalisation or sector weightings.

The Company may invest, where appropriate, in open-ended collective investment schemes and closed-ended funds that invest in the Latin American region.

Derivative investments may be used for efficient portfolio management and hedging and may also be used in order to achieve the investment objective (i.e. to enhance portfolio performance). The Company may purchase and sell derivative investments such as exchange-listed and over-the-counter put and call options on currencies, securities, fixed income, currency and interest rate indices and other financial instruments, purchase and sell financial futures contracts and options thereon and enter into various interest rate and currency transactions such as swaps, caps, floors, collars or credit transactions and credit derivative instruments. The Company may also purchase derivative instruments that combine features of these instruments. The Investment Manager will employ a risk management process to oversee and manage the Company's exposure to derivatives. The Investment Manager may use one or more separate counterparties to undertake derivative transactions on behalf of the Company, and may be required to pledge collateral paid out of the property of the Company in order to secure the Company's obligations under such contracts. The Investment Manager will assess on a continuing basis the creditworthiness of counterparties as part of its risk management process.

The Company will not acquire securities that are unlisted or unquoted at the time of investment (with the exception of securities which are about to be listed or traded on a stock exchange). However, the Company may continue to hold securities that cease to be listed or quoted if the Investment Manager considers this to be appropriate.

The Company may underwrite or sub-underwrite any issue or offer for sale of investments.

The Board considers that returns to Ordinary shareholders can be enhanced by the judicious use of borrowing. The Board is responsible for the level of gearing in the Company and will review the position on a regular basis. Pursuant to the level of gearing set by the Board, the Company may borrow up to an amount equal to 20% of its net assets. The Company will not have any fixed, long-term borrowings.

The Company may also use derivative instruments for gearing purposes, in which case the investment restrictions will be calculated on the basis that the Company has acquired the securities to which the derivatives are providing exposure.

The Investment Manager expects the Company's assets will normally be fully invested. However, during periods in which economic conditions or other factors so warrant, the Company may reduce its exposure to securities and increase its position in cash and money market instruments.

The Company will invest and manage its assets, including its exposure to derivatives, in accordance with the objective of spreading risk in accordance with the Company's investment policy.

The Company may only make material changes to its investment policy (including the level of gearing set by the Board) with the approval of Ordinary shareholders (in the form of an ordinary resolution).

Investment Restrictions

The minimum and maximum percentage limits set out under "Investment Policy", "Achieving the Investment Policy" and "Investment Restrictions" will only be applied at the time of the relevant acquisition, trade or borrowing.

No more than 15% of the Company's gross assets will be invested in any one company.

The Company may invest, where appropriate, in open-ended collective investment schemes and closed-ended funds that invest in the Latin American region. However, the Company will not invest more than 10% in aggregate, of the value of its gross assets in other investment companies admitted to the Official List, provided that this restriction does not apply to investments in any such investment companies which themselves have stated investment policies to invest no more than 15% of their gross assets in other listed investment companies admitted to the Official List.

The Company may invest up to 25% of its gross assets in non-investment grade debt issues (being debt issues rated BB+/Ba1 or lower).

The Company's aggregate exposure to derivative instruments will not exceed 50% of its gross assets.

No underwriting or sub-underwriting commitment will be entered into if the aggregate of such investments would exceed 10% of the Company's net assets and no such individual investment would exceed 5% of the Company's net assets.

The Board has adopted a policy that the value of the Company's investments exposed by borrowings or derivatives (but excluding the collateral held in respect of any such derivatives) will not exceed the Company's net assets by more than 30%.

Benchmark

The Company measures its performance against a composite benchmark index weighted as to 60% MSCI EM Latin America 10/40 Index and 40% JP Morgan GBI-EM Global Diversified (Latin America Carve Out) (both in sterling terms). The Company does not seek to replicate the benchmark index in constructing its portfolio and the portfolio is not managed by reference to any index. It is likely, therefore, that there will be periods when the Company's performance will be quite unlike that of any index or benchmark.

Investment Manager

The Company is managed by Aberdeen Private Wealth Management Limited (regulated by the Jersey Financial Services Commission) and day-to-day investment management decisions are delegated to Aberdeen Asset Managers Limited.

Capital Structure

As at 31 August 2011, the Company had a capital structure comprising 52,106,185 Ordinary shares of no par value and 10,421,236 Subscription shares. The Ordinary shares of the Company give shareholders the entitlement to all of the capital growth in the Company's assets (subject to any dilution on any exercise of the conversion rights conferred by the Subscription shares) and to all the Company's income that is resolved to be distributed. Each Subscription share confers the right to convert such share into one Ordinary share on 31 December in any of the years 2013 to 2015 (inclusive) at a price of 120p per share.

The Company also had bank borrowings of US$8,000,000 as at 31 August 2011 which rank for repayment prior to any capital return to shareholders.

Total Assets and Net Asset Value

The Company had total assets* of £58,222,000 and a net asset value of 102.3p per Ordinary share at 31 August 2011.
* see definition page 52

Websites*

Further information on the Company can be obtained from the following websites:
www.latamincome.co.uk
www.aberdeen-asset.com

*The maintenance and integrity of the Aberdeen Latin American Income Fund Limited website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Company Secretary

Aberdeen Private Wealth Management Limited, No.1 Seaton Place, St Helier, Jersey JE4 8YJ
Email: company.secretary@invtrusts.co.uk

Customer Services

Freephone: 0500 00 00 40 (open Monday – Friday, 9am – 5pm)
Email: inv.trusts@aberdeen-asset.com

Principal Risk Factors

Ordinary Shares
The market price of the Ordinary shares, as well as being affected by their underlying net asset value ("NAV"), also takes into account their dividend yield, prevailing interest rates, the interaction of supply and demand for the Ordinary shares in the market, market conditions generally and general investor sentiment. As a result, and notwithstanding the existence of share buy-back powers and the Board's discount management policy, the market price of the Ordinary shares may vary considerably from the NAV per Ordinary share (representing either a discount or a premium to that NAV) and may fall when the underlying NAV per Ordinary share is rising, or vice versa. The exercise of the conversion rights conferred by the Subscription shares will result in a dilution of Ordinary shareholders' interests if the NAV per Ordinary share exceeds the conversion price payable on the conversion of a Subscription share at the relevant time.

Subscription Shares
Subscription shares represent a geared investment, so a relatively small movement in the market price of the Ordinary shares may result in a disproportionately large movement, unfavourable as well as favourable, in the market price of the Subscription shares. The market price of the Subscription shares may therefore be volatile. Although Subscription shares are tradable securities, market liquidity in the Subscription shares may be less than that of the Ordinary shares.

Shares General
Investment in the Ordinary shares and/or the Subscription shares should be regarded as medium to long-term in nature and may not be suitable as a short-term investment.

Dividends
The Company will only pay dividends on the Ordinary shares to the extent that it has sufficient financial resources available for the purpose in accordance with Jersey Company law. Accordingly, there is no guarantee that the Company's dividend objective will be met and the amount of dividends paid to Ordinary shareholders may fluctuate.

Borrowings
Whilst the use of borrowings should enhance the total return on the Ordinary shares where the return on the Company's underlying assets is rising and exceeds the cost of borrowing, it will have the opposite effect where the underlying return is falling, further reducing the total return on the Ordinary shares. The use of borrowing may increase the volatility of the NAV of the Ordinary shares and the share price of the Ordinary shares and/or the Subscription shares.

Market Risks
Investment in emerging securities markets such as in the Latin American region involves greater risks and other considerations not typically associated with investment in more developed securities markets. Stockmarket movements and changes in economic conditions (including, for example, interest rates, foreign exchange rates and rates of inflation), industry conditions, corporate governance, competition, political and diplomatic events, tax or other laws, investors' perceptions and other factors can substantially either adversely or favourably affect the value of the securities in which the Company invests and, therefore, the Company's performance and prospects. The risks inherent in Latin America may result in increased volatility in the shares of Latin American companies and portfolios which invest in them when compared to their counterparts in developed markets. Investment companies investing in Latin America may display greater share price and NAV volatility than those investing in developed markets.

Foreign Exchange Risks
The Company will account for its activities, report its results and net asset value per Ordinary share and declare and pay dividends in sterling while its investments will be made and realised in other currencies. Accordingly, the movement of exchange rates between sterling and the other currencies in which the Company's investments are denominated or its borrowings are drawn may have a material effect, unfavourable as well as favourable, on the returns otherwise experienced on the investments made by the Company. Foreign exchange risk may increase the volatility of the NAV and, consequently, share price of the Ordinary shares.

Taxation and Exchange Controls
Any change in the Company's tax status or in taxation legislation or in the interpretation of taxation legislation or in the tax treatment of dividends, interest or other investment income received by the Company could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Ordinary shareholders or alter the post-tax returns to Ordinary shareholders. The Company may purchase investments that may be subject to exchange controls or withholding taxes in various jurisdictions. In the event that exchange controls or withholding taxes are imposed with respect to any of the Company's investments, the effect will generally be to reduce the income received by the Company on its investments and the capital value of the affected investments.

Duration
The Company does not have a fixed life and, therefore, unless shareholders vote to wind up the Company, shareholders will only be able to realise their investment through the stockmarket.

Share Dealing and ISA Status

Shares in Aberdeen Latin American Income Fund Limited can be bought in the open market through a stockbroker. They can also be purchased through the Aberdeen savings scheme and are fully qualifying for inclusion within tax efficient ISA wrappers.

Management Agreement

The Company has an agreement with Aberdeen Private Wealth Management Limited for the provision of management services, details of which are shown in note 4 to the financial statements. The Management Agreement provides for an investment management fee of 1% of the net asset value of the Company valued daily and payable quarterly in arrears. The Management Agreement also provides for a company secretarial and administration fee of £100,000, increased annually in line with any increases in the UK retail price index, payable quarterly in arrears. The Management Agreement is terminable by either the Company or the Manager giving the other not less than 12 month's notice in writing.

The Directors review the terms of the Management Agreement on a regular basis and have confirmed that, due to the investment skills, experience and commitment of the Investment Manager, in their opinion the continuing appointment of Aberdeen Private Wealth Management Limited, on the terms agreed, is in the interests of shareholders as a whole.

Chairman's Statement

Richard Prosser
Chairman

Background and Overview

I am pleased to report that in this first period since launch on 16 August 2010 to 31 August 2011 your Company delivered a net asset value total return* of 6.4% compared to our composite benchmark return of 6.0% for the same period.

The share price total return was 5.3%. Both the equity and fixed income elements of the portfolio contributed positively to that performance over a period that was marked by ever increasing volatility.

The well documented problems in developed economies and the feared effect on trade and commodity prices has impacted the region so that the net asset value at the time of writing had fallen to 95.4p per share from 102.31p as at 31 August.

*Launch date 16 August 2010. NAV total return based on opening NAV of 98.8p

Dividends

Following the payment of the fourth interim dividend of 1.25 pence per share on 31 October 2011, the Company has also satisfied its aim of providing ordinary shareholders with an initial yield of 4.25% on the issue price of 100p. Income generation from the portfolio remains in line with expectations and it is the Company's aim to pay a minimum dividend of 4.25 pence per share for the year ending 31 August 2012 and to grow dividends over time. This remains subject to investee company performance, the level of income from investments, currency movements and possible unforeseen circumstances and does not constitute a profit forecast.

Gearing

We have continued to maintain our geared position in the form of bank borrowings of US$8 million drawn under the terms of a £10 million multi-currency revolving credit facility which was renewed in August for a further year with an option for the Company to rollover for a further 12 months thereafter. The current all-in rate of interest on this draw down is 1.3935%.

Buy-back and Issuance Policy

As indicated at launch, the Company has undertaken to operate an active discount management policy through the use of share buy-backs, the objective being to maintain the price at which the Company's Ordinary shares trade relative to their underlying net asset value at a discount of no more than 5%. I am pleased to report that with the exception of only a few trading days, the Company's Ordinary shares have traded at a premium to net asset value throughout the period since launch and we have not purchased any Ordinary shares to date. We will, however, seek to renew the power to buy back Ordinary shares at the Company's annual general meeting ("AGM"). Any purchases will be made through the market at a discount to the prevailing net asset value per Ordinary share in circumstances where the Directors believe that any such purchase will enhance shareholder value. We will also renew the authority to purchase Subscription shares for cancellation and any purchases of Subscription shares will only be made if the net asset value per Ordinary share is greater than 120p (the exercise price of the Subscription shares). The buy back of Subscription shares and Ordinary shares will be subject to the Listing Rules and Jersey Law and will be at the absolute discretion of the Directors.

The Directors have authority to issue Ordinary shares representing up to 10% of the Company's existing issued Ordinary share capital, which will expire at the AGM and we will seek to renew that authority at the AGM. Ordinary shares will only ever be issued at a premium to the prevailing net asset value per Ordinary share and will therefore be accretive and not disadvantageous to Ordinary shareholders or Subscription shareholders. We are also convening an extraordinary general meeting of the Company to be held immediately following the conclusion of the AGM, at which we will propose resolutions to enable the Company to raise further funds through the issue of 'C' Shares if there is sufficient demand at any time. Conducting an issue of 'C' Shares is designed to overcome the potential disadvantages for existing Ordinary shareholders that could arise from a substantial issue of further Ordinary shares for cash. Shareholders will find full details of this proposal, including its benefits for existing Shareholders, in a circular accompanying this annual report.

Annual General Meeting

The AGM will be held at 10.00 a.m. on 12 December 2011 at No.1 Seaton Place, St Helier, Jersey and your Board looks forward to meeting as many shareholders as possible on the day. The Board has also made arrangements for a London investment presentation by our Managers to be held at their offices at Bow Bells House, 1 Bread Street, London EC4M 9HH at 12 noon on 18 January 2012. This will be followed by a light buffet lunch and all shareholders are most welcome to attend.

Outlook

Latin American equities, bonds and their currencies are expected to remain vulnerable to external headwinds. The outlook for growth following the European leaders plans for bank recapitalisation and the restructure of Greece's debt remains unclear. The US economy is ailing and soft employment and consumer confidence indicators suggest private consumption will remain depressed. Elsewhere investors are increasingly worried about a slowdown in China's real estate sector and risks of a sharp domestic downturn should the property bubble burst. Overall, these developments point to a volatile period ahead.

That said, the market gyrations are unlikely to undermine the long-term fundamentals of the asset class. We see the recent pullback more as a function of heightened risk aversion than a structural shift. Having survived the previous global financial crisis, with no significant defaults or debt scares, Latin American economies should remain resilient. The share prices of some high quality companies are trading now at attractive levels after the market correction; this makes the current buying opportunity appealing and our Managers have been adding to some of their preferred equity holdings in turn. Equally, while Latin American sovereign debt should not be considered a "safe haven" by investors, the yields available from countries with more favourable fiscal and debt levels and better growth prospects than most in the developed world, assist us considerably in delivering the "above average yield" element of our objective.

I look forward to reporting to you at the time of our half-yearly results which will cover the period to 28 February 2012 and will be published in April 2012. Shareholders who wish to keep up to date with developments in the interim may wish to visit the Company's website www.latamincome.co.uk where there are regular updates from the Manager as well as the latest net asset value and share price information which is updated daily.

Richard Prosser
Chairman
3 November 2011

Manager's Review

Performance Commentary

During the period under review, the equity portfolio rose by 7.4%, outperforming the benchmark MSCI EM Latin America 10/40 Composite Index's total return of 0.4% in sterling terms. Stock selection, particularly in Brazil, was the key contributor to relative return. As bottom-up stock pickers, our country and sector allocations are driven by where we can find quality companies with attractive valuations. This approach may lead to significant deviations from the index.

In Brazil, dental insurer OdontoPrev was a significant outperformer. It posted a total return of close to 60%, boosted by its deal with Banco de Brasil, which will expand its distribution reach into the relatively under-penetrated individual insurance market. Car rental company Localiza was supported by robust revenue, while port operator Wilson, Sons as well as Brasil Foods gained on the back of solid earnings results. Brasil Foods also benefited from a favourable anti-trust ruling that allowed it to integrate the operations acquired from a competitor. Department store operator Lojas Renner also performed well on the back of an accretive acquisition of a homeware retailer.

Conversely, our Mexican holdings were the main detractors from relative return. In particular, homebuilder Urbi was weak due to the continued weakness of the domestic economy. Our single Argentine holding, Tenaris, also performed poorly due to a margin squeeze as it was not able to raise prices as fast as the increase in input costs. In Brazil, bookstore operator Saraiva disappointed because of industry concerns related to the transition of book sales towards a more digital model, while banks such as Bradesco, also suffered owing to concerns over consumer indebtedness.

The fixed income portfolio returned 12.7%, outperforming the JP Morgan GBI-EM Global Diversified Latin America Composite by 2%. Mexico, where we were underweight, delivered a positive contribution of 1.2% over the period, largely from security selection. Our decision not to invest in Colombia and currency moves added 1.4%. In Brazil our overweight position slightly underperformed the benchmark country return but a combination of the overweight position and a favourable contribution from currency produced a net outperformance of 0.3%.

Portfolio activity

From the Company's inception we quickly initiated positions in companies and re-balanced where necessary to bring them into line with the model portfolio. More recently, we initiated a new position in Bancolombia, one of Colombia's largest lenders, to gain exposure to the growing domestic banking sector. We also introduced Chilean retailer Falabella on the back of price weakness, and participated in the initial public offering of Arezzo, a Brazilian shoe manufacturer and retailer.

The initial asset allocation of the Company's portfolio, namely in the region of 60% to equities with the balance in sovereign debt has been maintained throughout the period.

Country Overview

In Brazil, the Central Bank had been raising interest rates in an effort to combat inflation which had been persistently above the official target of 4.5%. There were, however, some interesting developments with the increase in interest rates in July of 0.25% to 12.5% being reversed by 0.5% only a month later. The Central Bank's monetary policy committee ("Copom") cited the deterioration in the global economic backdrop for this quick reversal. It added that the constraints to which the world's advanced economies are exposed may extend for longer than previously anticipated which could result in a reduction in trade flows, softer investment flows, tighter credit conditions and deterioration in consumer and business sentiment. The September Copom minutes were dovish and suggest there will be two more rate cuts of 50 basis points in October and December. The Copom also introduced a new alternative growth scenario for the next two years, where it sees inflation falling below the 4.5% target.

Since the period end a number of central banks have intervened in the currency market to reduce the volatility of their currencies. Mexico chose not to, despite the rapid depreciation of the peso, with Finance Minister Meade noting that recent peso moves should be seen in the context of market liquidity and that it does not make sense to defend a particular currency level. The central bank is sitting on a comfortable level of currency reserves, currently US$136 billion, and has access to a US$74 billion Flexible Credit Facility with the International Monetary Fund (IMF) - so they have plenty of firepower to intervene in the event of further volatility.

Peruvian bonds continued their recent strong run supported by the agreement on the new tax scheme for the mining companies, one of the key policies of the Humala government. This will provide additional annual revenues of PEN3 billion, higher than the original estimates of PEN2 billion. Peru was also upgraded to BBB by Standard & Poor's ("S&P"), under the expectation that broad fiscal and monetary policy continuity under the new government will support a more flexible economic policy and growth. S&P highlighted the designations of respected technocrats as part of President Humala's team as a positive development.

Outlook

Despite considerable external headwinds, Latin America remains an attractive asset class. Much of the region has sound fiscal and monetary policies, solid financial systems, and prudent banking practices. This is a marked contrast to the many problems that are currently being worked through in some of the more developed economies around the world. Besides this, there has been increasing focus on corporate governance standards, which have generally been improving over the last several years.

We remain optimistic about our equity holdings in the region, given the growing pool of well-managed companies, declining levels of corporate debt, healthy profitability and attractive valuations. As such, we believe that companies in the portfolio are in good shape to weather any further weakness in the global economy, and Latin American equities remain attractive investment opportunities. In addition, Latin American sovereign debt continues to provide attractive yields, particularly when compared to developed markets, and we believe investors will benefit by looking beyond the current market volatility.

We continue to believe that our proprietary research and application of a disciplined investment process should continue to offer investors the potential for significant returns in the medium to long term.

Aberdeen Asset Managers Limited
3 November 2011

Results

Financial Highlights

	31 August 2011
Total assets (see definition on page 52)	£58,222,000
Total equity shareholders' funds (net assets)	£53,309,000
Ordinary share price (mid market)	102.50p
Subscription share price (mid market)	12.50p
Net asset value per Ordinary share	102.31p
Premium to net asset value per Ordinary share	0.19%
Actual gearing	8.46%
Potential gearing	9.22%
Dividends and earnings	
Total return per Ordinary share	6.44p
Revenue return per Ordinary share	4.82p
Dividends per Ordinary share	4.25p
Dividend cover	1.13 times
Revenue reserves[A]	£950,000
Operating costs	
Total expense ratio	1.9%

[A] Excludes payment of fourth interim dividend of 1.25p per Ordinary share equating to £651,000.

Performance (total return)

	1 year % return	Since launch[A] % return
Ordinary share price	+1.0	+5.3
Net asset value per Ordinary share	+8.6	+6.4
Composite MSCI EM Latin American 10/40 Index/JP Morgan GBI-EM Global Diversified Index (Latin American carve out) (sterling adjusted)	+4.6	+6.0

[A] Launch date 16 August 2010. NAV total return based on opening NAV of 98.8p

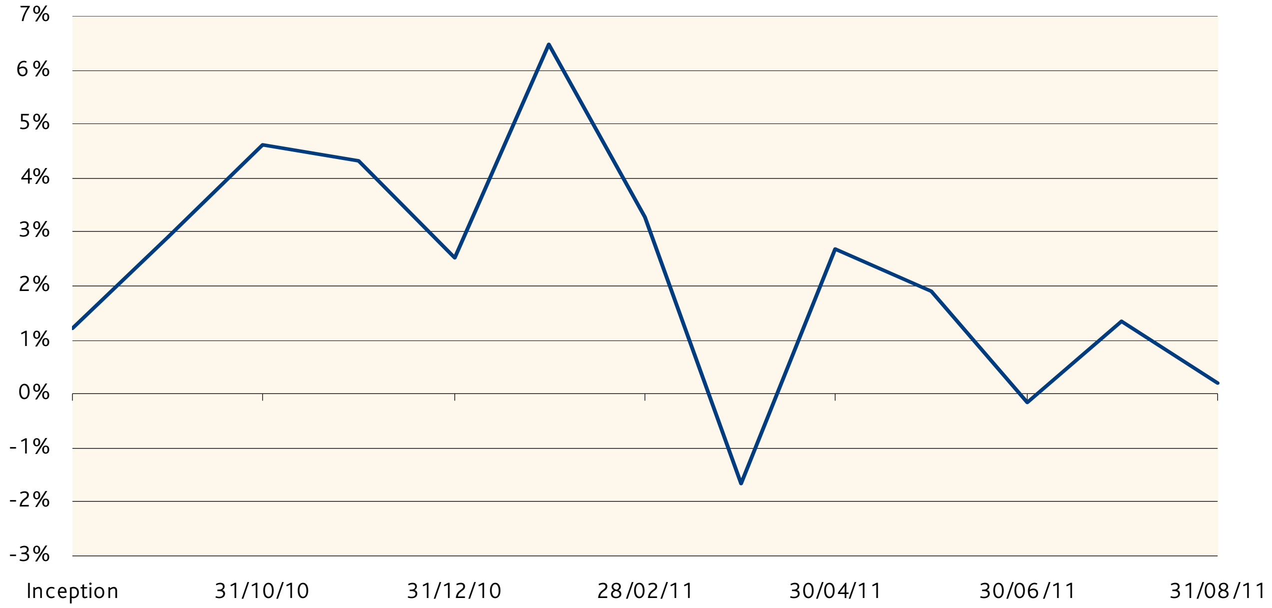
Dividends

	Rate	xd date	Record date	Payment date
1st interim 2011	1.00p	22 December 2010	24 December 2010	31 January 2011
2nd interim 2011	1.00p	6 April 2011	8 April 2011	28 April 2011
3rd interim 2011	1.00p	6 July 2011	8 July 2011	29 July 2011
4th interim 2011	1.25p	5 October 2011	7 October 2011	31 October 2011
Total dividends 2011	**4.25p**			

Performance

Share Price Premium/(Discount) to NAV

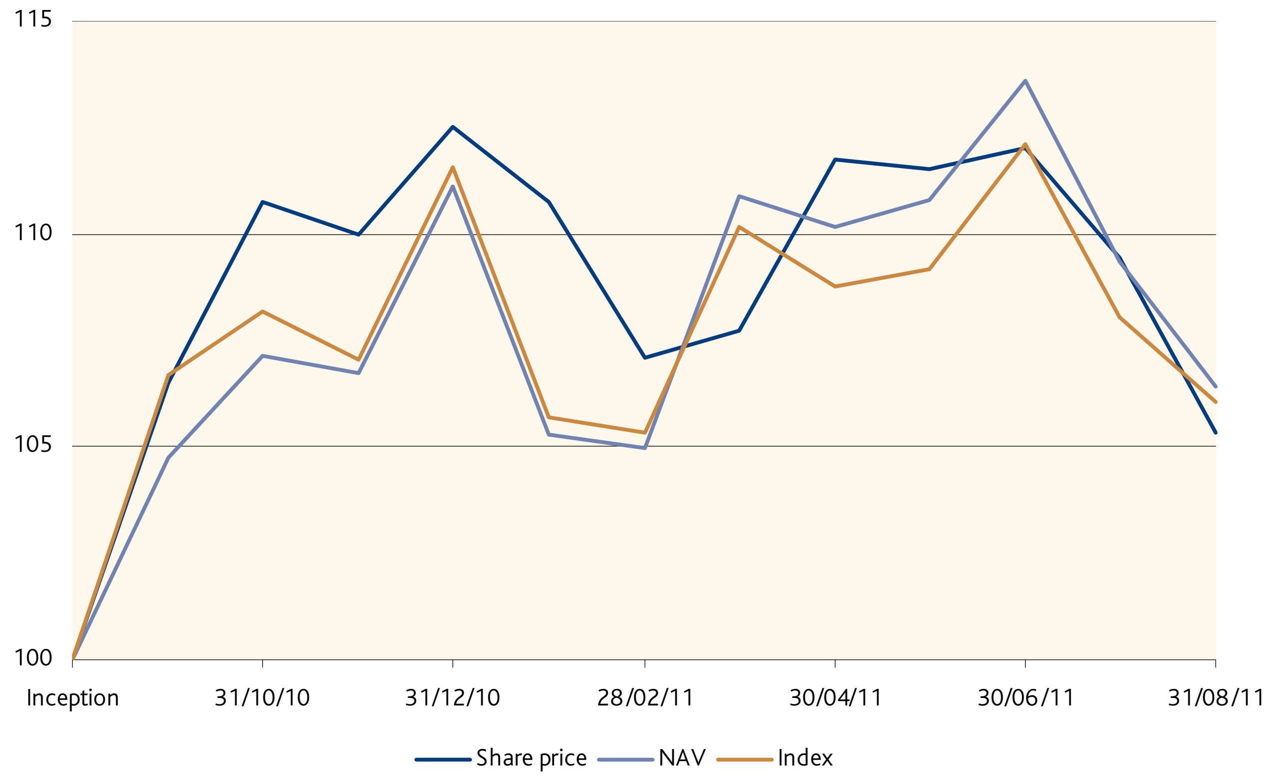
Launch (16 August 2010) to 31 August 2011



Source: Aberdeen Asset Management & Morningstar

Total Return of NAV and Share Price vs Composite MSCI EM Latin American 10/40 Index/JP Morgan GBI-EM Global Diversified Index (Latin American carve out) (sterling adjusted)

Launch (16 August 2010) to 31 August 2011 (rebased to 100 at 16 August 2010)



Source: Aberdeen Asset Management, Morningstar, Russell Mellon, Lipper & JPMorgan

Investment Portfolio – Ten Largest Equity Investments

As at 31 August 2011

Company	Sector	Country	Valuation 2011 £'000	Total assets %[B]
Vale ADR The Brazilian miner is the world's lowest-cost iron-ore producer and, in recent years, has made acquisitions to diversify its asset base.	Materials	Brazil	3,074	5.3
Petroleo Brasileiro ADR An emerging world-class integrated oil company in Brazil, it holds vast reserves, has made substantial new oil finds and will stand to gain from the growing demand for oil from emerging economies.	Energy	Brazil	3,026	5.2
Banco Bradesco ADR A leading Brazilian bank with a good quality loan portfolio, it has benefited from robust growth in retail lending.	Banks	Brazil	2,891	5.0
Amer Movil ADR The largest integrated telecom company in Latin America. It is most dominant in its home market of Mexico, where it has a significant market share.	Telecommunication Services	Mexico	2,104	3.6
Lojas Renner One of the leading department store chains in Brazil with a nationwide presence.	Retailing	Brazil	1,517	2.6
Fomento Economico Mexicano ADR The Mexican beverage company, which is also the leading Coca-Cola bottler in Latin America, is poised to benefit from rising domestic consumption. Its earnings tend to be relatively defensive because its products are largely consumer staples.	Food Beverage & Tobacco	Mexico	1,430	2.5
Grupo Financiero Banorte The largest locally owned Mexican bank. It partnered the post office to gain access to cheaper funding and acquired a Texas bank to tap the growing Hispanic population in the US.	Banks	Mexico	1,355	2.3
Itau Unibanco Holdings ADR Brazil's largest privately-owned bank, it is strongly capitalised and well positioned with decent growth and asset quality.	Banks	Brazil	1,337	2.3
Ultrapar Participacoes ADR Brazilian fuels and chemicals company with defensive qualities. It has strengthened its distribution network with its acquisition of the Texaco-brand of gasoline stations in Brazil.	Energy	Brazil	1,331	2.3
Multiplan Empreendimentos A Brazilian mall owner with well-located shopping malls, a solid tenant base and near-full occupancy, as well as a pipeline of sites under development.	Real Estate	Brazil	1,294	2.2
Top ten equity investments			**19,359**	**33.3**

Investment Portfolio – Other Equity Investments

As at 31 August 2011

Company	Sector	Country	Valuation 2011 £'000	Total assets %[B]
Tenaris ADR	Industrial Metals	Argentina	1,101	1.9
Natura Cosmeticos	Personal Goods	Brazil	1,091	1.9
Banco Santander-Chile ADR	Banks	Chile	1,041	1.8
Grupo Aeroportuario de Sureste	Industrial Transportation	Mexico	848	1.5
Cia Souza Cruz	Tobacco	Brazil	712	1.2
Wal-Mart de Mexico	General Retailers	Mexico	696	1.2
OdontoPrev	Health Care Equipment & Services	Brazil	638	1.1
Kimberly-Clark de Mexico	Personal Goods	Mexico	628	1.1
S.A.C.I. Falabella	General Retailers	Chile	628	1.1
BM&FBovespa	Financial Services	Brazil	587	1.0
Top twenty equity investments			27,329	47.1
Localiza Rent a Car	General Retailers	Brazil	585	1.0
Grupo Aeroportuario del Centro Nort ADR	Industrial Transportation	Mexico	532	0.9
Wilson, Sons	Industrial Transportation	Brazil	531	0.9
Brasil Foods Sponsored ADR	Food Producers	Brazil	511	0.9
Organizacion Soriana	General Retailers	Mexico	508	0.9
Bradespar	Materials	Brazil	488	0.8
Valid Solucoes e Servicos de Seguranca	Support Services	Brazil	488	0.8
Arezzo Industria e Comercio	Personal Goods	Brazil	482	0.8
Urbi Desarrollos Urbanos	Household Goods & Home Construction	Mexico	423	0.7
Amil Participacoes	Health Care Equipment & Services	Brazil	383	0.7
Top thirty equity investments			32,260	55.5
WEG	Electronic & Electrical Equipment	Brazil	359	0.6
TOTVS	Software & Computer Services	Brazil	328	0.6
Saraiva Livreiros Editores	Media	Brazil	305	0.5
Embraer Spons ADR	Aerospace & Defence	Brazil	297	0.5
Grupo Bancolombia	Banks	Colombia	245	0.4
Total equity investments			**33,794**	**58.1**

[B]See definition on page 52.

Investment Portfolio - Bonds

As at 31 August 2011

Issue	Sector	Country	Valuation 2011 £'000	Total assets %[B]
Brazil (Fed Rep of) 10% 01/01/13	Government Bonds	Brazil	6,268	10.8
Brazil (Fed Rep of) 10% 01/01/17	Government Bonds	Brazil	4,530	7.8
Mexico (United Mexican States) 8% 11/06/20	Government Bonds	Mexico	2,999	5.1
Mexico (United Mexican States) 8% 07/12/23	Government Bonds	Mexico	2,562	4.4
Mexico (United Mexican States) 7.75% 14/12/17	Government Bonds	Mexico	1,567	2.7
Brazil (Fed Rep of) 10% 01/01/21	Government Bonds	Brazil	1,551	2.7
Peru (Rep of) 7.84% 12/08/20	Government Bonds	Peru	1,301	2.2
Uruguay (Rep of) 5% 14/09/18	Government Bonds	Uruguay	1,230	2.1
Peru (Rep of) 6.95% 12/08/31	Government Bonds	Peru	721	1.2
Mexico (United Mexican States) 7.5% 03/06/27	Government Bonds	Mexico	682	1.2
Central Bank Argentina 2% 04/02/18	Government Bonds	Argentina	381	0.6
Total value of Bonds			23,792	40.8
Total value of equity investments			33,794	58.1
Total value of investments			57,586	98.9
Net current assets[A]			636	1.1
Total assets[B]			**58,222**	**100.0**

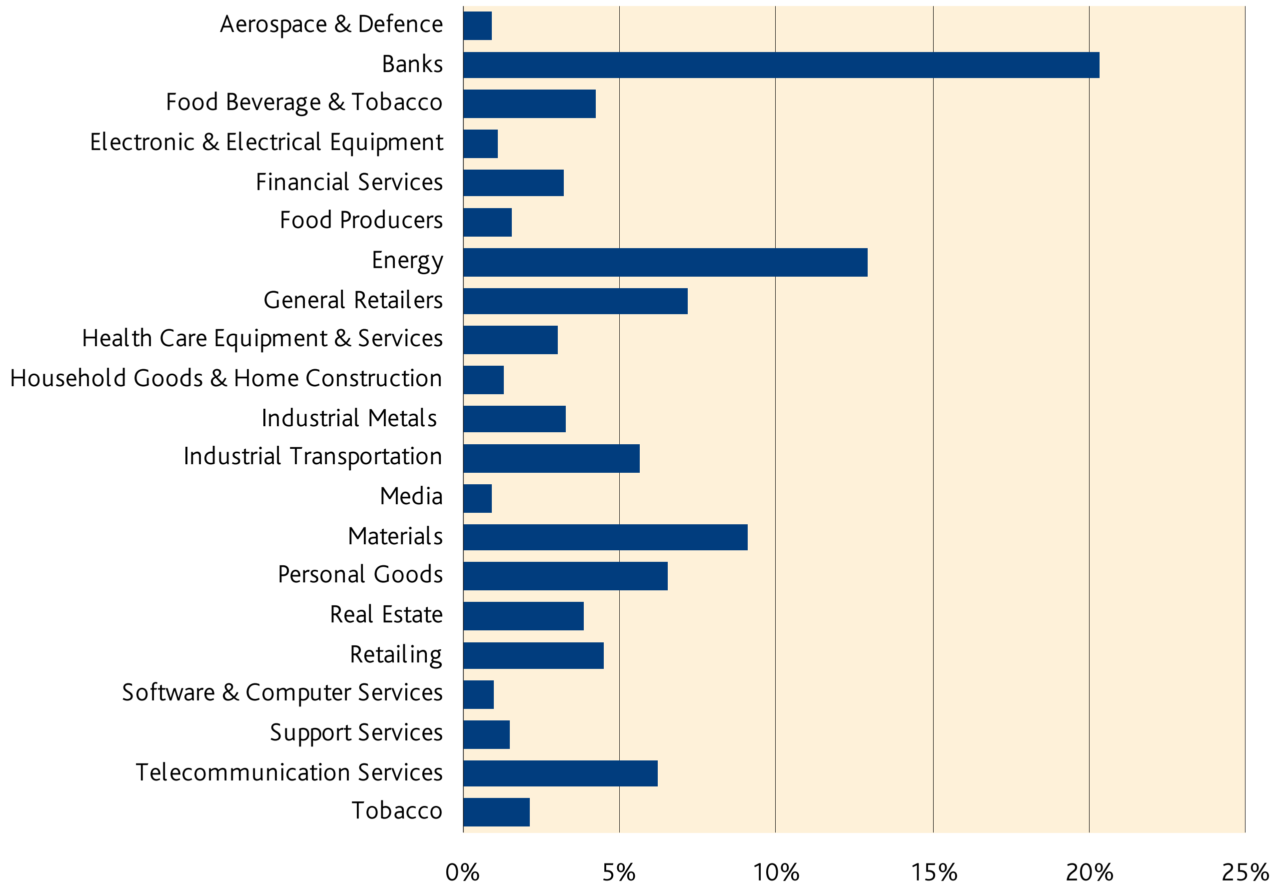
[A]Excluding bank loans of £4,913,000.

[B]See definition on page 52.

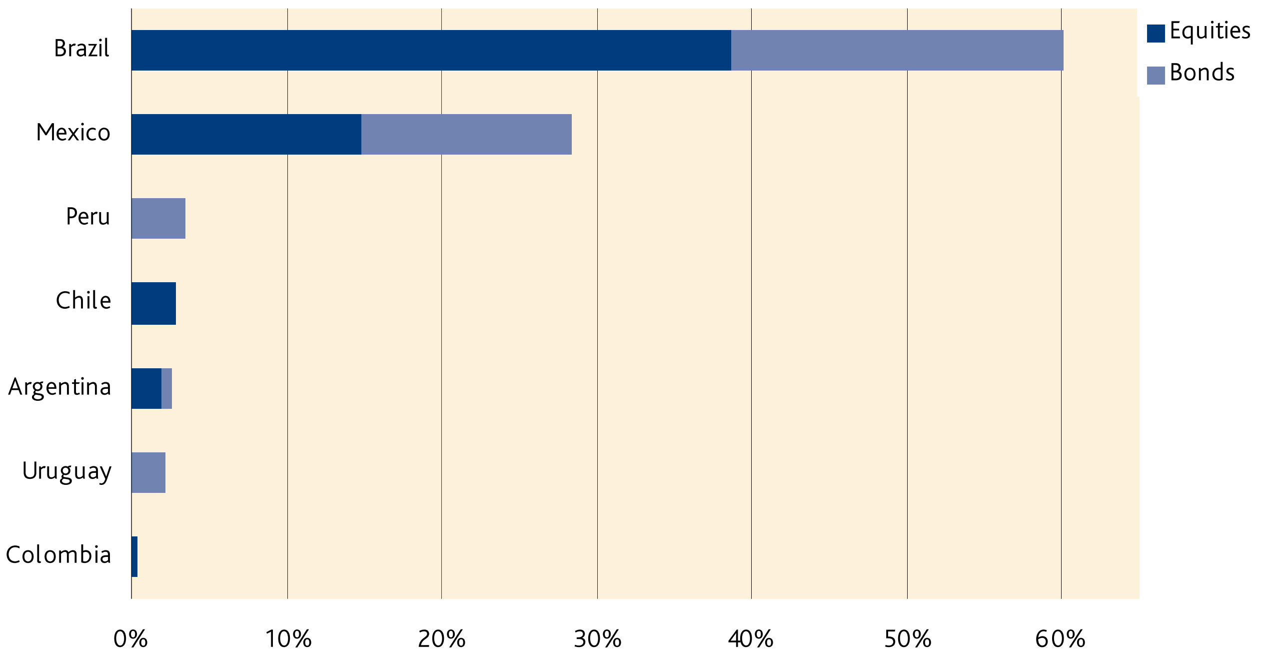
Sector/Geographical Analysis

As at 31 August 2011

Sector Breakdown - Equities



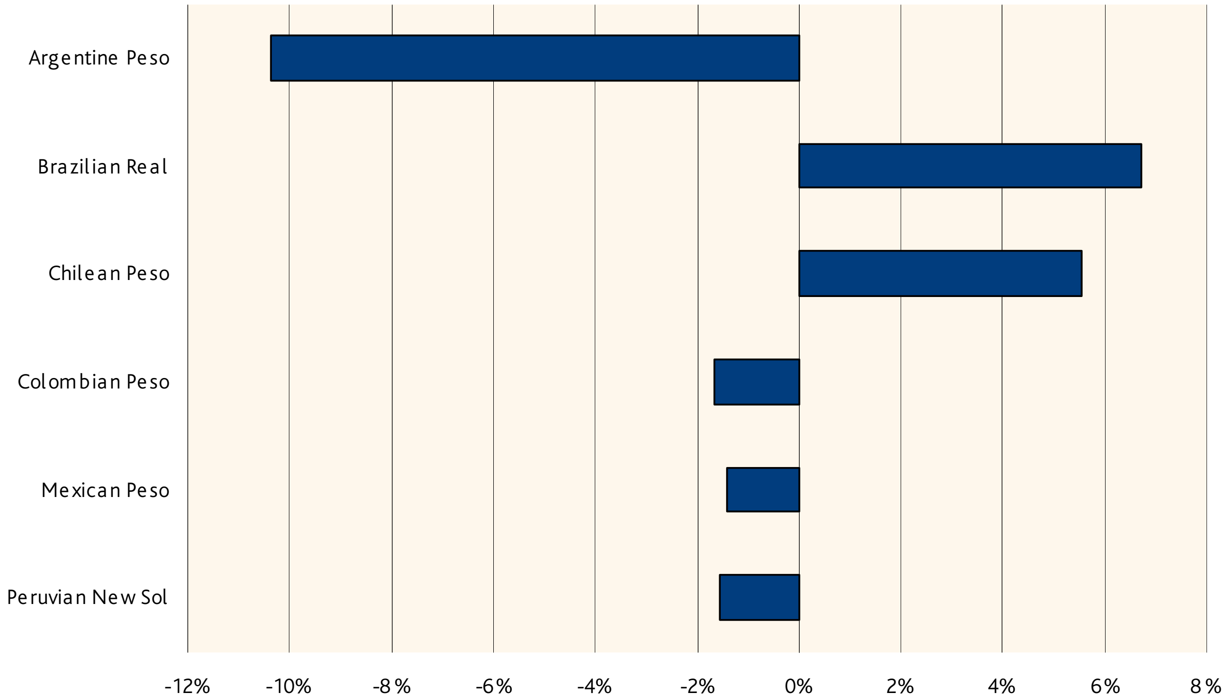
Geographic Breakdown – Equities and Bonds



Currency/Market Performance

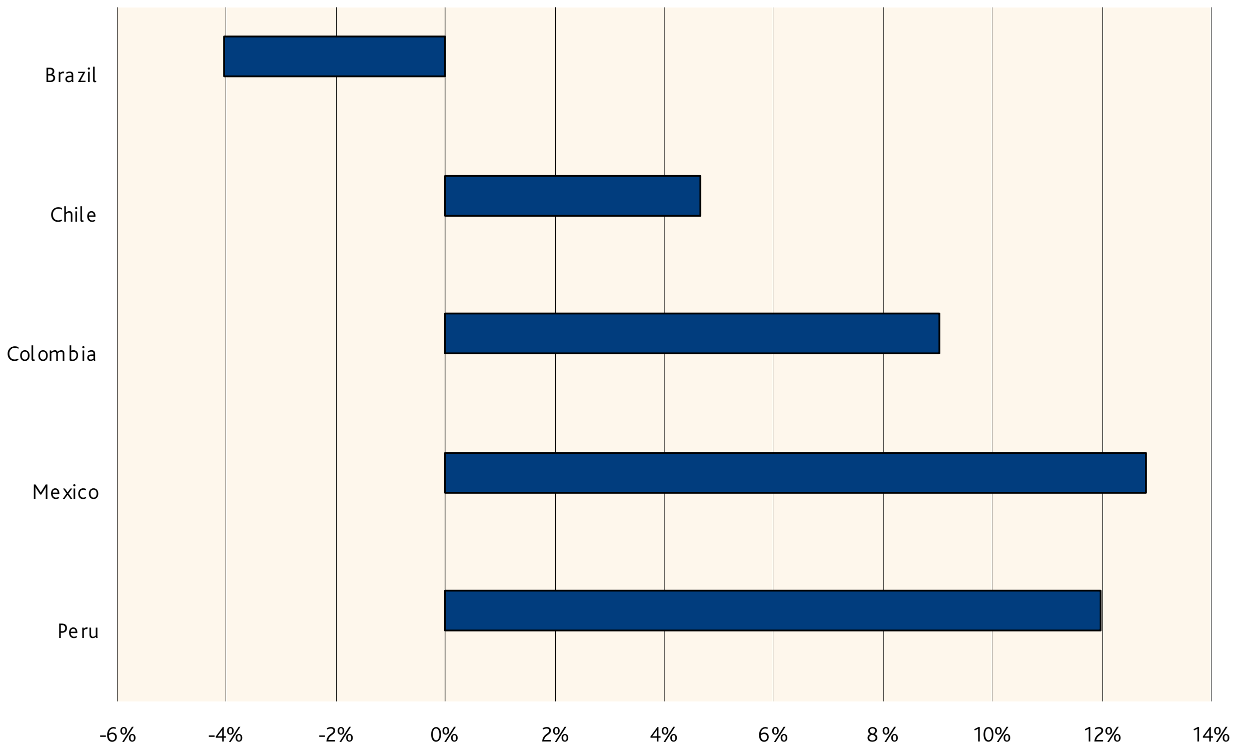
Period from launch (16 August 2010) to 31 August 2011

Currency Returns (£)



Source: Factset

MSCI Country Index Total Returns (£)



Source: Aberdeen Asset Management & Factset

Information About The Manager

Aberdeen Asset Managers Limited

The investment management of the Company has been delegated by Aberdeen Private Wealth Management Limited to Aberdeen Asset Managers Limited ("Aberdeen" or "AAM"). AAM is based in London and is a wholly owned subsidiary of Aberdeen Asset Management PLC (the "Aberdeen Group"), a publicly-quoted company on the London Stock Exchange.

Worldwide, the Aberdeen Group manages a combined £176.9 billion (as at 31 August 2011) in assets for a range of clients, including individuals and institutions, through mutual and segregated funds.

The Aberdeen Group has its headquarters in Aberdeen with principal offices in London, Singapore, Philadelphia, Bangkok, Edinburgh, Hong Kong, Luxembourg, Kuala Lumpur, Jersey, Stockholm, Sydney, Taipei, and Tokyo.

The Aberdeen Group manages 38 investment companies and other closed-ended funds representing some £8.1 billion under management. They adhere closely to the Group's investment style which is that of fundamental investors, with an emphasis on company visits and original research.

The Investment Teams Senior Managers

Devan Kaloo
Head of Global Emerging Markets
MA (Hons) in Management and International Relations from The University of St Andrews. Joined Aberdeen in 2000 on the Asian portfolio team from Martin Currie.

Joanne Irvine
Head of Emerging Markets ex. Asia
BA in accounting from Glasgow Caledonian University and a qualified chartered accountant. Joined Aberdeen in 1996 in a group development role and previously worked in corporate finance specialising in raising development capital finance for private businesses.

Fiona Manning
Investment Manager
BA (Hons) in History with French from Durham University. Joined Aberdeen in 2005 via the Deutsche acquisition.

Brett Diment
Head of Emerging Markets Debt
BSc from the London School of Economics. Joined Aberdeen in 2005 via the Deutsche acquisition, having held the same role at Deutsche since 1999. He joined Deutsche in 1991 as a graduate and started researching emerging markets in 1995.

Edwin Gutierrez
Portfolio Manager EM Debt
MSc from Georgetown University. Joined Aberdeen in 2005 via the Deutsche acquisition in 2005, having held the same role at Deutsche since joining them in 2000. Previously worked as an EM Debt portfolio manager with Invesco and as a Latin American economist with LGT Asset Management.

Kevin Daly
Portfolio Manager EM Debt
BA in English Literature from the University of California, Los Angeles. Joined Aberdeen in 2007 having spent the previous 10 years at Standard & Poor's in London and Singapore as a credit market analyst covering EM Debt.

The Investment Process

Although AAM is an active long-only manager, its investment philosophy and approach has absolute return characteristics. Its investment process is robust and characterised by its discipline, consistency and independence. The investment Manager is not benchmark-driven and, accordingly, its fund managers do not invest in stocks that fail to meet its investment criteria.

Portfolios are managed by the Investment Manager on a team basis, with individual fund managers doing their own research and analysis. Each asset class has a model portfolio that contains the team's best ideas for that asset class and forms the basis for constructing individual portfolios focused on that asset class.

The Investment Manager selects securities for the Company's portfolio employing the investment strategies established by AAM's Global Emerging Market Equity and Global Emerging Debt teams. These teams, which comprise the investment team with responsibility for managing the Company's portfolio, have similar investment philosophies which focus on careful security selection based on propriety research and the application of a disciplined investment process.

The Investment Manager will regularly monitor and make allocation decisions to determine the Company's portfolio weightings to, in particular, equity and equity-related investments and fixed income investments. Allocations between equity and equity-related investments and fixed income investments will vary according to the relative value and opportunities identified by the Investment Manager. As markets change over time, the Company's flexibility will allow the Investment Manager to modify the Company's asset allocation in response to changing economic cycles. Whilst the Company's investment policy commits it to invest in the Latin American region, investment opportunities in the region are such that the geographic exposure of the Company's portfolio may be concentrated on a relatively small number of countries from time to time.

Your Board of Directors

The Directors, all of whom are non-executive, and the majority of whom are independent of the Manager, supervise the management of Aberdeen Latin American Income Fund Limited and represent the interests of shareholders.

Richard Prosser

Status: Independent Non-Executive Director and Chairman
Age: 51
Length of Service: 1 year, appointed on 30 June 2010
Last re-elected to the Board: n/a as this is the first AGM
Experience: is a chartered accountant, a partner of the Appleby Group and a director of its wholly owned trust company, Appleby Trust (Jersey) Limited. He is a director of a number of companies including property companies, hedge funds and investment management companies. He chairs the investment policy committee of Appleby Trust which monitors and evaluates the performance of asset managers throughout the Appleby Group.
Committee membership: Management Engagement Committee (Chairman), Nomination Committee (Chairman) and Audit Committee
Remuneration: £25,000 per annum
All other public company directorships: FTSE – Hedge Investible Index Fund and Phoenix Spree Deutschland Limited
Employment by the Manager or AAM: none
Other connections with the Fund or manager: none
Shared directorships with other Fund directors: none
Shareholding in the Company: 15,000 Ordinary shares and 1,500 subscription shares

Martin Adams

Status: Independent Non-Executive Director
Age: 53
Length of Service: 1 year, appointed on 30 June 2010
Last re-elected to the Board: n/a as this is the first AGM
Experience: is an independent specialist in the management and restructuring of funds and private investments principally in emerging markets. He has over 25 years' investment and banking experience in Asia and Europe. He is managing director of the Vietnam Fund Management Company group and a director of a number of other companies. Prior to establishing Vietnam Fund Management Company Limited in 1991, he worked for Lloyds Bank for 10 years.
Committee membership: Management Engagement Committee, Nomination Committee and Audit Committee
Remuneration: £17,500 per annum
All other public company directorships: Metage Special Emerging Markets Funds Limited, Terra Catalyst Fund, Kubera Cross-Border Fund Limited, Trinity Capital PLC and Vietnam Resource Investments (Holdings) Limited
Employment by the Manager or AAM: none
Other connections with the Fund or manager: none
Shared directorships with other Fund directors: none
Shareholding in the Company: 10,000 Ordinary shares and 1,000 Subscription shares

Jeremy Arnold

Status: Independent Non-Executive Director
Age: 73
Length of Service: 1 year, appointed on 30 June 2010
Last re-elected to the Board: n/a as this is the first AGM
Experience: is a chartered accountant. His career began in 1957 in London. After working for Touche, Ross in Sydney and San Francisco, he joined Andersen in London in 1966. He became a partner in 1974 and transferred to their Toronto office in 1976, running the audit practice for 13 years. In 1989 he transferred to the Brussels office until his retirement in 1994. He holds a number of directorships and is a Gambling Commissioner in Jersey.
Committee membership: Management Engagement Committee, Nomination Committee and Audit Committee (Chairman)
Remuneration: £20,000 per annum
All other public company directorships: none
Employment by the Manager or AAM: none
Other connections with the Fund or manager: none
Shared directorships with other Fund directors: none
Shareholding in the Company: 20,000 Ordinary shares and 2,000 Subscription shares

George Baird

Status: Independent Non-Executive Director
Age: 61
Length of Service: 1 year, appointed on 9 July 2010
Last re-elected to the Board: n/a as this is the first AGM
Experience: graduated from Dundee University with a Law degree in 1971 and joined Arthur Young McLelland Moores & Co, qualifying as a chartered accountant in 1975. After working in local government in Scotland, he was appointed Treasurer of the States of Jersey in 1991. Prior to his retirement in 2002, he was group finance director of Mourant du Feu and Jeune. He holds several non-executive directorships on the Channel Islands.
Committee membership: Management Engagement Committee, Nomination Committee and Audit Committee
Remuneration: £17,500 per annum
All other public company directorships: Invesco Leveraged High Yield Fund Limited, Geiger Counter Limited, LXB Retail Properties Plc and Saltus European Debt Strategies Limited
Employment by the Manager or AAM: none
Other connections with the Fund or manager: none
Shared directorships with other Fund directors: none
Shareholding in the Company: none

Martin Gilbert

Status: Non-Independent Non-Executive Director
Age: 56
Length of Service: 1 year, appointed on 30 June 2010
Last re-elected to the Board: n/a as this is the first AGM
Experience: is a founder shareholder and chief executive of Aberdeen Asset Management PLC. He holds a number of investment trust and other company directorships. After qualifying as a chartered accountant in 1982, he thereafter pursued a career in investment management.
Committee membership: Nomination Committee
Remuneration: £nil
All other public company directorships: Aberdeen Asset Management PLC, Firstgroup PLC, Aberdeen Asian Smaller Companies Investment Trust PLC, Primary Health Properties PLC, Aberdeen Asia-Pacific Income Fund Inc, Aberdeen Global Income Fund Inc and Aberdeen Asia-Pacific Income Investment Company Limited
Employment by the Manager or AAM: Chief executive of Aberdeen Asset Management PLC
Other connections with the Fund or manager: Director of a number of Aberdeen-managed investment companies
Shared directorships with other Fund directors: none
Shareholding in the Company: 25,000 Ordinary shares and 2,500 Subscription shares

Directors' Report

The Directors present their Report and the audited financial statements of the Group for the period ended 31 August 2011. The Group comprises Aberdeen Latin American Income Fund Limited (the "Company") and its wholly owned subsidiary Aberdeen Latin American Income Fund LLC. This is the Company's first Annual Report to shareholders since the listing of the Company's Ordinary and Subscription shares on 16 August 2010.

Business Review

The Company was incorporated on 30 June 2010. A review of the Company's activities is given in the Corporate Summary on pages 2 to 5, the Chairman's Statement on pages 6 and 7 and the Manager's Review on pages 8 and 9. This includes a review of the business of the Company and its principal activities, likely future developments of the business and dividends declared during the period by the Company. The principal risks associated with the Company are detailed in the Corporate Summary on page 4 and in note 16 to the financial statements. The Key Performance Indicators for the Company including NAV performance, share price performance and benchmark performance are detailed on pages 10 and 11.

The current Directors, Richard Prosser, Martin Adams, Jeremy Arnold, George Baird and Martin Gilbert were the only Directors in office during the period. They were appointed on 30 June 2010, being the date of incorporation, save for Mr Baird who was appointed on 9 July 2010.

The Company does not make political donations or expenditures and has not made any donations for charitable purposes during the period and in common with most investment trusts, the Company has no employees. Directors' & Officers' liability insurance cover has been maintained throughout the period at the expense of the Company.

Results and Dividends

Details of the Company's results and dividends are shown on page 10 and in notes 7 and 8 to the Financial Statements. In line with the prospectus expectations, Interim dividends have been paid on a quarterly basis in January, April, July and October 2011, in respect of the three months ended on the preceding November, February, May and August. The Company achieved its stated intention to pay an initial yield of 4.25% based on the issue price of 100p per Ordinary share. As at 31 August 2011 the Company's brought forward revenue reserves amounted to £0.3 million (0.57p per share) after allowing for the fourth interim dividend which under IFRS will be accounted for in the year ending 31 August 2012.

Principal Activity and Status

The business of the Company is that of an investment company investing in the Latin American region. The objective of the Company is set out on page 2 of this Report. The Company is registered with limited liability in Jersey as a closed-end investment company under the Companies (Jersey) Law 1991 with registered number 106012. In addition, the Company constitutes and is regulated as a collective investment fund under the Collective Investments Funds (Jersey) Law 1988. The Company intends to manage its affairs so as to be a qualifying investment for inclusion in the stocks and shares component of an Individual Savings Account ('ISA') and it is the Directors' intention that the Company should continue to be a qualifying trust.

Share Capital

As at 31 August 2011 there were 52,106,185 Ordinary shares and 10,421,236 Subscription shares in issue. Each Subscription share carries the right to convert such share into one Ordinary share on 31 December in any of the years 2013 to 2015 (inclusive) at a price of 120p per share.

Directors

Details of the current Directors of the Company are shown on pages 19 and 20.

The Articles of Association require that all Directors shall submit themselves for election by shareholders at the first opportunity following their appointment and shall not remain in office longer than three years since their last election or re-election without submitting themselves to re-election. Accordingly, at this the first Annual General Meeting of the Company, all Directors will submit themselves for election. The Board considers that there is a balance of skills and experience within the Board relevant to the leadership and direction of the Company and that all Directors contribute effectively. Mr Gilbert is Chief Executive of Aberdeen Asset Management PLC and under the Listing Rules will be subject to annual re-election by shareholders.

The Directors and their beneficial interests in the share capital of the Company as at 31 August 2011 were as follows:

	31 August 2011	
	Ordinary shares	**Subscription shares**
R Prosser (Chairman)	15,000	1,500
M Adams	10,000	1,000
J Arnold	20,000	2,000
G Baird	-	-
M Gilbert	25,000	2,500

The share interests were unchanged at 31 October 2011, being the nearest practicable date prior to the signing of this Report. No Director has a service contract with the Company. Mr Gilbert's interests in contractual arrangements with the Company are as shown in note 18 to the financial statements. No other Directors were interested in contracts with the Company.

Directors' Authority to Allot Relevant Securities

There are no provisions under Jersey law which confer rights of pre-emption upon the issue or sale of any class of shares in the Company. However, the Company is listed on the London Stock Exchange with a premium listing, and is required to offer pre-emption rights to its shareholders and the Articles of Association reflect this. Ordinary shares will only be issued at a premium to the prevailing net asset value per Ordinary share and, therefore, will not be disadvantageous to existing shareholders or Subscription shareholders.

Unless previously disapplied by special resolution, in accordance with the Listing Rules, the Company is required to first offer any new shares or securities (or rights to subscribe for, or to convert or exchange into, shares) proposed to be issued for cash to shareholders in proportion to their holdings in the Company. In order to provide for such share issues, your Board is therefore also proposing that an annual disapplication of the pre-emption rights is given to the Directors so that they may issue shares as and when appropriate. Accordingly, resolution 12, a Special Resolution, proposes a disapplication of the pre-emption rights in respect of 10% of the shares in issue, set to expire on the earlier of eighteen months from the date of the resolution or at the conclusion of the Annual General Meeting to be held in 2012.

Purchase of the Company's Securities

The Directors operate an active discount management policy through the use of share buy backs, the objective being to maintain the price at which the Ordinary shares trade relative to their underlying net asset value at a discount of no more than five per cent. Purchases of Ordinary shares will only be made through the market for cash at prices below the prevailing net asset value per Ordinary share (as last calculated) where the Directors believe such purchases will enhance shareholder value and are likely to assist in narrowing any discount to net asset value at which the Ordinary shares may trade. Purchases of Subscription shares will only be made through the market for cash if the net asset value per Ordinary share is greater than 120p (being the price payable on the exercise of a Subscription share) and at prices below the prevailing net asset value attributable to a Subscription share (as last calculated) where the Directors believe such purchases will enhance shareholder value.

Resolution 9, a Special Resolution, will be proposed to renew the Directors' authority to make market purchases of the Company's shares in accordance with the provisions of the Listing Rules of the Financial Services Authority. During the period since listing and to the date of this Report, no Ordinary shares have been purchased in the market for cancellation or to be held in treasury. The Company will seek authority to purchase up to a maximum of 7,810,717 Ordinary shares (representing 14.99 per cent. of the current issued share capital). The authority being sought shall expire at the conclusion of the Annual General Meeting in 2012 unless such authority is renewed prior to such time. Any Ordinary shares purchased in this way will either be cancelled and the number of Ordinary shares will be reduced accordingly, or the shares will be held in treasury, in accordance with Resolution 10.

Following changes made to Jersey company law in 2008, Jersey companies can now either cancel shares or hold them in treasury following a buy-back of shares. These powers will give Directors additional flexibility going forward and the Board considers that it will be in the interest of the Company that such powers be available, including the powers to hold treasury shares. Such powers will only be implemented when, in the view the Directors, to do so will be for the benefit of all shareholders. The Directors recommend that shareholders vote in favour of Resolutions 9 and 10. Any future sales of shares from treasury will only be undertaken at a premium to the prevailing net asset value per Ordinary share.

Resolution 11, a Special Resolution, will be proposed to renew the Directors' authority to make market purchases of the Company's Subscription shares in accordance with the provisions of the Listing Rules of the Financial Services Authority. During the period since listing and to the date of this Report, no Subscription shares have been purchased in the market for cancellation. The Company will seek authority to purchase up to a maximum of 1,562,143 Subscription shares (representing 14.99 per cent. of the current issued subscription shares). The authority being sought shall expire at the conclusion of the Annual General Meeting in 2012 unless such authority is renewed prior to such time. Any Subscription shares purchased in this way will be cancelled and the number of Subscription shares will be reduced accordingly.

By a subscription and lock-in agreement dated 14 July 2010 between the Company and the Manager, the Manager agreed to purchase for cash such number of Subscription shares as conferred the right to subscribe for such number of Ordinary shares as represented 10% of the Ordinary shares in issue on listing. The Manager subscribed for and was alloted 5,210,618 Subscription shares at 10.5p each. The Company and the Manager have agreed that in the event the Management Agreement is terminated prior to the final subscription date for the Subscription shares, the Company will have the right to cancel all of these Subscription shares then outstanding subject to paying compensation based on the average middle market price for the 60 consecutive London Stock Exchange dealing days immediately preceding the date of announcement of termination, or, if earlier, the first announcement of the intention to terminate the Management Agreement.

Recommendation

Your Board considers Resolutions 9, 10, 11 and 12 to be in the best interests of the Company and its members as a whole. Accordingly, your Board recommends that shareholders should vote in favour of Resolutions 9, 10, 11 and 12 to be proposed at the Annual General Meeting, as they intend to do in respect of their own beneficial shareholdings amounting to 70,000 Ordinary shares.

Substantial Interests

The Board has been advised that the following shareholders owned 3% or more of the issued share capital of the Company at 31 October 2011, being the nearest practicable date prior to the signing of this Report:

Shareholder	Number of shares held	% held
CCLA Investment Management	5,200,000	9.98
Henderson Global Investors	5,126,000	9.84
AAM Plans (non-discretionary)	2,774,611	5.32
South Yorkshire Pension Authority	2,150,000	4.13

Creditor Payment Policy

It is the policy of the Company to settle all investment transactions in accordance with the terms and conditions of the relevant markets in which it operates. All other expenses are paid on a timely basis in the ordinary course of business. The Directors do not consider any creditors to represent trade creditors.

Corporate Governance

The Statement of Corporate Governance forms part of this Directors' Report and covers the Company's compliance with the UK Corporate Governance Code and is shown on pages 24 to 26.

Going Concern

In accordance with the Financial Reporting Council's guidance on Going Concern and Liquidity Risk issued in October 2009 the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Company's assets consist of a diverse portfolio of listed equities, equity-related investments and fixed income investments which in most circumstances are realisable within a very short timescale.

On 17 August 2011 the Company renewed its £10 million multi currency revolving facility agreement with Scotiabank Europe PLC (the "New Facility") for a further 12 months with an option to the Company to renew for a further 12 months. Accordingly, the Company has considerable financial resources and as a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Directors are mindful of the principal risks and uncertainties disclosed on page 4 and have reviewed forecasts detailing revenue and liabilities and the Directors believe that the Company has adequate financial resources to continue its operational existence for the foreseeable future and at least 12 months from the date of this Annual Report. Accordingly, the Directors continue to adopt the going concern basis in preparing these accounts.

Accountability and Audit

The respective responsibilities of the Directors and the Auditors in connection with the financial statements are set out on pages 27 and 29.

Each Director confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and he has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. Additionally there are no important events since the period end other than as disclosed in the notes to the financial statements.

Independent Auditors

Our auditors, Ernst & Young LLP, have indicated their willingness to remain in office. The Directors will place a Resolution before the Annual General Meeting to re-appoint them as independent auditors for the ensuing year, and to authorise the Directors to determine their remuneration.

By order of the Board
Aberdeen Private Wealth Management Limited
Secretary
No.1 Seaton Place,
St Helier, Jersey JE4 8YL
3 November 2011

Statement of Corporate Governance

The Company is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company applies the principles identified in the UK Corporate Governance Code (the "UK Code") issued in May 2010 as appended to the UK Listing Authority Listing Rules. The Board has considered the principles and recommendations of the AIC Code of Corporate Governance ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide") as published in October 2010. The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company. The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Code), will provide better information to shareholders.

The Company was incorporated on 30 June 2010 and throughout the period since listing on 16 August 2010 the Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Code, except as set out below.

The UK Code includes provisions relating to:
- the role of the chief executive;
- executive directors' remuneration; and,
- the need for an internal audit function.

For the reasons set out in the AIC Guide, and as explained in the UK Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company with no employees. The Company has therefore not reported further in respect of these provisions.

The Board

The Board currently consists of a non-executive Chairman and four other non-executive Directors. All Directors, with the exception of Mr M Gilbert, are considered by the Board to be independent of the Investment Manager and free of any material relationship with the Investment Manager. Mr Gilbert, CEO of Aberdeen Asset Management PLC, the parent company of the Investment Manager, is not independent and therefore Mr Gilbert submits himself for annual re-election as a Director. Each Director has the requisite high level and range of business and financial experience which enables the Board to provide clear and effective leadership and proper stewardship of the Company. The Board considers that the post of chief executive officer is not relevant for an investment company as this role has effectively been delegated to the Manager, under the terms of the Management Agreement. Given the size and composition of the Board it is not felt necessary to separate the roles of chairman and senior independent director.

During the period from listing on 16 August 2010 to 31 August 2011, the Board met on a regular basis. The Audit Committee met twice and there was one Board Committee meeting. Between meetings the Board maintains regular contact with the Manager.

Directors have attended Board and Audit Committee meetings during that period as follows (with their eligibility to attend the relevant meeting in brackets – in order to be eligible for a meeting a Director must be situated outside of the United Kingdom):

	Board	Board Committee	Audit Committee
R Prosser	5(5)	1(1)	2(2)
M Adams	4(5)	1(1)	2(2)
J Arnold	4(5)	1(1)	2(2)
G Baird	5(5)	1(1)	2(2)
M Gilbert*	1(5)	-(1)	N/a

* Mr Gilbert is not a member of the Audit Committee or the Management Engagement Committee

The Board has a schedule of matters reserved to it for decision and the requirement for Board approval on these matters is communicated directly to the senior staff of the Investment Manager. Such matters include strategy, gearing, treasury and dividend policy. Full and timely information is provided to the Board to enable the Directors to function effectively and to discharge their responsibilities. The Board also reviews the financial statements, performance and revenue budgets.

The Board has put in place necessary procedures to conduct, on an annual basis, an appraisal of the Chairman of the Board, Directors' self evaluation and a performance evaluation of the Board as a whole using detailed questionnaires followed by one-on-one discussions. The Board has also reviewed the Chairman's and Directors' other commitments and is satisfied that the Chairman and other Directors are capable of devoting sufficient time to the Company.

There is an agreed procedure for Directors to take independent professional advice if necessary and at the Company's expense. This is in addition to the access which every Director has to the advice and services of the Company Secretary, Aberdeen Private Wealth Management Limited, which is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

Board Committees

Audit Committee

The Audit Committee operates within clearly defined terms of reference and comprises four independent Directors, Mr J Arnold (Chairman with recent and relevant experience), Mr M Adams, Mr G Baird and Mr R Prosser. The UK Code and the AIC Code acknowledge that some of the standard UK Code provisions may not be specifically appropriate to investment companies and in this regard the Board believes that it is appropriate for all the independent Directors to constitute the Audit Committee. In summary the Audit Committee's main functions are:

- to review and monitor the internal financial control systems and risk management systems on which the Company is reliant;
- to consider annually whether there is a need for the Company to have its own internal audit function;
- to monitor the integrity of the interim and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Investment Manager and Administrator;
- to meet, if required, with the Company's auditors to review their proposed audit programme of work and the findings of the auditors (the Audit Committee uses this as an opportunity to assess the effectiveness of the audit process);
- to make recommendations to the Board in relation to the appointment of the Company's auditors and to approve the remuneration and terms of the engagement of the Company's auditors; and
- to monitor and review annually the Company's auditors independence, objectivity, effectiveness, resources and qualification.

Management Engagement Committee

The Board has appointed a Management Engagement Committee which comprises four independent Directors, Mr R Prosser (Chairman), Mr M Adams, Mr J Arnold, and Mr G Baird. The function of this Committee is to ensure that the Manager and the Investment Manager comply with the terms of the Management Agreement and the Investment Management Agreement respectively and that the provisions of those agreements follow industry practice and remain competitive and in the best interest of shareholders as a whole. The Management Agreement may be terminated by either party by giving not less than 12 months' notice in writing.

Under the UK Listing Authority's Listing Rules, where an investment trust has only non-executive directors, the Code principles relating to directors' remuneration do not apply. Accordingly, the Board has not appointed a separate remuneration committee. The remuneration of the Directors has been set in order to attract individuals of a calibre appropriate to the future development of the Company. The Company's policy on Directors' remuneration, together with details of the remuneration of each Director, is detailed in the Directors' Remuneration Report on page 28.

Nomination Committee

Appointments to the Board of Directors are considered by the Nominations Committee which comprises the entire Board and whose Chairman is Mr R Prosser. Possible new Directors are identified against the requirements of the Company's business and the need to have a balanced Board. Every Director is entitled to receive appropriate training as deemed necessary. As this is the first Annual General Meeting, each of the Directors will stand for re-election. A Director appointed during the year is required, under the provisions of the Company's Articles of Association, to retire and seek election by shareholders at the next Annual General Meeting. The Articles of Association require that one third of the Directors retire by rotation at each Annual General Meeting.

Internal Control

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness. The Financial Reporting Council's "Internal Control: Revised Guidance for Directors on the Combined Code" (the FRC Guidance), assists Directors in applying section C.2 of the UK Corporate Governance Code. The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. This process has been in place for the period under review and up to the date of approval of this Annual Report and Accounts, and is regularly reviewed by the Board and accords with the guidance. The Board has reviewed the effectiveness of the system of internal control. In particular, it has reviewed and updated the process for identifying and evaluating the significant risks affecting the Company and policies by which these risks are managed. The significant risks faced by the Company are as follows:

- financial;
- operational; and
- compliance.

The key components designed to provide effective internal control are outlined below:

- the Investment Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its performance;
- the Board and Investment Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits; reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board and there are meetings with the Investment Manager as appropriate;
- as a matter of course the Investment Manager's compliance department continually reviews the Investment Manager's operations;
- written agreements are in place which specifically define the roles and responsibilities of the Investment Manager and other third party service providers;
- the Board has considered the need for an internal audit function but, because of the compliance and internal

control systems in place at the Investment Manager, has decided to place reliance on the Investment Manager's systems and internal audit procedures; and
- at its 25 October 2011 meeting, the Audit Committee carried out an annual assessment of internal controls for the year ended 31 August 2011 by considering documentation from the Investment Manager, including the internal audit and compliance functions and taking account of events since 31 August 2011. The results of the assessment were then reported to the Board at the Board meeting which followed.

Internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against mis-statement and loss.

Communications with Shareholders

The Company places a great deal of importance on communication with shareholders. The Investment Manager holds meetings with institutional shareholders and reports back to the Board on those meetings. The Annual Report and Accounts are widely distributed to other parties who have an interest in the Company's performance. Shareholders and investors may obtain up to date information on the Company through the Investment Manager's freephone information service and the Company's website: (www.latamincome.co.uk).

The Notice of the Annual General Meeting included within the Annual Report and Accounts is ordinarily sent out at least 20 working days in advance of the meeting. All shareholders have the opportunity to put questions to the Board or Manager, either formally at the Company's Annual General Meeting or informally following the meeting. The Company Secretary is available to answer general shareholder queries at any time throughout the year. The Directors are keen to encourage dialogue with shareholders and the Chairman welcomes direct contact from shareholders.

Proxy Voting and Stewardship

The Financial Reporting Council (FRC) published "the UK Stewardship Code" for Institutional shareholders on 2 July 2010. The purpose of the Code is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities.

The Board has delegated responsibility for actively monitoring the activities of investee companies to the Investment Manager. The Investment Manager is responsible for reviewing, on a regular basis, the annual reports, circulars and other publications produced by the investee company, and for attending company meetings. The Manager, in the absence of explicit instruction from the Board, is empowered to use discretion in the exercise of the Company's voting rights. The Investment Manager's policy is to vote all shares held by the Company.

The Board has reviewed the Investment Manager's Corporate Governance Principles, which may be found on the Manager's website, at http://www.aberdeen-asset.com/doc.nsf/Lit/CorporateGovernanceGroupPrinciples.

This sets out the Investment Manager's framework on corporate governance, proxy voting and shareholder engagement in relation to the companies in which the Investment Manager has invested or is considering investing. The Board has also reviewed, and endorses, the Investment Manager's Statement of Compliance with the Code, which appears on the Investment Manager's website, at http://www.aberdeenasset.com/aam.nsf/AboutUs/governancestewardship.

The Board receives from the Investment Manager regular reports on the exercise by the Investment Manager of the Company's voting rights.

Socially Responsible Investment Policy

The Board is aware of its duty to act in the interests of the Company. The Board acknowledges that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner. The Investment Manager considers social, environmental and ethical factors which may affect the performance or value of the Company's investments. The Directors, through the Company's Investment Manager, encourage companies in which investments are made to adhere to best practice in the area of Corporate Governance. They believe that this can best be achieved by dialogue with company management to encourage them, where necessary, to improve their policies in this area. The Company's ultimate objective is to deliver superior investment return for their clients and whilst the Investment Manager will seek to favour companies which pursue best practice in the above areas, this must not be to the detriment of the return on the investment portfolio.

By order of the Board

Aberdeen Private Wealth Management Limited
Secretary
No.1 Seaton Place,
St Helier,
Jersey, JE4 8YJ
3 November 2011

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Group financial statements in accordance with applicable law and regulations.

Jersey Company law requires the Directors to prepare financial statements for each financial period in accordance with any generally accepted accounting principles. The financial statements of the Group are required by law to give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors should:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- specify which generally accepted accounting principles have been adopted in their preparation; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business

The Directors are responsible for keeping accounting records which are sufficient to show and explain its transactions and are such as to disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements prepared by the Group comply with the requirements of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with IFRS, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- the Annual Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

For Aberdeen Latin American Income Fund Limited

Richard Prosser
Chairman
3 November 2011

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Directors' Remuneration Report

As the Board of Directors is comprised solely of non-executive Directors, it is exempt under the Listing Rules from appointing a Remuneration Committee.

Remuneration Policy

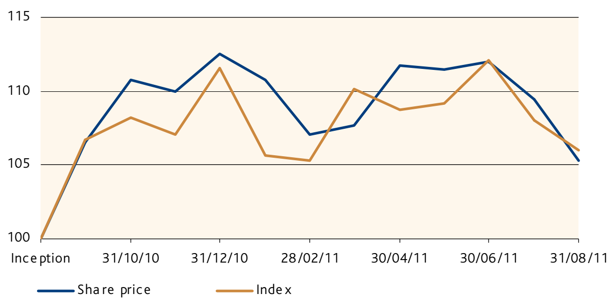
The Company's Articles of Association limit the aggregate fees payable to the Board of Directors to a total of £250,000 per annum. Subject to this overall limit, it is the Company's policy to determine the level of Directors' fees having regard to the level of fees payable to non-executive directors in the industry generally, the role that individual Directors fulfil in respect of Board and Committee responsibilities and the time committed to the Company's affairs.

None of the Directors has a service contract with the Company. Each of the Directors has entered into a letter of appointment with the Company (subject to election at the first Annual General Meeting and re-election at subsequent Annual General Meetings in accordance with the Articles of Association) terminable on three months' notice. The Directors' interests in contractual arrangements with the Company are shown in note 18 to the financial statements. Other than Mr Gilbert, no other Directors were interested in contracts with the Company during the period, or subsequently. Directors' & Officers' liability insurance cover is maintained by the Company and is neither a benefit in kind nor does it form part of the Directors' remuneration. The Company's Articles indemnify each Secretary, agent and servant of the Company out of the assets of the Company in relation to charges, losses, liabilities, damages and expenses incurred in the course of the discharge of their duties provided that such indemnity is not available in circumstances where there is fraud, wilful misconduct or negligence. Directors (and every present or former officer of the Company) shall be indemnified out of the assets of the Company in so far as the law allows.

No Director past or present has any entitlement to pensions, and the Company has not awarded any share options or long-term performance incentives to any of the Directors.

Company Performance

The following graph illustrates the total shareholder return for a holding in the Company's shares as compared to the composite benchmark index weighted as to 60% MSCI EM Latin America 10/40 Index and 40% JP Morgan GBI-EM Global Diversified (Latin America Carve Out) (both in sterling terms) from launch (16 August 2010) to 31 August 2011. Given the Company's investment objective this is the most appropriate index against which to measure the Company's performance. Shareholders should note that the Company's portfolio is constructed without reference to any stockmarket index. It is likely, therefore, that there will be periods when the Company's performance will be quite unlike that of any index or benchmark and there can be no assurance that such divergence will be to the Company's advantage.



Directors' Emoluments

The Directors who served in the period received the following fees:

	2011 £
R Prosser (Chairman)	29,000
M Adams	20,000
J Arnold	24,000
G Baird	20.000
M Gilbert	Nil
Total	**93,000**

The amounts paid by the Company to the Directors were for services as non-executive Directors. As disclosed in the Prospectus dated 14 July 2010, Mr Gilbert has agreed to waive any entitlement to a fee in respect of his appointment as a non-executive Director of the Company.

By order of the Board

Aberdeen Private Wealth Management Limited
Secretary
3 November 2011

Independent Auditors' Report to the Members of Aberdeen Latin American Income Fund Limited

We have audited the financial statements of Aberdeen Latin American Income Fund Limited for the period ended 31 August 2011 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards or the relevant generally accepted accounting principles applied.

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 27, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report, to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 August 2011 and of its profit for the period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- proper accounting records have not been kept, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules we are required to review the part of the Corporate Governance Statement relating to the Company's compliance with the nine provisions of the June 2010 UK Corporate Governance Code specified for our review.

Andrew Dann, FCA
for and on behalf of Ernst & Young LLP
Jersey, Channel Islands
3 November 2011

The financial statements are published on websites maintained by the Company. The maintenance and integrity of these websites is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Consolidated Statement of Comprehensive Income

	Notes	For the period from incorporation[A] to 31 August 2011 Revenue £'000	Capital £'000	Total £'000
Income	3			
Income from investments		3,355	–	3,355
Interest income		23	–	23
Total revenue		3,378	–	3,378
Gains on investments held at fair value through profit or loss	9	–	1,653	1,653
Currency gains	14	–	93	93
		3,378	1,746	5,124
Expenses				
Investment management fee	4	(250)	(374)	(624)
Other operating expenses	5	(464)	(416)	(880)
Profit before finance costs and taxation		2,664	956	3,620
Finance costs	6	(75)	(112)	(187)
Profit before taxation		2,589	844	3,433
Taxation		(76)	–	(76)
Profit for the period attributable to equity shareholders		**2,513**	**844**	**3,357**
Earnings per Ordinary share (pence)	8			
Basic		**4.82**	**1.62**	**6.44**
Diluted[B]		**n/a**	**n/a**	**n/a**

[A] 30 June 2010.

[B] no dilutive impact.

The Group does not have any income or expense that is not included in profit for the period, and therefore the "Profit for the period" is also the "Total comprehensive income for the period", as defined in IAS 1 (revised).

All of the profit and total comprehensive income is attributable to the equity holders of the parent company. There are no minority interests.

The total column of this statement represents the Statement of Comprehensive Income of the Group, prepared in accordance with IFRS. The revenue and capital columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

All items in the above statement derive from continuing operations.

The accompanying notes are an integral part of these financial statements.

Consolidated Balance Sheet

	Notes	As at 31 August 2011 £'000
Non-current assets		
Investments held at fair value through profit or loss	9	57,586
Current assets		
Cash	10	403
Other receivables	11	602
Total current assets		1,005
Total assets		58,591
Current liabilities	12	
Bank loan		(4,913)
Forward foreign currency contracts		(108)
Other payables		(261)
Total current liabilities		(5,282)
Net assets		**53,309**
Equity capital and reserves		
Equity capital	13	51,515
Capital reserve	14	844
Revenue reserve		950
Equity shareholders' funds		**53,309**
Net asset value per Ordinary share (pence):	15	
Basic		**102.31**
Diluted[A]		**n/a**

[A] no dilutive impact.

The financial statements were approved by the Board of Directors and authorised for issue on 3 November 2011 and were signed on its behalf by:

Richard Prosser

Chairman

The accompanying notes are an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For the period from incorporation[A] to 31 August 2011

	Notes	Equity capital £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance on incorporation[A]		–	–	–	–
Profit for the period attributable to equity holders		–	844	2,513	3,357
Issue of equity capital		52,653	–	–	52,653
Issue expenses		(1,138)	–	–	(1,138)
Dividends paid	7	–	–	(1,563)	(1,563)
Balance at 31 August 2011		**51,515**	**844**	**950**	**53,309**

[A] 30 June 2010.

Consolidated Cash Flow Statement

	For the period from incorporation[A] to 31 August 2011 £'000
Dividend income received	1,000
Fixed interest income received	1,645
Deposit interest received	23
Investment management fee paid	(526)
Other cash expenses	(769)
Cash generated from operations	1,373
Interest paid	(181)
Overseas withholding tax paid	(76)
Net cash inflow from operating activities	1,116
Cash flows from investing activities	
Purchases of investments	(72,399)
Sales of investments	16,619
Net cash outflows from investing activities	(55,780)
Cash flows from financing activities	
Equity shares issued	52,653
Equity shares issue costs	(1,138)
Equity dividends paid	(1,563)
Loan drawn down	5,167
Net cash inflows from financing activities	55,119
Net increase in cash	455
Foreign exchange	(52)
Cash at start of period	–
Cash at end of period	**403**

[A] 30 June 2010.

The accompanying notes are an integral part of the financial statements.

1. Principal activity

The Company is a closed-end investment company incorporated in Jersey, with its shares having a premium listing on the London Stock Exchange.

The Group financial statements consolidate the financial statements of the Company and its subsidiary, Aberdeen Latin American Income Fund LLC. The principal activity of its foreign subsidiary is similar in all relevant respects to that of its Jersey parent.

2. Accounting policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB ("IFRIC").

(a) Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 31 August 2011. There are no differences between the accounting policies applied in the Group and the Company.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates which requires management to exercise its judgement in the process of applying the accounting policies. Actual results may differ from these estimates.

The consolidated financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

Where presentational guidance set out in the Statement of Recommended Practice ("SORP"): 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies ("AIC") in January 2009, is consistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

- IFRS 9 – Financial Instruments: Classification and Measurement (effective for annual periods beginning on or after 1 January 2013).
- Amendments to IFRS 1 – Severe Hyperinflation and Removal of Fixed Dates for First Time Adopters (effective for annual periods beginning on or after 1 July 2011).
- Amendments to IFRS 7 – Financial Instruments: Transfers of Financial Assets Disclosures (effective for annual periods beginning on or after 1 July 2011).
- IFRS 10 – Consolidated Financial Statements (early adoption permitted) (effective for annual periods beginning on or after 1 January 2013).
- IFRS 11 – Joint Arrangements (early adoption permitted) (effective for annual periods beginning on or after 1 January 2013).
- IFRS 12 – Disclosure of Interests in Other Entities (early adoption permitted) (effective for annual periods beginning on or after 1 January 2013).
- IFRS 13 – Fair Value Measurement (effective for annual periods beginning on or after 1 January 2013).
- Amendments to IAS 1 – Presentation of Items of Other Comprehensive Income (effective for annual periods beginning on or after 1 July 2012)
- Amendments to IAS 12 – Income Taxes – Deferred Tax Amendment (effective for annual periods beginning on or after 1 January 2012).
- Amendments to IAS 19 – Employee Benefits (effective for annual periods on or after 1 January 2013).
- Amendments to IAS 24 – Related Party Disclosures (effective for annual periods beginning on or after 1 January 2011).

- IAS 27 – Separate Financial Statements (early adoption permitted) (effective for annual periods beginning on or after 1 January 2013).
- IAS 28 – Investments in Associates and Joint Ventures (early adoption permitted) (effective 1 January 2013).
- Amendments to IFRIC 14 – Prepayments of a Minimum Funding Requirement (effective for annual periods beginning on or after 1 January 2011).

The Directors do not anticipate that the adoption of these Standards and Interpretations in future periods will materially impact the Group's financial results in the period of initial application although there will be revised presentations to the Primary Financial Statements and additional disclosures. The Company intends to adopt the Standards in the reporting period when they become effective.

(b) Group accounts

The Group financial statements consolidate the financial statements of the Company and its subsidiary, Aberdeen Latin American Income Fund LLC.

The Subsidiary is fully consolidated from the date of its inception on 30 June 2010, being the date on which the Group obtained control, and will continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities and is achieved through direct or indirect ownership of voting rights, currently exercisable or convertible potential voting rights, or by way of contractual agreement. The financial statements of the Subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies.

(c) Presentation of Consolidated Statement of Comprehensive Income

In order to better reflect the activities of an investment company and in accordance with guidance issued by the AIC, supplementary information which analyses the Consolidated Statement of Comprehensive Income between items of a revenue and capital nature has been presented.

(d) Segmental reporting

The Directors are of the opinion that the Group is engaged in a single segment of business, being investment business.

For management purposes, the Group is organised into one main operating segment, which invests in equity securities, debt instruments and related derivatives. All of the Group's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based on the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

The Group has a highly diversified portfolio of investments and no single investment accounts for more than 20% of the Group's income or assets.

(e) Income

Dividends receivable on equity shares are recognised in the Consolidated Statement of Comprehensive Income on the ex-dividend date. Dividends receivable on equity shares where no ex-dividend date is quoted are brought into account when the Group's right to receive payment is established. Where a Group company has elected to receive dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised as income in the Consolidated Statement of Comprehensive Income. Provision is made for any dividends not expected to be received.

The fixed returns on debt securities and non-equity shares are recognised using the effective interest rate method.

Interest receivable from cash and short-term deposits is accrued to the end of the financial period.

(f) Expenses and interest payable

All expenses, with the exception of interest expenses, which would be recognised using the effective interest method, are accounted for on an accruals basis. Expenses are charged to the revenue column of the Consolidated Statement of Comprehensive Income except as follows:

- issue expenses;
- expenses which are incidental to the acquisition or disposal of an investment are charged to the capital column of the Consolidated Statement of Comprehensive Income and separately identified and disclosed in note 9 (c);
- expenses are charged to the capital column of the Consolidated Statement of Comprehensive Income where a connection with the maintenance or enhancement of the value of the investments can be demonstrated; and
- the Group charges 60% of investment management fees and finance costs to capital, in accordance with the Board's expected long-term return in the form of capital gains and income respectively from the investment portfolio of the Group.

(g) Taxation

In some jurisdictions, investment income and capital gains are subject to withholding tax deducted at the source of the income. The Group presents the withholding tax separately from the gross investment income in the Consolidated Statement of Comprehensive Income. For the purpose of the Consolidated Cash Flow Statement, cash inflows from investments are presented net of withholding taxes, when applicable.

(h) Investments

All investments have been designated upon initial recognition at fair value through profit or loss. This is done because all investments are considered to form part of a group of financial assets which is evaluated on a fair value basis, in accordance with the Group's documented investment strategy, and information about the grouping is provided internally on that basis. Purchases of investments are recognised on a trade date basis and designated upon initial recognition as held at fair value through profit or loss. Sales of assets are also recognised on a trade date basis. Proceeds are measured at fair value, which is regarded as the proceeds of sale less any transaction costs.

The fair value of the financial instruments is based on their quoted bid price at the Balance Sheet date, without deduction for any estimated future selling costs. Any unquoted investments would be held at fair value, as measured by the Directors using appropriate valuation methodologies such as earnings multiples, recent transactions and net assets. In the case of the Company's investment in the Subsidiary, of which the Company is the sole member, this has been measured at fair value, which is deemed to be its net asset value.

Changes in the value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Consolidated Statement of Comprehensive Income as "Gains on investments at fair value through profit or loss". Also included within this caption are transaction costs in relation to the purchase or sale of investments, including the difference between the purchase price of an investment and its bid price at the date of purchase.

(i) Cash

Cash comprises cash in hand and at banks and short-term deposits.

(j) Other receivables and payables

Other receivables do not carry any interest and are short-term in nature, and are, accordingly, stated at their nominal value. Other payables are non-interest bearing and are stated at their nominal value.

(k) Dividends payable

Dividends are recognised in the financial statements in the period in which they are paid.

(l) Nature and purpose of reserves

Capital reserve

This reserve reflects any gains or losses on investments realised in the period along with any increases and decreases in the fair value of investments held that have been recognised in the Consolidated Statement of

Comprehensive Income.

Also, expenses, including finance costs are charged to this reserve in accordance with (f) above.

Revenue reserve

This reserve reflects all income and costs which are recognised in the revenue column of the Consolidated Statement of Comprehensive Income.

(m) Foreign currency

The financial statements are presented in Sterling which is the Company's functional currency. Sterling is the currency in which funds from financing activities are generated, the currency in which receipts from operating activities are usually retained and the currency in which distributions are made.

Overseas monetary assets and liabilities are converted into Sterling at the rate of exchange ruling at the Balance Sheet date. Transactions during the period involving foreign currencies are converted at the rate of exchange ruling at the transaction date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss and recognised in the Consolidated Statement of Comprehensive Income.

(n) Borrowings

Monies borrowed to finance the investment objectives of the Company are stated at the amount of the net proceeds immediately after the issue plus cumulative finance costs less cumulative payments made in respect of the debt. The finance cost of such borrowings are allocated to years over the term of the debt at a constant rate on the carrying amount and, as per the Prospectus, are charged 40% to revenue and 60% to capital reserves to reflect the Company's investment policy and prospective income and capital growth.

Borrowings are held at amortised cost using the effective interest rate method.

(o) Derivative financial instruments

The Company's activities expose it primarily to the financial risks of changes in market prices, foreign currency exchange rates and interest rates. Derivative transactions which the Company may enter into include forward foreign exchange contracts, the purpose of which is to manage the currency risk arising from the Company's investing activities.

Derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value. The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

Changes in fair value of derivative financial instruments are recognised in the Consolidated Statement of Comprehensive Income as they arise. If capital in nature, the change in fair value would be treated as a capital item in the Consolidated Statement of Comprehensive Income.

3. Income	For the period from incorporation to 31 August 2011 £'000
Income from investments	
Dividend income	1,158
Fixed interest income	2,197
	3,355
Other operating income	
Deposit interest	23
Total income	**3,378**

4. Investment management fee	For the period from incorporation to 31 August 2011 Revenue £'000	Capital £'000	Total £'000
Investment management fee	**250**	**374**	**624**

The Company has an agreement with Aberdeen Private Wealth Management Limited ("APWM") for the provision of management services. This agreement has been sub-delegated to Aberdeen Asset Managers Limited.

During the period, the management fee was payable monthly in arrears and was based on an annual amount of 1% of the net asset value of the Group, valued monthly. The agreement is terminable on one year's notice. The balance due to APWM at the year end was £98,000. Investment management fees are charged 40% to revenue and 60% to capital.

5. Other administrative expenses – revenue	For the period from incorporation to 31 August 2011 £'000
Directors' fees	93
Marketing contribution	39
Secretarial and administration fee	104
Auditor's remuneration	
– fees payable to the Group auditor for the audit of the Group's annual accounts	23
– fees payable to the Group auditor for the review of the Group's interim accounts	5
Legal and advisory fees	16
Custodian and overseas agents' charges	75
Broker's fees	30
Stock exchange fees	16
Other	63
	464

The Company has an agreement with Aberdeen Asset Management PLC ("AAM PLC") for the provision of marketing services in relation to the Company's participation in the Aberdeen Investment Trust Share Plan and ISA. The total fees paid and payable under the agreement during the period were £39,000, all of which was due to AAM PLC at the period end.

In addition, the Company has an agreement with Aberdeen Private Wealth Management Limited for the provision of company secretarial and administration services. This agreement has been sub-delegated to Aberdeen Asset Managers

Limited ("AAM Limited"). AAM Limited is entitled to an annual fee of £100,000, which increases annually in line with any increase in the UK Retail Price Index. A balance of £17,000 was due to AAM Limited at the period end.

Other administrative expenses – capital	For the period from incorporation to 31 August 2011 £'000
Brazilian IOF Tax – incurred relating to the purchase of investments in the Brazilian market	**416**

6. Finance costs	For the period from incorporation to 31 August 2011 Revenue £'000	Capital £'000	Total £'000
Bank loans and overdrafts	**75**	**112**	**187**

Finance costs are charged 40% to revenue and 60% to capital as disclosed in the accounting policies (note 2(f)).

7. Dividends on equity shares	For the period from incorporation to 31 August 2011 £'000
Amounts recognised as distributions to equity holders in the period:	
First interim dividend for 2011 – 1.0p per Ordinary share	521
Second interim dividend for 2011 – 1.0p per Ordinary share	521
Third interim dividend for 2011 – 1.0p per Ordinary share	521
	1,563

The fourth interim dividend for the period has not been included as a liability in these financial statements as it was announced and paid after 31 August 2011.

8. Return per Ordinary share

The basic earnings per Ordinary share is based on the net profit after taxation of £3,357,000 and on 52,106,185 Ordinary shares, being the weighted average number of Ordinary shares in issue during the period.

The calculation of the diluted returns per Ordinary share is carried out in accordance with IAS 33, "Earnings per Share". For the purposes of calculating diluted returns per Ordinary share, the number of Ordinary shares is the weighted average used in the basic calculation plus the number of Ordinary shares deemed to be issued for on exercise of all Subscription shares by reference to the average share price of the Ordinary shares during the period. There is no dilutive impact on the returns per Ordinary share for the period as the average share price for the period was less than the 120p price at which shares may be subscribed for.

The basic earnings per Ordinary share detailed above can be further analysed between revenue return and capital return as follows:

Basic	Period ended 31 August 2011 Revenue	Capital	Total
Net profit (£'000)	2,513	844	3,357
Weighted average number of Ordinary shares in issue			52,106,185
Return per Ordinary share (pence)	4.82	1.62	6.44

9. Investments held at fair value through profit or loss	Period ended 31 August 2011
(a) Group	**£'000**
Opening valuation	–
Purchases at cost (see section (c) below)	72,552
Sales – proceeds	(16,619)
Sales – realised net gains	505
Increase in fair value of investments	1,148
Closing valuation	**57,586**

	Period ended 31 August 2011 £'000
Closing book cost	56,438
Closing investment holdings fair value gains	1,148
Closing valuation	**57,586**

Gains on investments	**Period ended 31 August 2011 £'000**
Realised gains on sales of investments	505
Increase in fair value of investments	1,148
	1,653

(b) Subsidiary undertaking

The parent company, Aberdeen Latin American Income Fund Limited is the 100% shareholder of subsidiary, Aberdeen Latin American Income Fund LLC, a limited liability company incorporated in Delaware, United States of America.

(c) Transaction costs

During the period expenses incurred acquiring or disposing of Group investments were classified as fair value through profit or loss. These have been expensed through the capital column of the Consolidated Statement of Comprehensive Income, and are included within gains on investments at fair value through profit or loss in the Consolidated Statement of Comprehensive Income. The total costs were as follows:

	Period ended 31 August 2011 £'000
Purchases	22
Sales	8
	30

10. Cash	**2011 £'000**
Cash at bank	**403**

11. Other receivables	2011 £'000
Prepayments and accrued income	**602**

None of the above amounts are past their due date or impaired.

12. Current liabilities	2011 £'000
(a) Bank loan	**4,913**

The Company has a £10 million revolving multi currency facility with Scotiabank Europe plc. At the period end, US$8,000,000 has been drawn down under the facility, fixed to 17 November 2011 at an all-in rate of 1.3935%.

The loan outstanding at 31 August 2011 is valued at the closing rate of exchange at the period end, resulting in a foreign exchange gain of £254,000 against the original book cost of the loan.

(b) Other payables	£'000
Amounts due to brokers	27
Other amounts due	234
	261

13. Equity capital	2011 Number	£'000
Authorised		
Ordinary shares	Unlimited	Unlimited
Subscription shares	Unlimited	Unlimited
Issued and fully paid		
Ordinary shares issued in the period	52,106,185	52,106
Subscription shares issued in the period	10,421,236	547
Issue expenses	–	(1,138)
Balance carried forward	**62,527,421**	**51,515**

Following the issue of a Placing and Offer for Subscription document, 52,106,185 Ordinary shares were allotted and issued to investors at a price of 100p per Ordinary share. In addition 5,210,618 Subscription shares were issued on the basis of 1 Subscription share for every 10 Ordinary shares. Under the terms of the Aberdeen Subscription Share Agreement, the Manager was allotted and issued a further 5,210,618 Subscription shares, which were fully paid at a price of £0.105 per Subscription share. Expenses associated with the issue amounted to £1,138,000 and these costs have been deducted from the proceeds of the issue. Trading commenced in both lines of stock on 16 August 2010.

The Ordinary shares give shareholders the entitlement to all of the capital growth in the Group's assets and to all the income from the Company that is resolved to be distributed.

Each Subscription share confers the right to convert such share into one Ordinary share on 31 December in any of the years 2013 to 2015 (inclusive) at a price of 120p per share.

14. **Capital reserves**	**2011 £'000**
On incorporation	–
Currency gains	93
Movement in investment holdings fair value gains	1,148
Gain on sales of investments	505
Capitalised expenses	(902)
At 31 August 2011	**844**

The capital reserve includes gains of £1,148,000 which relate to the revaluation of investments held at the reporting date.

15. Net asset value per Ordinary share

The basic net asset value per Ordinary share is based on a net asset value of £53,309,000 and on 52,106,185 Ordinary shares, being the number of Ordinary shares in issue at the period end.

The diluted net asset value per Ordinary share is calculated by reference to the total number of Ordinary shares in issue at the period end and on the assumption that the Subscriptions shares which are not subscribed at the period end were subscribed on the first day of the financial period at 120p per share. There is no dilutive impact on the net asset value as the basic net asset value is less than the price at which shares may be subscribed for.

16. Financial instruments

The Group's financial instruments comprise securities and other investments, cash balances and receivables and payables that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement and receivables for accrued income, short-term receivables and payables.

The Manager has a rigorous investment management process, which ensures that the investment policy explained on page 2 is followed. Stock selection procedures are in place based on the active portfolio management and identification of stocks. The portfolio is reviewed on a periodic basis by a senior investment manager and also by the Manager's Investment Committee.

The Manager has an independent Investment Risk department for reviewing the investment risk parameters of the Group's portfolio on a regular basis. The department reports to the Manager's Performance Review Committee which is chaired by the Manager's Chief Investment Officer. The department's responsibility is to review and monitor predicted portfolio risk and style characteristics using best practice, industry standard multi-factor models.

Additionally, the Manager's Compliance department continually monitors the Group's investment and borrowing powers and reports to the Manager's Risk Management Committee.

The main risks arising from the Group's financial instruments are: (i) market risk; (ii) liquidity risk; and (iii) credit risk.

The Board regularly reviews and agrees policies for managing each of these risks, and these are summarised below. These policies have remained unchanged since the inception of the Group.

The Board considers that the carrying amount of all disclosed receivables approximates to their fair values.

(i) Market risk

The fair value or future cash flows of a financial instrument held by the Group may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, foreign currency risk and other price risk.

Interest rate risk

Interest rate movements may affect:

– the fair value of the investments in fixed interest rate securities;

– the level of income receivable on cash deposits;

– interest payable on the Group's variable rate borrowings.

Financial assets

Although the majority of the Group's financial assets comprise equity shares which neither pay interest nor have a stated maturity date, at the period end the Group also held a number of fixed rate Government Bonds. Bond prices are determined by market perception as to the appropriate level of yields given the economic background. Key determinants include economic growth prospects, inflation, the Government's fiscal position, short-term interest rates and international market comparisons. The Investment Manager takes all these factors into account when making any investment decisions as well as considering the financial standing of the potential investee entity.

Returns from bonds are fixed at the time of purchase, as the fixed coupon payments are known, as are the final redemption proceeds. This means that if a bond is held until its redemption date, the total return achieved is unaltered from its purchase date. However, over the life of a bond the market price at any given time will depend on the market environment at that time. Therefore, a bond sold before its redemption date is likely to have a different price to its purchase level and a profit or loss may be incurred.

Financial liabilities

The Group primarily finances its operations through use of equity, retained profits and bank borrowings. The Group has a revolving multi currency facility, details of which are disclosed in note 12. At the period end US$8,000,000 (equivalent to £4,913,000) had been drawn down at an all-in rate of 1.3935% per annum. Interest is due at the maturity date, being 17 November 2011. The loan is included in creditors falling due within one year.

The Board actively monitors its bank borrowings. A decision on whether to roll over its existing borrowings will be made prior to their maturity dates, taking into account the Group's policy of not having any fixed, long-term borrowings.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

The interest rate risk profile of the Group, excluding short-term receivables and payables, as at 31 August 2011 was as follows:

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000	Non–interest bearing £'000
Assets					
Brazilian Government Bonds	3.81	10.45	12,349	–	–
Mexican Government Bonds	10.24	6.92	7,810	–	–
Peruvian Government Bonds	16.04	6.86	2,022	–	–
Uruguayan Government Bonds	7.04	3.16	1,230	–	–
Argentinian Government Bonds	6.44	0.96	381	–	–
Equities	–	–	–	–	33,794
Cash at bank – Sterling	–	–	–	422	–
Cash at bank – Argentinian Peso	–	–	–	32	–
Cash at bank – Mexican Peso	–	–	–	56	–
Cash at bank – Brazilian Real	–	–	–	17	–
Cash at bank – US Dollars	–	–	–	20	–
	–	**–**	**23,792**	**547**	**33,794**
Liabilities					
Bank overdraft – Columbian Peso	–	–	–	(144)	–
Short-term bank loan	0.21	1.39	(4,913)	–	–
	–	**–**	**(4,913)**	**(144)**	**–**

The weighted average interest rate is based on the current yield of each asset, weighted by its market value. The weighted average interest rate on the bank loan is based on the interest rate payable.

The floating rate assets consist of cash deposits on call earning interest at prevailing market rates, and are classified as having maturity dates of less than one year.

The non-interest bearing assets represent the equity element of the portfolio.

Maturity profile

The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to the interest rate risk at the Balance Sheet date:

	Within 1 year £'000	Within 1-2 years £'000	Within 3-5 years £'000	More than 5 years £'000	Total £'000
Fixed rate					
Bonds	–	6,268	–	17,524	23,792
Bank loan	(4,913)	–	–	–	(4,913)
	(4,913)	**6,268**	**–**	**17,524**	**18,879**
Floating rate					
Cash	**403**	**–**	**–**	**–**	**403**

Interest rate sensitivity

The sensitivity analysis demonstrates the sensitivity of the Group's results for the period to a reasonably possible change in interest rates, with all other variables held constant.

The sensitivity of the profit/(loss) for the period is the effect of the assumed change in interest rates on:

– the net interest income for the period, based on the floating rate financial assets held at the Balance Sheet date; and

– changes in fair value of investments for the period, based on revaluing fixed rate financial assets at the Balance Sheet date.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's:

– profit for the period ended 31 August 2011 would increase / decrease by £192,000. This is attributable to the Group's exposure to interest rates on its floating rate cash balances, fixed interest securities and bank loan.

– the Group holds no financial instruments that will have an equity reserve impact.

In the opinion of the Directors, the above sensitivity analyses are not representative of the period as a whole, since the level of exposure changes frequently as part of the interest rate risk management process used to meet the Group's objectives.

Foreign currency risk

The Group's total return and net assets can be significantly affected by currency translation movements as the majority of the Group's assets and income are denominated in currencies other than Sterling, which is the Group's functional currency. Forward foreign currency contracts are used to mitigate the foreign currency risk of the Group's investing activities.

Foreign currency exposure by currency of denomination:

	31 August 2011		
	Investments £'000	Net monetary assets £'000	Total currency exposure £'000
Argentinian Peso	381	32	413
Brazilian Real	34,604	17	34,621
Chilean Peso	1,669	–	1,669
Columbian Peso	245	(144)	101
Mexican Peso	16,334	56	16,390
Peruvian Nuevo Sol	2,022	–	2,022
Sterling	–	422	422
Uruguayan Peso	1,230	–	1,230
US Dollar	1,101	(4,893)	(3,792)
	57,586	**(4,510)**	**53,076**

Foreign currency sensitivity

The following table details the Group's sensitivity to a 10% increase and decrease in Sterling against the foreign currencies in which the Group has exposure. The sensitivity analysis includes foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

	2011 £'000
Argentinian Peso	41
Brazilian Real	3,462
Chilean Peso	167
Columbian Peso	10
Mexican Peso	1,639
Peruvian Nuevo Sol	202
Uruguayan Peso	123
US Dollar	(379)
	5,265

Other price risk

Other price risks (ie. changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments.

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular country or sector. Both the allocation of assets and the stock selection process, as detailed on page 2, act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Group are all listed on various stock exchanges throughout Latin America.

Other price risk sensitivity

If market prices at the Balance Sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders for the period ended 31 August 2011 would have increased /(decreased) by £3,379,000 and equity reserves would have increased /(decreased) by the same amount.

(ii) Liquidity risk

This is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk is not considered to be significant, as the Group's assets mainly comprise readily realisable securities which can be sold to meet funding requirements, if necessary. The bank loan and all other payables had a maturity date of 3 months or less at 31 August 2011.

(iii) Credit risk

This is failure of the counterparty to a transaction to discharge its obligations under that transaction, which could result in the Group suffering a loss.

The risk is not considered to be significant, and is managed as follows:

– investment transactions are carried out with a large number of brokers, whose credit standing is reviewed periodically by the Manager, and limits are set on the amount that may be due from any one broker;

– the risk of counterparty exposure due to failed trades causing a loss to the Group is mitigated by the review of failed trade reports on a monthly basis. In addition, the third-party administrator carries out a stock reconciliation to the custodians' records on a monthly basis to ensure discrepancies are picked up on a timely basis. The Manager's Compliance department carries out periodic reviews of the custodian's operations and reports its findings to the Manager's Risk Management Committee. This review will also include checks on the maintenance and security of investments held; and

– cash is held only with reputable banks whose credit ratings are monitored on a regular basis.

Credit risk exposure

In summary, compared to the amounts included in the Balance Sheet, the maximum exposure to credit risk at 31 August 2011 was as follows:

	2011 Balance Sheet £'000	Maximum exposure £'000
Non-current assets		
Investments at fair value through profit or loss	57,586	23,792
Current assets		
Cash at bank	403	403
	57,989	**24,195**

None of the Group's financial assets are secured by collateral or other credit enhancements.

(iv) Gearing risk

The Group's policy is to increase its exposure to equity markets through the judicious use of borrowings. When borrowings are invested in such markets, the effect is to magnify the impact on shareholders' funds of changes, both positive and negative, in the value of the portfolio.

During the period the Group's borrowings were short-term loans, details of which can be found in note 12.

Fair values of financial assets and financial liabilities

Investments held at fair value through profit or loss are valued at their quoted bid prices which equate to their fair values. The Directors are of the opinion that the other financial assets and liabilities are stated at fair value in the Consolidated Balance Sheet.

17. Capital management policies and procedures

The Group's capital management objectives are:

– to ensure that the Group will be able to continue as a going concern; and

– to maximise the income and capital return to its equity shareholders through an appropriate balance of equity capital and debt. The policy is that debt should not exceed 25% of net assets.

	2011 £'000
Debt	**4,913**
Equity	
Equity capital	51,515
Retained earnings and other reserves	1,794
Net assets	**53,309**
Debt as a % of net assets	**9.2%**

The Board, with the assistance of the Manager monitors and reviews the broad structure of the Group's capital on an ongoing basis. This review includes:

– the planned level of gearing, which takes account of the Manager's views on the market;

– the need to buy back equity shares for cancellation, which takes account of the difference between the net asset value per share and the share price (ie the level of share price discount or premium);

– the need for new issues of equity shares; and

– the extent to which revenue in excess of that which is required to be distributed should be retained.

18. Related party transactions

Mr M J Gilbert is a director of Aberdeen Asset Management PLC, of which Aberdeen Private Wealth Management Limited ("APWM") is a subsidiary. Management, marketing and secretarial and administration services are provided by APWM. Mr Gilbert does not draw a fee for providing his services as a Director of the Company.

The management fee is payable monthly in arrears based on an annual amount of 1% of the net asset value of the Company valued monthly. During the period £624,000 of management fees were payable, of which £98,000 was due at the period end.

The marketing fee is based on an annual amount of £39,000 and is reviewed annually. During the period £39,000 of fees was payable and due at the period end.

The company secretarial and administration fee is based on an annual amount of £100,000, increased annually in line with any increases in the UK RPI, payable quarterly in arrears. During the period £104,000 of fees were payable, of which £17,000 was due at the period end.

19. Fair value hierarchy

IFRS 7 'Financial Instruments: Disclosures' requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (ie as prices) or indirectly (ie derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The financial assets and liabilities measured at fair value in the Balance Sheet grouped into the fair value hierarchy at the Balance Sheet date are as follows:

	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 31 August 2011					
Financial assets/(liabilities) at fair value through profit or loss					
Quoted equities	a)	33,794	–	–	33,794
Quoted bonds	b)	23,792	–	–	23,792
Forward foreign currency contracts	c)	(108)	–	–	(108)
Net fair value		**57,478**	**–**	**–**	**57,478**

a) Quoted equities

The fair value of the Group's investments in quoted equities have been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges.

b) Quoted bonds

The fair value of the Group's investments in government quoted bonds has been determined by reference to their quoted bid prices at the reporting date.

c) Forward foreign currency contracts

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

Marketing Strategy

Aberdeen Latin American Income Fund Limited contributes to the marketing programme run by the Aberdeen Group ("AAM") on behalf of a number of investment trusts under its management. Under this agreement the Company's contribution is matched by AAM. This contribution, which is reviewed annually, amounted to £39,000 for the period ended 31 August 2011.

The purpose of the programme is to communicate effectively with existing shareholders and gain more new shareholders, thus improving liquidity and thereby enhancing the value and rating of the Company's shares.

These aims can be met in several ways:

Investor Relations Programme

AAM runs an investor relations programme to existing and prospective institutional investors in investment trusts. Each month institutional investors and prospects receive a Manager's report on your Company that includes detailed performance analysis.

Group Schemes

AAM runs a group Share Plan and ISA. These schemes allow investment free of dealing costs and, with only nominal exit charges, have proved popular with private investors.

Newsletter

The 'Bulletin' newsletter, an informed commentary on markets and investment trusts managed by AAM is distributed free of charge.

Public Relations

AAM undertakes to brief journalists, write regularly through placed articles and ensure Company results and any corporate activity are brought to public attention.

Shareholder Services

AAM runs an investment help desk for retail enquirers and investors. Enquirers or investors will be sent any relevant literature on request and have queries answered immediately.

The Marketing Programme is under the direction of AAM's Group Head of Marketing, who has considerable experience in the marketing and communications of investment products. He is supported by a team of marketing professionals.

Internet

Aberdeen Latin American Income Fund Limited has its own dedicated website: www.latamincome.co.uk. This allows web users to access information on the Company's share price performance, capital structure, stock exchange announcements and monthly reports. The site is continuously being evaluated for improvement.

It is intended that ongoing programme activities in these various fields, both proactive and supportive, will assist the Company to increase and maintain its shareholder base, improve liquidity and sustain ratings.

The Company is committed to a close monitoring of the Marketing Programme. Aberdeen's Group Head of Marketing reports to the Board and provides a written summary quarterly.

If you have any questions about your Company, the Manager or performance, please telephone the AAM Customer Services Department (direct private investors) on 0500 00 00 40. Alternatively, internet users may email AAM at inv.trusts@aberdeen-asset.com or write to AAM at Aberdeen Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB.

How to Invest in Aberdeen Latin American Income Fund Limited

Direct

Investors can buy and sell shares in Aberdeen Latin American Income Fund Limited directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively shares can be bought directly through Aberdeen's Investment Plan for Children, Investment Trust Share Plan and Investment Trust ISA.

Aberdeen's Investment Plan for Children

Aberdeen Asset Managers Limited ("AAM") runs an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management including Aberdeen Latin American Income Fund Limited. Anyone can invest in the Children's Plan, including parents, grandparents and family friends. All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts.

Aberdeen Investment Trust Share Plan

AAM runs a Share Plan (the "Plan") through which shares in Aberdeen Latin American Income Fund Limited can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing AAM in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Stocks and Shares ISA

An investment of up to £10,680 can be made in the Company in the tax year 2011/2012.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases. Selling costs are £15 + VAT.

The annual ISA administration charge is £24 + VAT, calculated six monthly and deducted from income. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

You can choose to transfer previous tax year investments which can be invested in Aberdeen Latin American Income Fund Limited while retaining your ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per investment trust of £250.

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs may be changed by future legislation.

Trust Information

If investors would like details of Aberdeen Latin American Income Fund Limited or information on the Children's Plan, Share Plan, ISA or ISA Transfers please telephone 0500 00 00 40, e-mail to inv.trusts@aberdeen-asset.com or write to:

Aberdeen Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Details are also available on www.invtrusts.co.uk

Keeping You Informed

The Company's share price appears under the heading 'Investment Companies' in the Financial Times.

For internet users, detailed data on Aberdeen Latin American Income Fund Limited including price, performance information and a monthly fact sheet is available from the Trust's website (www.latamincome.co.uk) and the TrustNet website (www.trustnet.co.uk). Alternatively you can call 0500 00 00 40 for trust information.

How to Invest in Aberdeen Latin American Income Fund Limited continued

For further information concerning any direct certificated shareholding, please contact the Company's registrars:

Computershare Investor Services
(Jersey) Limited
Queensway House
Hilgrove Street
St Helier
Jersey JE1 1ES

Tel: +44 (0) 870 707 4040
Fax : +44 (0) 870 873 5851
(calls to 0870 numbers are charged at local geographic rates, of around 3p a minute. Issuers are charged 5.1p per minute. Lines are open 8.30am-5.30pm Mon-Fri)
Tel International: (+44 208 639 3399)

Literature Request Service

For literature and application forms for the Manager's investment trust products, please contact:

Telephone: 0500 00 40 00
Email: aam@lit-request.com

For information on the Investment Plan for Children, Share Plan, ISA or ISA Transfer please contact:

Aberdeen Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

The information on pages 49, 50 and 51 has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Services Authority.

Glossary of Terms and Definitions

Actual Gearing
Total Assets (as below) less all cash divided by shareholders' funds.

Asset Cover
The value of a company's net assets available to repay a certain security. Asset cover is usually expressed as a multiple and calculated by dividing the net assets available by the amount required to repay the specific security.

Discount
The amount by which the market price per share of an investment trust is lower than the net asset value per share. The discount is normally expressed as a percentage of the net asset value per share.

Dividend Cover
Earnings per share divided by dividends per share expressed as a ratio.

Dividend Yield
The annual dividend expressed as a percentage of the share price.

Net Asset Value
The value of total assets less liabilities. Liabilities for this purpose includes current and long-term liabilities. The net asset value divided by the number of shares in issue produces the net asset value per share.

Ordinary Shares
The Company's Ordinary shares give shareholders the entitlement to all of the capital growth in the Company's assets and to all the income from the Company that is resolved to be distributed. The Ordinary shares are in registered form and traded on the London Stock Exchange's Main Market.

Subject to the Articles of Association, which include the provisions of Chapter 5 of the Disclosure and Transparency Rules relating to the requirement of persons to disclose their interests in shares, on a show of hands every registered holder of shares (a shareholder) who is present in person (or, being a corporation, by representative) shall have one vote. On a poll every shareholder present in person (or, being a corporation, by representative) or by proxy shall be entitled to one vote in respect of each share held by him. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the shares.

Potential Gearing
Total Assets including all debt being used for investment purposes divided by shareholders' funds.

Premium
The amount by which the market price per share of an investment trust exceeds the net asset value per share. The premium is normally expressed as a percentage of the net asset value per share.

Price/Earnings Ratio
The ratio is calculated by dividing the middle-market price per share by the earnings per share. The calculation assumes no change in earnings but in practice the multiple reflects the stock market's view of a company's prospects and profit growth potential.

Prior Charges
The name given to all borrowings including debentures, loan and short term loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital and the income shares of split capital trusts, irrespective of the time until repayment.

Subscription shares
Each of the Company's Subscription shares confers the right to subscribe in cash for one Ordinary share at a price of 120p on 31 December in each of the years 2013 to 2015 inclusive. The Subscription shares are in registered form and traded on the London Stock Exchange's Main Market.

Total Assets
Total Assets less current liabilities (before deducting prior charges as defined above).

Total Expense Ratio
Ratio of expenses as percentage of average shareholders' funds calculated as per the industry standard Lipper Fitzrovia method.

Total Return
Total Return involves reinvesting the net dividend in the month that the share price goes xd. The NAV Total Return involves investing the same net dividend in the NAV of the trust on the date to which that dividend was earned, eg quarter end, half year or year end date.

Notice of Annual General Meeting

Notice is hereby given that the first Annual General Meeting of Aberdeen Latin American Income Fund Limited will be held at No.1 Seaton Place, St Helier, Jersey JE4 8YJ, at 10.00 a.m. on 12 December 2011 for the following purposes:

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the Directors' report and financial statements for the period ended 31 August 2011, together with the auditors' report thereon.
2. To receive and adopt the Directors' Remuneration Report.
3. To elect Mr R Prosser as a Director.
4. To elect Mr M Adams as a Director.
5. To elect Mr J Arnold as a Director.
6. To elect Mr G Baird as a Director.
7. To elect Mr M Gilbert as a Director.
8. To re-appoint Ernst & Young LLP as independent auditors and to authorise the Directors to agree their remuneration.

Special Business

As special business, to consider the following resolutions, of which resolutions 9, 11 and 12 will be proposed as special resolutions and resolution 10 as an ordinary resolution:

9. THAT, the Company be and is hereby generally and unconditionally authorised in accordance with the Articles of Association to make market purchases on a stock exchange of, and to cancel or hold in treasury, Ordinary shares of no par value in the capital of the Company ("Ordinary shares"), provided that:
   a) the maximum number of Ordinary shares hereby authorised to be purchased is 14.99 per cent. of the issued share capital of the Company as at the date of the passing of this Resolution;
   b) the maximum price which may be paid for an Ordinary share shall not be more than the higher of (i) an amount equal to 105 per cent. of the average of the middle market quotations for an Ordinary share taken from the Official List for the 5 business days immediately preceding the day on which the Ordinary share is purchased; and (ii) the higher of the last independent trade and the current highest independent bid on the trading venue where the purchase is carried out;
   c) the minimum price which may be paid for an Ordinary share is 1 pence; and
   d) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2012 or, if earlier, on the expiry of 18 months from the passing of this resolution, unless such authority is renewed prior to such time.
10. THAT, the Company be and is hereby generally and unconditionally authorised to hold Ordinary shares, redeemed or purchased, as treasury shares as permitted pursuant to and in accordance with Article 58A and 58B of the Companies (Jersey) Law 1991 as amended or to be cancelled.
11. THAT, the Company be and is hereby generally and unconditionally authorised in accordance with the Articles of Association to make market purchases of and to cancel Subscription shares to subscribe for Ordinary shares of no par value in the capital of the Company ("Subscription shares"), provided that:
    a) the maximum number of Subscription shares hereby authorised to be purchased is 14.99 per cent. of the Subscription shares in issue as at the date of the passing of this resolution;
    b) the maximum price which may be paid for a Subscription share shall not be more than the higher of (i) an amount equal to 105 per cent. of the average of the middle market quotations for a Subscription share taken from the Official List for the 5 business days immediately preceding the day on which the Subscription share is purchased; and (ii) the higher of the last independent trade and the current highest independent bid on the trading venue where the purchase is carried out;
    c) the minimum price which may be paid for a Subscription share is 1 pence; and
    d) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2012 or, if earlier, on the expiry of 18 months from the passing of this resolution, unless such authority is renewed prior to such time.

12. THAT, for the purposes of Article 7.2 of the Company's Articles of Association the Company may issue equity securities (as defined in that Article) up to a maximum amount of 5,210,618 shares representing 10% of the total number of shares in issue as at the date of this resolution, provided that such disapplication shall expire (unless and to the extent previously revoked, varied or renewed by the Company in general meeting (by Special Resolution) at the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2012 or eighteen months from the date of this resolution but so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be issued after such expiry and the Directors of the Company may issue equity securities in pursuance of any such offer or agreement as if such expiry had not occurred.

No.1 Seaton Place
St Helier, Jersey
JE4 8YJ
11 November 2011

By order of the Board
Aberdeen Private Wealth Management Limited
Secretaries

Notes:

a) A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him. A proxy need not be a member of the Company. A form of proxy is enclosed.
b) Instruments of proxy and the power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority should be sent to The Registrars, Aberdeen Latin American Income Fund Limited, Computershare Investor Services (Jersey) Limited, The Pavillions, Bridgewater Road, Bristol BS13 8AE so as to arrive not less than forty eight hours before the time fixed for the meeting.
c) In accordance with Article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999, to have the right to attend and vote at the meeting referred to above a member must first have his or her name entered in the Company's register of members by not later than forty eight hours before the time fixed for the meeting (or, in the event that the meeting be adjourned, on the register of members forty eight hours before the time of the adjourned meeting). Changes to entries on that register after that time (or, in the event that the meeting is adjourned, on the register of members less than forty eight hours before the time of any adjourned meeting) shall be disregarded in determining the rights of any member to attend and vote at the meeting referred to above.
d) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders entered on the register of members of the Company as at 6.00 pm on 8 December 2011 or, in the event that the meeting is adjourned, on the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to the entries on the register of members after 6.00 pm on 8 December 2011 or, in the event that the meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting, notwithstanding any provisions in any enactment, the Articles of Association of the Company or other instrument to the contrary.
e) No Director has a service contract with the Company.
f) The Register of Directors' interests is kept by the Company and available for inspection.
g) As at 31 October 2011 (being the last business day prior to the publication of this notice) the Company's issued share capital comprised 52,106,185 Ordinary shares of no par value. Each Ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 31 October 2011 was 52,106,185.
h) There are special arrangements for holders of shares through the Aberdeen Share Plan and Investment Trust ISA. These are explained in the 'Letter of Direction' which such holders will have received with this report.

Corporate Information

Directors
Richard Prosser, Chairman
Jeremy Arnold, Audit Committee Chairman
Martin Adams
George Baird
Martin Gilbert

Manager, Secretary & Registered Office
Aberdeen Private Wealth Management Limited
No.1 Seaton Place
St Helier
Jersey JE4 8YJ

Registration Number: 106012

Investment Manager
Aberdeen Asset Managers Limited
Bow Bells House
1 Bread Street
London EC4M 9HH

Registrars and Transfer Agents
Computershare Investor Services
(Jersey) Limited
Queensway House
Hilgrove Street
St Helier
Jersey JE1 1ES

Tel: +44 (0) 870 707 4040
Fax: +44 (0) 870 873 5851
(calls to 0870 numbers are charged at local geographic rates, of around 3p a minute. Issuers are charged at 5.1p per minute. Lines are open 8.30am-5.30pm Mon-Fri)
Tel International: (+44 208 639 3399)

Lending Bank
Scotiabank Europe plc
Scotia House
201 Bishopsgate, 6th Floor
London EC2M 3NS

Solicitors
Shepherd and Wedderburn LLP
1 Exchange Crescent
Conference Square
Edinburgh EH3 8UL

Jersey Lawyers
Appleby
PO Box 207
13-14 Esplanade
St Helier
Jersey JE1 1BD

Stockbrokers
Canaccord Genuity Limited
7th Floor, Cardinal Place
80 Victoria Street
London SW1E 5JL

Independent Auditors
Ernst & Young LLP
Liberation House
Castle Street
St Helier
Jersey JE1 1EY

Website
www.latamincome.co.uk

Your Company's History

Issued Equity Capital at 31 August 2011

52,106,185	Ordinary shares of no par value
10,421,236	Subscription shares to subscribe for Ordinary shares. The Subscription shares carry the right to convert all or any such Subscription shares into fully paid ordinary shares on the basis of one Ordinary share for every one Subscription share on 31 December in each of the years 2013 to 2015 (both inclusive) at a price of 120p per Ordinary share.

Capital History

16 August 2010	52,106,185 Ordinary shares placed at 100p per share, 5,210,618 Subscription shares issued at 10.5p per Subscription share (to AAM) and 5,210,618 Subscription shares issued free to share issue applicants on the basis of one Subscription share for every 10 Ordinary shares applied for.

Aberdeen