

Annual Report
December 31, 2009



American Century
Investments®

American Century Variable Portfolios

VP Income & Growth Fund

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VP Income & Growth

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Market Perspective



By Enrique Chang, Chief Investment Officer, American Century Investments

Signs of Economic Recovery Boosted Stocks

After a precipitous decline in 2008, the U.S. stock market posted a robust return in 2009, enjoying its best calendar-year performance since 2003. The market's dramatic rebound resulted from renewed confidence in a potential economic recovery.

The year began on a down note, with stocks falling in January and February amid the continuation of a severe economic downturn and a liquidity crisis in the credit markets that led to significant losses for many financial companies. In response, the federal government took unprecedented actions to shore up the financial industry, restore liquidity in the credit markets, boost the housing sector, and revive the stalled economy.

These efforts began to bear fruit in the spring as signs of economic stabilization emerged. Although the unemployment rate continued to climb, peaking at a 26-year high of 10.1% in October, many other segments of the economy showed evidence of improvement. As a result, the U.S. economy generated positive growth in the third quarter—its first positive quarterly growth rate in more than a year. In addition, cost-management efforts at many companies helped generate better-than-expected earnings in the second and third quarters.

The improving economic data and corporate profit growth erased the market's pessimistic sentiment, leading to a significant stock market reversal. After falling to a multi-year low on March 9, the market began a steady rally that persisted through the end of the year. Overall, the broad stock indices returned more than 25% in 2009. As the table below indicates, mid-cap stocks posted the best results, while growth-oriented shares outpaced value by a substantial margin across all market capitalizations.

Challenges Still to Be Overcome

Despite the progress made over the past year, the economic environment remains uncertain and fragile. It is unclear whether the economy will remain on the path to recovery once the government begins to unwind its massive fiscal and monetary stimulus programs. In addition, several longer-term challenges need to be addressed, including a growing national debt, a weaker U.S. dollar, and the potential for significantly higher inflation when a recovery eventually takes hold.

U.S. Stock Index Returns

For the 12 months ended December 31, 2009

| | | | |
|---------------------------------------|---------------|---------------------------------------|---------------|
| Russell 1000 Index (Large-Cap) | 28.43% | Russell 2000 Index (Small-Cap) | 27.17% |
| Russell 1000 Growth Index | 37.21% | Russell 2000 Growth Index | 34.47% |
| Russell 1000 Value Index | 19.69% | Russell 2000 Value Index | 20.58% |
| Russell Midcap Index | 40.48% | | |
| Russell Midcap Growth Index | 46.29% | | |
| Russell Midcap Value Index | 34.21% | | |

Performance

VP Income & Growth

Total Returns as of December 31, 2009

| | Ticker Symbol | Average Annual Returns | | | Since Inception | Inception Date |
|--|---------------|------------------------|---------|----------|-----------------|----------------|
| | | 1 year | 5 years | 10 years | | |
| Class I | AVGIX | 18.10% | -1.11% | -0.90% | 3.24% | 10/30/97 |
| S&P 500 Index⁽¹⁾ | — | 26.46% | 0.42% | -0.95% | 3.52% | — |
| Class II | AYPGX | 17.77% | -1.35% | — | 1.55% | 5/1/02 |
| Class III | AIGTX | 18.10% | -1.11% | — | 3.20% | 6/26/02 |

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The performance information presented does not include charges and deductions imposed by the insurance company separate account under the variable annuity or variable life insurance contracts. The inclusion of such charges could significantly lower performance. Please refer to the insurance company separate account prospectus for a discussion of the charges related to insurance contracts.

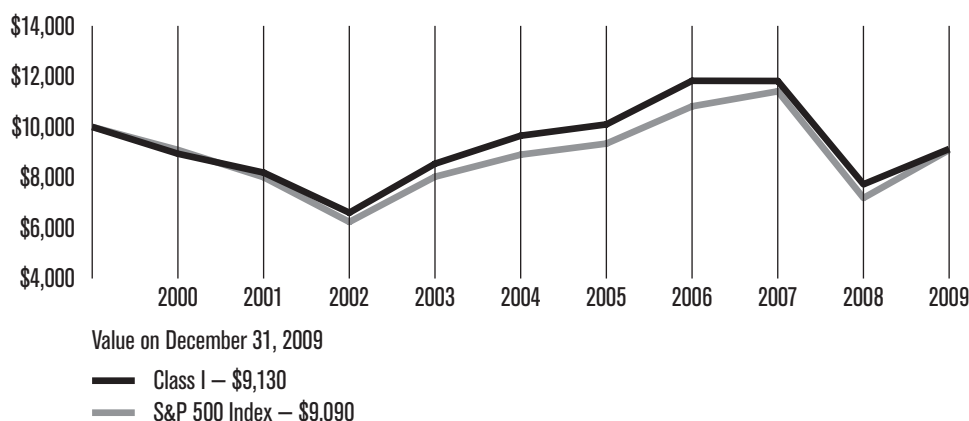
Data presented reflect past performance. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate, and redemption value may be more or less than original cost. To obtain performance data current to the most recent month end, please call 1-800-345-6488.

Unless otherwise indicated, performance reflects Class I shares; performance for other share classes will vary due to differences in fee structure. For information about other share classes available, please consult the prospectus. Data assumes reinvestment of dividends and capital gains, and none of the charts reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. Returns for the index are provided for comparison. The fund's total returns include operating expenses (such as transaction costs and management fees) that reduce returns, while the total returns of the index do not.

VP Income & Growth

Growth of \$10,000 Over 10 Years

\$10,000 investment made December 31, 1999



One-Year Returns Over 10 Years

Periods ended December 31

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---------------|---------|---------|---------|--------|--------|-------|--------|--------|---------|--------|
| Class I | -10.62% | -8.35% | -19.37% | 29.35% | 12.99% | 4.63% | 17.09% | -0.07% | -34.59% | 18.10% |
| S&P 500 Index | -9.10% | -11.89% | -22.10% | 28.68% | 10.88% | 4.91% | 15.79% | 5.49% | -37.00% | 26.46% |

Total Annual Fund Operating Expenses

| Class I | Class II | Class III |
|---------|----------|-----------|
| 0.70% | 0.95% | 0.70% |

The total annual fund operating expenses shown is as stated in the fund's prospectus current as of the date of this report. The prospectus may vary from the expense ratio shown elsewhere in this report because it is based on a different time period, includes acquired fund fees and expenses, and, if applicable, does not include fee waivers or expense reimbursements.

Data presented reflect past performance. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate, and redemption value may be more or less than original cost. To obtain performance data current to the most recent month end, please call 1-800-345-6488.

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Portfolio Commentary

VP Income & Growth

Portfolio Managers: John Schniedwind, Kurt Borgwardt, Zili Zhang, and Lynette Pang

Performance Summary

VP Income & Growth returned 18.10%* in 2009, compared with the 26.46% return of its benchmark, the S&P 500 Index.

VP Income & Growth's double-digit gain for the year reflected the substantial rebound in the U.S. equity market after a sharp decline in 2008. Despite the fund's robust absolute return, it failed to keep pace with performance of the S&P 500. The fund's tilt toward value contributed to the underperformance of the index as value stocks trailed growth-oriented issues by a sizable margin in 2009. However, the primary driver of fund performance was individual stock selection, and this also had a negative impact on relative results during the year.

Energy and Financials Lagged

Stock selection detracted from performance versus the S&P 500 in eight of ten market sectors, but most notably in the energy and financials sectors. For much of the year, our holdings in the energy sector focused on the large, relatively stable energy producers while limiting our exposure to energy services and equipment providers. However, the sharp rise in oil prices during the year (up 78%) provided a strong boost to the services and equipment companies, while the producers saw their refining profit margins squeezed by the weak economic environment as demand for gasoline waned. The most significant detractors among the portfolio's energy holdings were integrated oil and gas companies Exxon Mobil and ConocoPhillips, both of which were top ten holdings during the year, and oil refiner Valero Energy.

Financial stocks were the performance leaders in the stock market in the second and third quarters of the year, and the portfolio's underperformance in this sector resulted from some missed opportunities during the sector's sharp rally, particularly among diversified financial services companies and consumer finance firms. Underweight positions in investment bank Goldman Sachs, financial services giant Bank of America, and credit card issuer American Express were the most significant detractors in this sector. Stock selection among insurance companies also weighed on results in the financials sector, with property and casualty insurer ACE and life insurance firm Principal Financial Group the weakest performers.

Health Care and Consumer Stocks Weighed on Results

The fund's health care and consumer discretionary holdings were also major contributors to its overall underperformance of the S&P 500. Stock selection among pharmaceutical firms and health equipment makers produced the bulk of the underperformance in the health care sector. The biggest detractors included drug maker Eli Lilly, which tumbled as two of its top-selling medications faced patent expiration, and biotechnology firm Amgen, which reported weaker sales of its flagship medication and delays in FDA approvals for several of its existing products to be used in other indications.

*All fund returns referenced in this commentary are for Class I shares.

VP Income & Growth

In the consumer discretionary sector, stock choices among media companies and an underweight position in Internet retailers hurt the most. In particular, we avoided leading online retailer Amazon.com, which enjoyed a strong run-up as the company generated healthy earnings growth and gained market share, not only in e-commerce but in the broad retail industry.

Utilities and Materials Added Value

Just two sectors of the portfolio—utilities and materials—contributed positively to performance compared with the S&P 500 in 2009. In the utilities sector, stock choices among electric utilities contributed the lion's share of the outperformance. The top contributor in this sector was DTE Energy, a Michigan-based electric and gas utility. DTE reduced its debt load and implemented cost-reduction programs that increased the company's earnings projections during the year.

Outperformance in the materials sector was driven entirely by stock selection among chemicals companies. One of the portfolio's best contributors was fertilizer producer Terra Industries, which rallied sharply after an acquisition offer from competitor CF Industries Holdings.

It's also worth noting that five of the fund's top ten relative performance contributors came from the information technology sector, led by disk drive maker Western Digital, which reported strong earnings as the dramatic growth in online downloading and social networking stoked demand for larger and larger hard drives. Other notable contributors from the technology sector included semiconductor manufacturer Amkor Technology and IT services provider Computer Sciences.

A Look Ahead

The last 12 months have seen a dramatic change in the economic and financial environment. As 2009 began, we were facing a severe economic downturn and fears of a global market meltdown. As we move into 2010, those fears have largely subsided, and investors are now gauging the resiliency and staying power of the nascent economic recovery. Corporate earnings have improved over the past year, but much of this resulted from drastic cost-cutting measures; any further improvements in corporate earnings will need to come from incremental revenue growth.

Valuation spreads—the gap between the most attractively valued and least attractively valued segments of the market—have narrowed after reaching historically high levels in early 2009. Nonetheless, valuation spreads are still at levels that typically produce positive returns from a tilt toward valuation, so we will continue to emphasize our valuation factors in managing the portfolio.

VP Income & Growth

Top Ten Holdings as of December 31, 2009

| | % of net assets as of 12/31/09 | % of net assets as of 6/30/09 |
|---------------------------------------|-----------------------------------|----------------------------------|
| Exxon Mobil Corp. | 3.9% | 5.3% |
| Johnson & Johnson | 2.8% | 2.9% |
| International Business Machines Corp. | 2.7% | 2.7% |
| Chevron Corp. | 2.6% | 2.6% |
| Microsoft Corp. | 2.3% | 2.4% |
| Pfizer, Inc. | 2.2% | 1.9% |
| AT&T, Inc. | 2.2% | 2.1% |
| JPMorgan Chase & Co. | 1.9% | 1.7% |
| Verizon Communications, Inc. | 1.9% | 1.9% |
| Procter & Gamble Co. (The) | 1.8% | 1.7% |

Five Largest Overweights as of December 31, 2009

| | % of net assets | % of S&P 500 Index |
|---------------------------------------|-----------------|--------------------|
| International Business Machines Corp. | 2.75% | 1.73% |
| Western Digital Corp. | 1.11% | 0.10% |
| Johnson & Johnson | 2.80% | 1.79% |
| ConocoPhillips | 1.77% | 0.76% |
| Chevron Corp. | 2.56% | 1.56% |

Five Largest Underweights as of December 31, 2009

| | % of net assets | % of S&P 500 Index |
|---------------------|-----------------|--------------------|
| Coca-Cola Co. (The) | 0.35% | 1.33% |
| Merck & Co., Inc. | 0.15% | 1.12% |
| PepsiCo, Inc. | — | 0.96% |
| Abbott Laboratories | — | 0.84% |
| Schlumberger Ltd. | — | 0.79% |

Shareholder Fee Example (Unaudited)

Fund shareholders may incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments and redemption/exchange fees; and (2) ongoing costs, including management fees; distribution and service (12b-1) fees; and other fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in your fund and to compare these costs with the ongoing cost of investing in other mutual funds.

The example is based on an investment of \$1,000 made at the beginning of the period and held for the entire period from July 1, 2009 to December 31, 2009.

Actual Expenses

The table provides information about actual account values and actual expenses for each class. You may use the information, together with the amount you invested, to estimate the expenses that you paid over the period. First, identify the share class you own. Then simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The table also provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio of each class of your fund and an assumed rate of return of 5% per year before expenses, which is not the actual return of a fund's share class. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in your fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

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

| | Beginning Account Value 7/1/09 | Ending Account Value 12/31/09 | Expenses Paid During Period* 7/1/09 – 12/31/09 | Annualized Expense Ratio* |
|---------------------|---|--|---|--------------------------------------|
| Actual | | | | |
| Class I | \$1,000 | \$1,194.00 | \$3.87 | 0.70% |
| Class II | \$1,000 | \$1,192.50 | \$5.25 | 0.95% |
| Class III | \$1,000 | \$1,194.00 | \$3.87 | 0.70% |
| Hypothetical | | | | |
| Class I | \$1,000 | \$1,021.68 | \$3.57 | 0.70% |
| Class II | \$1,000 | \$1,020.42 | \$4.84 | 0.95% |
| Class III | \$1,000 | \$1,021.68 | \$3.57 | 0.70% |

*Expenses are equal to the class's annualized expense ratio listed in the table above, multiplied by the average account value over the period, multiplied by 184, the number of days in the most recent fiscal half-year, divided by 365, to reflect the one-half year period.

Schedule of Investments

VP Income & Growth

DECEMBER 31, 2009

| | Shares | Value |
|---|--------|--------------|
| Common Stocks — 99.3% | | |
| AEROSPACE & DEFENSE — 2.7% | | |
| General Dynamics Corp. | 17,999 | \$ 1,226,992 |
| Honeywell International, Inc. | 13,729 | 538,177 |
| Lockheed Martin Corp. | 19,679 | 1,482,813 |
| Northrop Grumman Corp. | 54,882 | 3,065,160 |
| Raytheon Co. | 12,082 | 622,464 |
| | | 6,935,606 |
| AIR FREIGHT & LOGISTICS — 0.5% | | |
| FedEx Corp. | 5,285 | 441,033 |
| United Parcel Service, Inc., Class B | 9,909 | 568,479 |
| UTi Worldwide, Inc. | 25,640 | 367,165 |
| | | 1,376,677 |
| AUTO COMPONENTS — 0.3% | | |
| TRW Automotive Holdings Corp. ⁽¹⁾ | 4,671 | 111,543 |
| WABCO Holdings, Inc. | 22,177 | 571,945 |
| | | 683,488 |
| AUTOMOBILES — 0.2% | | |
| Ford Motor Co. ⁽¹⁾ | 57,526 | 575,260 |
| BEVERAGES — 0.6% | | |
| Coca-Cola Co. (The) | 16,118 | 918,726 |
| Coca-Cola Enterprises, Inc. | 21,864 | 463,517 |
| Constellation Brands, Inc., Class A ⁽¹⁾ | 8,040 | 128,077 |
| | | 1,510,320 |
| BIOTECHNOLOGY — 1.7% | | |
| Amgen, Inc. ⁽¹⁾ | 71,434 | 4,041,021 |
| Talecris Biotherapeutics Holdings Corp. ⁽¹⁾ | 14,972 | 333,427 |
| | | 4,374,448 |
| CAPITAL MARKETS — 2.2% | | |
| Bank of New York Mellon Corp. (The) | 32,703 | 914,703 |
| BlackRock, Inc. | 1,772 | 411,458 |
| Federated Investors, Inc., Class B | 2,567 | 70,593 |
| Goldman Sachs Group, Inc. (The) | 10,168 | 1,716,765 |
| Janus Capital Group, Inc. | 16,810 | 226,095 |
| Legg Mason, Inc. | 1,965 | 59,264 |
| Morgan Stanley | 54,309 | 1,607,546 |
| TD Ameritrade Holding Corp. ⁽¹⁾ | 43,187 | 836,964 |
| | | 5,843,388 |

| | Shares | Value |
|--|--------|--------------|
| CHEMICALS — 1.9% | | |
| Ashland, Inc. | 30,601 | \$ 1,212,412 |
| CF Industries Holdings, Inc. | 5,838 | 529,974 |
| E.I. du Pont de Nemours & Co. | 63,364 | 2,133,466 |
| Minerals Technologies, Inc. | 4,185 | 227,957 |
| OM Group, Inc. ⁽¹⁾ | 12,159 | 381,671 |
| Terra Industries, Inc. | 7,008 | 225,587 |
| Valspar Corp. | 11,733 | 318,433 |
| | | 5,029,500 |
| COMMERCIAL BANKS — 2.9% | | |
| Canadian Imperial Bank of Commerce | 12,702 | 820,803 |
| CapitalSource, Inc. | 33,069 | 131,284 |
| Cullen/Frost Bankers, Inc. | 1,839 | 91,950 |
| Fifth Third Bancorp. | 21,041 | 205,150 |
| First Horizon National Corp. ⁽¹⁾ | 11,027 | 147,757 |
| Huntington Bancshares, Inc. | 11,926 | 43,530 |
| PNC Financial Services Group, Inc. | 3,205 | 169,192 |
| Regions Financial Corp. | 11,053 | 58,470 |
| Royal Bank of Canada | 12,158 | 651,061 |
| SunTrust Banks, Inc. | 4,738 | 96,134 |
| Toronto-Dominion Bank (The) | 14,131 | 886,296 |
| U.S. Bancorp. | 82,551 | 1,858,223 |
| Wells Fargo & Co. | 85,490 | 2,307,375 |
| | | 7,467,225 |
| COMMERCIAL SERVICES & SUPPLIES — 0.6% | | |
| Herman Miller, Inc. | 3,007 | 48,052 |
| R.R. Donnelley & Sons Co. | 71,815 | 1,599,320 |
| | | 1,647,372 |
| COMMUNICATIONS EQUIPMENT — 1.0% | | |
| Cisco Systems, Inc. ⁽¹⁾ | 95,021 | 2,274,803 |
| QUALCOMM, Inc. | 5,817 | 269,094 |
| | | 2,543,897 |
| COMPUTERS & PERIPHERALS — 4.5% | | |
| Apple, Inc. ⁽¹⁾ | 17,902 | 3,774,816 |
| EMC Corp. ⁽¹⁾ | 37,278 | 651,247 |
| Hewlett-Packard Co. | 86,043 | 4,432,075 |
| Western Digital Corp. ⁽¹⁾ | 65,623 | 2,897,255 |
| | | 11,755,393 |
| CONSTRUCTION & ENGINEERING — 1.1% | | |
| EMCOR Group, Inc. ⁽¹⁾ | 72,192 | 1,941,965 |
| Fluor Corp. | 9,671 | 435,582 |
| Shaw Group, Inc. (The) ⁽¹⁾ | 19,471 | 559,791 |
| | | 2,937,338 |

VP Income & Growth

| | Shares | Value |
|--|---------|------------|
| CONSUMER FINANCE – 0.3% | | |
| American Express Co. | 18,179 | \$ 736,613 |
| Discover Financial Services | 1,612 | 23,713 |
| | | 760,326 |
| DIVERSIFIED CONSUMER SERVICES⁽²⁾ | | |
| Apollo Group, Inc., Class A ⁽¹⁾ | 899 | 54,461 |
| DIVERSIFIED FINANCIAL SERVICES – 3.7% | | |
| Bank of America Corp. | 209,756 | 3,158,925 |
| Citigroup, Inc. | 220,521 | 729,925 |
| CME Group, Inc. | 2,376 | 798,217 |
| JPMorgan Chase & Co. | 117,428 | 4,893,225 |
| NYSE Euronext | 6,801 | 172,065 |
| | | 9,752,357 |
| DIVERSIFIED TELECOMMUNICATION SERVICES – 4.4% | | |
| AT&T, Inc. | 204,076 | 5,720,250 |
| Qwest Communications International, Inc. | 198,593 | 836,077 |
| Verizon Communications, Inc. | 146,963 | 4,868,884 |
| | | 11,425,211 |
| ELECTRIC UTILITIES – 1.8% | | |
| Duke Energy Corp. | 4,449 | 76,567 |
| Edison International | 28,713 | 998,638 |
| Entergy Corp. | 3,690 | 301,990 |
| Exelon Corp. | 17,432 | 851,902 |
| FPL Group, Inc. | 49,309 | 2,604,501 |
| | | 4,833,598 |
| ELECTRICAL EQUIPMENT – 1.0% | | |
| Acuity Brands, Inc. | 9,664 | 344,425 |
| Brady Corp., Class A | 16,554 | 496,786 |
| Emerson Electric Co. | 28,619 | 1,219,169 |
| GrafTech International Ltd. ⁽¹⁾ | 24,287 | 377,663 |
| Rockwell Automation, Inc. | 3,645 | 171,242 |
| | | 2,609,285 |
| ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS – 1.1% | | |
| Arrow Electronics, Inc. ⁽¹⁾ | 19,372 | 573,605 |
| Avnet, Inc. ⁽¹⁾ | 9,442 | 284,771 |
| Celestica, Inc. ⁽¹⁾ | 175,146 | 1,653,378 |
| Ingram Micro, Inc., Class A ⁽¹⁾ | 5,496 | 95,905 |
| Tech Data Corp. ⁽¹⁾ | 7,694 | 359,002 |
| | | 2,966,661 |
| ENERGY EQUIPMENT & SERVICES – 0.4% | | |
| EnSCO International plc ADR | 5,778 | 230,773 |
| Helix Energy Solutions Group, Inc. ⁽¹⁾ | 24,705 | 290,284 |

| | Shares | Value |
|--|--------|------------|
| National Oilwell Varco, Inc. | 12,233 | \$ 539,353 |
| Willbros Group, Inc. ⁽¹⁾ | 4,811 | 81,162 |
| | | 1,141,572 |
| FOOD & STAPLES RETAILING – 1.5% | | |
| SUPERVALU, INC. | 92,710 | 1,178,344 |
| Wal-Mart Stores, Inc. | 50,659 | 2,707,724 |
| | | 3,886,068 |
| FOOD PRODUCTS – 1.2% | | |
| Archer-Daniels-Midland Co. | 12,676 | 396,885 |
| ConAgra Foods, Inc. | 2,581 | 59,492 |
| Darling International, Inc. ⁽¹⁾ | 8,876 | 74,381 |
| Del Monte Foods Co. | 6,240 | 70,762 |
| Fresh Del Monte Produce, Inc. ⁽¹⁾ | 8,196 | 181,131 |
| General Mills, Inc. | 22,149 | 1,568,371 |
| Kraft Foods, Inc., Class A | 29,787 | 809,611 |
| Sara Lee Corp. | 8,556 | 104,212 |
| | | 3,264,845 |
| GAS UTILITIES – 0.1% | | |
| UGI Corp. | 6,489 | 156,969 |
| HEALTH CARE EQUIPMENT & SUPPLIES – 2.2% | | |
| Baxter International, Inc. | 22,565 | 1,324,114 |
| Becton, Dickinson & Co. | 32,042 | 2,526,832 |
| Boston Scientific Corp. ⁽¹⁾ | 54,669 | 492,021 |
| C.R. Bard, Inc. | 10,176 | 792,710 |
| Hill-Rom Holdings, Inc. | 25,843 | 619,974 |
| | | 5,755,651 |
| HEALTH CARE PROVIDERS & SERVICES – 1.8% | | |
| Coventry Health Care, Inc. ⁽¹⁾ | 69,674 | 1,692,382 |
| Humana, Inc. ⁽¹⁾ | 16,313 | 715,978 |
| WellCare Health Plans, Inc. ⁽¹⁾ | 4,061 | 149,282 |
| WellPoint, Inc. ⁽¹⁾ | 37,725 | 2,198,990 |
| | | 4,756,632 |
| HOTELS, RESTAURANTS & LEISURE – 1.7% | | |
| McDonald's Corp. | 49,123 | 3,067,240 |
| Panera Bread Co., Class A ⁽¹⁾ | 4,523 | 302,905 |
| Wyndham Worldwide Corp. | 49,957 | 1,007,633 |
| | | 4,377,778 |
| HOUSEHOLD DURABLES – 0.8% | | |
| Blyth, Inc. | 1,549 | 52,232 |
| Garmin Ltd. | 5,767 | 177,047 |
| Harman International Industries, Inc. | 8,741 | 308,383 |
| NVR, Inc. ⁽¹⁾ | 2,072 | 1,472,591 |
| | | 2,010,253 |

VP Income & Growth

| | Shares | Value |
|--|---------|------------|
| HOUSEHOLD PRODUCTS – 2.9% | | |
| Clorox Co. | 4,119 | \$ 251,259 |
| Kimberly-Clark Corp. | 42,477 | 2,706,209 |
| Procter & Gamble Co. (The) | 76,252 | 4,623,159 |
| | | 7,580,627 |
| INDEPENDENT POWER PRODUCERS & ENERGY TRADERS – 1.0% | | |
| Constellation Energy Group, Inc. | 62,941 | 2,213,635 |
| NRG Energy, Inc. ⁽¹⁾ | 12,686 | 299,516 |
| | | 2,513,151 |
| INDUSTRIAL CONGLOMERATES – 1.9% | | |
| 3M Co. | 9,832 | 812,812 |
| Carlisle Cos., Inc. | 25,500 | 873,630 |
| General Electric Co. | 213,910 | 3,236,458 |
| | | 4,922,900 |
| INSURANCE – 3.5% | | |
| ACE Ltd. ⁽¹⁾ | 34,476 | 1,737,590 |
| Allied World Assurance Co. Holdings Ltd. | 3,074 | 141,619 |
| American Financial Group, Inc. | 29,702 | 741,065 |
| Aspen Insurance Holdings Ltd. | 38,214 | 972,546 |
| Axis Capital Holdings Ltd. | 14,074 | 399,842 |
| Conseco, Inc. ⁽¹⁾ | 41,770 | 208,850 |
| Endurance Specialty Holdings Ltd. | 7,078 | 263,514 |
| Genworth Financial, Inc., Class A ⁽¹⁾ | 23,011 | 261,175 |
| Hartford Financial Services Group, Inc. (The) | 12,433 | 289,192 |
| MetLife, Inc. | 23,390 | 826,836 |
| Principal Financial Group, Inc. | 39,494 | 949,436 |
| Prudential Financial, Inc. | 28,275 | 1,406,964 |
| StanCorp Financial Group, Inc. | 1,733 | 69,355 |
| Travelers Cos., Inc. (The) | 16,206 | 808,031 |
| | | 9,076,015 |
| INTERNET & CATALOG RETAIL – 0.1% | | |
| Netflix, Inc. ⁽¹⁾ | 7,076 | 390,171 |
| INTERNET SOFTWARE & SERVICES – 1.4% | | |
| AOL, Inc. ⁽¹⁾ | 8,368 | 194,807 |
| Google, Inc., Class A ⁽¹⁾ | 4,714 | 2,922,586 |
| Yahoo!, Inc. ⁽¹⁾ | 28,498 | 478,196 |
| | | 3,595,589 |
| IT SERVICES – 4.7% | | |
| Accenture plc, Class A | 62,716 | 2,602,714 |
| Broadridge Financial Solutions, Inc. | 21,387 | 482,491 |

| | Shares | Value |
|--|---------|--------------|
| Computer Sciences Corp. ⁽¹⁾ | 26,427 | \$ 1,520,345 |
| Convergys Corp. ⁽¹⁾ | 24,950 | 268,213 |
| International Business Machines Corp. | 54,849 | 7,179,734 |
| Western Union Co. (The) | 8,559 | 161,337 |
| | | 12,214,834 |
| LEISURE EQUIPMENT & PRODUCTS – 0.3% | | |
| Hasbro, Inc. | 27,129 | 869,756 |
| LIFE SCIENCES TOOLS & SERVICES – 0.1% | | |
| PerkinElmer, Inc. | 9,503 | 195,667 |
| MACHINERY – 2.3% | | |
| Actuant Corp., Class A | 5,778 | 107,066 |
| Caterpillar, Inc. | 16,969 | 967,063 |
| Chart Industries, Inc. ⁽¹⁾ | 2,696 | 44,619 |
| Cummins, Inc. | 4,652 | 213,341 |
| Dover Corp. | 26,258 | 1,092,595 |
| Eaton Corp. | 20,838 | 1,325,714 |
| Lincoln Electric Holdings, Inc. | 4,829 | 258,158 |
| Mueller Industries, Inc. | 15,995 | 397,316 |
| Navistar International Corp. ⁽¹⁾ | 9,572 | 369,958 |
| Parker-Hannifin Corp. | 16,508 | 889,451 |
| Timken Co. | 14,410 | 341,661 |
| Trinity Industries, Inc. | 7,469 | 130,259 |
| | | 6,137,201 |
| MEDIA – 2.5% | | |
| Comcast Corp., Class A | 107,675 | 1,815,401 |
| Gannett Co., Inc. | 51,714 | 767,953 |
| Harte-Hanks, Inc. | 11,631 | 125,382 |
| Time Warner, Inc. | 92,048 | 2,682,279 |
| Walt Disney Co. (The) | 37,446 | 1,207,633 |
| | | 6,598,648 |
| METALS & MINING – 0.2% | | |
| Reliance Steel & Aluminum Co. | 9,815 | 424,204 |
| Worthington Industries, Inc. | 12,526 | 163,715 |
| | | 587,919 |
| MULTILINE RETAIL – 0.4% | | |
| Big Lots, Inc. ⁽¹⁾ | 9,739 | 282,236 |
| Dollar Tree, Inc. ⁽¹⁾ | 3,960 | 191,268 |
| Family Dollar Stores, Inc. | 21,538 | 599,403 |
| | | 1,072,907 |
| MULTI-INDUSTRY – 0.1% | | |
| Financial Select Sector SPDR Fund | 26,408 | 380,011 |
| MULTI-UTILITIES – 1.5% | | |
| DTE Energy Co. | 32,572 | 1,419,813 |
| Integrus Energy Group, Inc. | 18,443 | 774,422 |
| PG&E Corp. | 6,127 | 273,571 |

VP Income & Growth

| | Shares | Value |
|---|---------|--------------|
| Public Service Enterprise Group, Inc. | 42,712 | \$ 1,420,174 |
| | | 3,887,980 |
| OIL, GAS & CONSUMABLE FUELS – 11.6% | | |
| Apache Corp. | 9,491 | 979,186 |
| Chevron Corp. | 86,842 | 6,685,966 |
| ConocoPhillips | 90,422 | 4,617,852 |
| Exxon Mobil Corp. | 150,353 | 10,252,571 |
| Hess Corp. | 10,143 | 613,651 |
| Murphy Oil Corp. | 34,958 | 1,894,724 |
| Occidental Petroleum Corp. | 53,306 | 4,336,443 |
| Tesoro Corp. | 5,270 | 71,408 |
| Valero Energy Corp. | 14,801 | 247,917 |
| Williams Cos., Inc. (The) | 14,065 | 296,490 |
| World Fuel Services Corp. | 15,649 | 419,237 |
| | | 30,415,445 |
| PAPER & FOREST PRODUCTS – 0.1% | | |
| Domtar Corp. ⁽¹⁾ | 2,360 | 130,768 |
| International Paper Co. | 6,185 | 165,634 |
| | | 296,402 |
| PERSONAL PRODUCTS – 0.3% | | |
| Estee Lauder Cos., Inc. (The), Class A | 18,132 | 876,863 |
| PHARMACEUTICALS – 7.5% | | |
| Bristol-Myers Squibb Co. | 112,904 | 2,850,826 |
| Eli Lilly & Co. | 89,428 | 3,193,474 |
| Johnson & Johnson | 113,449 | 7,307,250 |
| Merck & Co., Inc. | 10,794 | 394,413 |
| Pfizer, Inc. | 317,963 | 5,783,747 |
| | | 19,529,710 |
| PROFESSIONAL SERVICES – 0.1% | | |
| Manpower, Inc. | 3,470 | 189,393 |
| REAL ESTATE INVESTMENT TRUSTS (REITs) – 0.6% | | |
| Boston Properties, Inc. | 434 | 29,108 |
| Equity Residential | 1,114 | 37,631 |
| HRPT Properties Trust | 29,392 | 190,166 |
| Public Storage | 6,950 | 566,078 |
| Simon Property Group, Inc. | 8,157 | 650,929 |
| Vornado Realty Trust | 478 | 33,431 |
| | | 1,507,343 |
| ROAD & RAIL – 1.6% | | |
| CSX Corp. | 22,533 | 1,092,625 |
| Norfolk Southern Corp. | 20,183 | 1,057,993 |
| Union Pacific Corp. | 31,162 | 1,991,252 |
| | | 4,141,870 |

| | Shares | Value |
|--|---------|--------------------|
| SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT – 4.0% | | |
| Amkor Technology, Inc. ⁽¹⁾ | 130,970 | \$ 937,745 |
| Analog Devices, Inc. | 4,624 | 146,026 |
| Broadcom Corp., Class A ⁽¹⁾ | 20,684 | 650,512 |
| Intel Corp. | 185,918 | 3,792,727 |
| LSI Corp. ⁽¹⁾ | 273,673 | 1,644,775 |
| Maxim Integrated Products, Inc. | 14,568 | 295,730 |
| NVIDIA Corp. ⁽¹⁾ | 21,920 | 409,466 |
| Texas Instruments, Inc. | 55,955 | 1,458,187 |
| Xilinx, Inc. | 43,688 | 1,094,821 |
| | | 10,429,989 |
| SOFTWARE – 3.9% | | |
| Microsoft Corp. | 198,433 | 6,050,222 |
| Novell, Inc. ⁽¹⁾ | 53,533 | 222,162 |
| Oracle Corp. | 76,143 | 1,868,549 |
| Sybase, Inc. ⁽¹⁾ | 7,786 | 337,913 |
| Symantec Corp. ⁽¹⁾ | 70,206 | 1,255,985 |
| Synopsys, Inc. ⁽¹⁾ | 17,892 | 398,634 |
| | | 10,133,465 |
| SPECIALTY RETAIL – 2.7% | | |
| AnnTaylor Stores Corp. ⁽¹⁾ | 25,693 | 350,453 |
| AutoNation, Inc. ⁽¹⁾ | 15,116 | 289,471 |
| Barnes & Noble, Inc. | 22,051 | 420,513 |
| Gap, Inc. (The) | 128,909 | 2,700,644 |
| Home Depot, Inc. (The) | 9,395 | 271,797 |
| RadioShack Corp. | 66,116 | 1,289,262 |
| Rent-A-Center, Inc. ⁽¹⁾ | 41,574 | 736,691 |
| Ross Stores, Inc. | 25,752 | 1,099,868 |
| | | 7,158,699 |
| TEXTILES, APPAREL & LUXURY GOODS – 0.6% | | |
| Jones Apparel Group, Inc. | 38,903 | 624,782 |
| Polo Ralph Lauren Corp. | 9,752 | 789,717 |
| Timberland Co. (The), Class A ⁽¹⁾ | 8,736 | 156,637 |
| | | 1,571,136 |
| TOBACCO – 1.1% | | |
| Altria Group, Inc. | 8,614 | 169,093 |
| Lorillard, Inc. | 451 | 36,183 |
| Philip Morris International, Inc. | 14,100 | 679,479 |
| Reynolds American, Inc. | 35,135 | 1,861,101 |
| | | 2,745,856 |
| WIRELESS TELECOMMUNICATION SERVICES – 0.1% | | |
| Sprint Nextel Corp. ⁽¹⁾ | 58,411 | 213,784 |
| TOTAL COMMON STOCKS (Cost \$225,740,985) | | 259,664,910 |

VP Income & Growth

| | Shares | Value |
|--|--------|----------------------|
| Convertible Preferred Stocks — 0.1% | | |
| DIVERSIFIED FINANCIAL SERVICES — 0.1% | | |
| Bank of America Corp., 10.00%, 12/31/49 ⁽³⁾ (Cost \$197,325) | 13,155 | \$ 196,273 |
| Temporary Cash Investments — 0.2% | | |
| JPMorgan U.S. Treasury Plus Money Market Fund Agency Shares | 38,957 | 38,957 |
| Repurchase Agreement, Bank of America Securities, LLC, (collateralized by various U.S. Treasury obligations, 2.375%, 10/31/14, valued at \$406,251), in a joint trading account at 0.01%, dated 12/31/09, due 1/4/10 (Delivery value \$400,000) | | 400,000 |
| TOTAL TEMPORARY CASH INVESTMENTS (Cost \$438,957) | | 438,957 |
| TOTAL INVESTMENT SECURITIES — 99.6% (Cost \$226,377,267) | | 260,300,140 |
| OTHER ASSETS AND LIABILITIES — 0.4% | | 1,070,849 |
| TOTAL NET ASSETS — 100.0% | | \$261,370,989 |

Notes to Schedule of Investments

ADR = American Depositary Receipt

SPDR = Standard & Poor's Depository Receipts

- (1) Non-income producing.
- (2) Industry is less than 0.05% of total net assets.
- (3) Perpetual security. These securities do not have a predetermined maturity date. The coupon rates are fixed for a period of time and may be structured to adjust thereafter. Interest reset or next call date is indicated, as applicable.

Industry classifications are unaudited.

See Notes to Financial Statements.

Statement of Assets and Liabilities

DECEMBER 31, 2009

| Assets | |
|---|--------------------|
| Investment securities, at value (cost of \$226,377,267) | \$260,300,140 |
| Receivable for investments sold | 2,560,021 |
| Receivable for capital shares sold | 152,813 |
| Dividends and interest receivable | 313,439 |
| | <u>263,326,413</u> |

| Liabilities | |
|-------------------------------------|------------------|
| Payable for investments purchased | 1,654,722 |
| Payable for capital shares redeemed | 141,906 |
| Accrued management fees | 155,725 |
| Distribution fees payable | 3,071 |
| | <u>1,955,424</u> |

| | |
|-------------------|-----------------------------|
| Net Assets | <u><u>\$261,370,989</u></u> |
|-------------------|-----------------------------|

| Net Assets Consist of: | |
|--|-----------------------------|
| Capital (par value and paid-in surplus) | \$323,292,693 |
| Undistributed net investment income | 60,012 |
| Accumulated net realized loss on investment transactions | (95,904,589) |
| Net unrealized appreciation on investments | 33,922,873 |
| | <u><u>\$261,370,989</u></u> |

| Class I, \$0.01 Par Value | |
|----------------------------------|---------------|
| Net assets | \$243,409,107 |
| Shares outstanding | 45,259,130 |
| Net asset value per share | \$5.38 |

| Class II, \$0.01 Par Value | |
|-----------------------------------|--------------|
| Net assets | \$14,510,589 |
| Shares outstanding | 2,696,886 |
| Net asset value per share | \$5.38 |

| Class III, \$0.01 Par Value | |
|------------------------------------|-------------|
| Net assets | \$3,451,293 |
| Shares outstanding | 641,680 |
| Net asset value per share | \$5.38 |

See Notes to Financial Statements.

Statement of Operations

YEAR ENDED DECEMBER 31, 2009

| Investment Income (Loss) | |
|--|-----------------------------|
| Income: | |
| Dividends (net of foreign taxes withheld of \$12,211) | \$ 6,524,137 |
| Interest | 539 |
| | <u>6,524,676</u> |
| Expenses: | |
| Management fees | 1,702,912 |
| Distribution fees | 32,904 |
| Directors' fees and expenses | 9,743 |
| Other expenses | 250 |
| | <u>1,745,809</u> |
| Net investment income (loss) | <u>4,778,867</u> |
| Realized and Unrealized Gain (Loss) | |
| Net realized gain (loss) on: | |
| Investment transactions | (42,869,869) |
| Futures contract transactions | (50,534) |
| | <u>(42,920,403)</u> |
| Change in net unrealized appreciation (depreciation) on: | |
| Investments | <u>77,540,078</u> |
| Net realized and unrealized gain (loss) | <u>34,619,675</u> |
| Net Increase (Decrease) in Net Assets Resulting from Operations | <u><u>\$ 39,398,542</u></u> |

See Notes to Financial Statements.

Statement of Changes in Net Assets

YEARS ENDED DECEMBER 31, 2009 AND DECEMBER 31, 2008

| Increase (Decrease) in Net Assets | 2009 | 2008 |
|---|----------------------|-----------------------------------|
| Operations | | |
| Net investment income (loss) | \$ 4,778,867 | \$ 7,132,214 |
| Net realized gain (loss) | (42,920,403) | (42,741,893) |
| Change in net unrealized appreciation (depreciation) | 77,540,078 | (119,175,205) |
| Net increase (decrease) in net assets resulting from operations | <u>39,398,542</u> | <u>(154,784,884)</u> |
| Distributions to Shareholders | | |
| From net investment income: | | |
| Class I | (11,010,568) | (7,806,192) |
| Class II | (576,303) | (347,920) |
| Class III | (134,815) | (119,914) |
| From net realized gains: | | |
| Class I | — | (46,765,885) |
| Class II | — | (2,405,270) |
| Class III | — | (718,391) |
| Decrease in net assets from distributions | <u>(11,721,686)</u> | <u>(58,163,572)</u> |
| Capital Share Transactions | | |
| Net increase (decrease) in net assets from capital share transactions | <u>(28,726,221)</u> | <u>(38,315,439)⁽¹⁾</u> |
| Redemption Fees | | |
| Increase in net assets from redemption fees | <u>567</u> | <u>—⁽¹⁾</u> |
| Net increase (decrease) in net assets | (1,048,798) | (251,263,895) |
| Net Assets | | |
| Beginning of period | 262,419,787 | 513,683,682 |
| End of period | <u>\$261,370,989</u> | <u>\$ 262,419,787</u> |
| Undistributed net investment income | <u>\$60,012</u> | <u>\$7,109,634</u> |

(1) Capital share transactions for the year ended December 31, 2008 were net of redemption fees (Note 4).

See Notes to Financial Statements.

Notes to Financial Statements

DECEMBER 31, 2009

1. Organization and Summary of Significant Accounting Policies

Organization – American Century Variable Portfolios, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act) as an open-end management investment company. VP Income & Growth Fund (the fund) is one fund in a series issued by the corporation. The fund is diversified under the 1940 Act. The fund's investment objective is to seek capital growth by investing in common stocks. Income is a secondary objective. The following is a summary of the fund's significant accounting policies.

Multiple Class – The fund is authorized to issue Class I, Class II, and Class III. The share classes differ principally in their respective distribution and shareholder servicing expenses and arrangements. All shares of the fund represent an equal pro rata interest in the net assets of the class to which such shares belong, and have identical voting, dividend, liquidation and other rights and the same terms and conditions, except for class specific expenses and exclusive rights to vote on matters affecting only individual classes. Income, non-class specific expenses, and realized and unrealized capital gains and losses of the fund are allocated to each class of shares based on their relative net assets.

Security Valuations – Securities traded primarily on a principal securities exchange are valued at the last reported sales price, or at the mean of the latest bid and asked prices where no last sales price is available. Depending on local convention or regulation, securities traded over-the-counter are valued at the mean of the latest bid and asked prices, the last sales price, or the official close price. Investments in open-end management investment companies are valued at the reported net asset value. Debt securities not traded on a principal securities exchange are valued through a commercial pricing service or at the mean of the most recent bid and asked prices. Discount notes may be valued through a commercial pricing service or at amortized cost, which approximates fair value. Securities traded on foreign securities exchanges and over-the-counter markets are normally completed before the close of business on days that the New York Stock Exchange (the Exchange) is open and may also take place on days when the Exchange is not open. If an event occurs after the value of a security was established but before the net asset value per share was determined that was likely to materially change the net asset value, that security would be valued as determined in accordance with procedures adopted by the Board of Directors. If the fund determines that the market price of a portfolio security is not readily available, or that the valuation methods mentioned above do not reflect the security's fair value, such security is valued as determined by the Board of Directors or its designee, in accordance with procedures adopted by the Board of Directors, if such determination would materially impact a fund's net asset value. Certain other circumstances may cause the fund to use alternative procedures to value a security such as: a security has been declared in default; trading in a security has been halted during the trading day; or there is a foreign market holiday and no trading will commence.

Security Transactions – For financial reporting purposes, security transactions are accounted for as of the trade date. Net realized gains and losses are determined on the identified cost basis, which is also used for federal income tax purposes.

Investment Income – Dividend income less foreign taxes withheld, if any, is recorded as of the ex-dividend date. Interest income is recorded on the accrual basis and includes accretion of discounts and amortization of premiums.

Repurchase Agreements – The fund may enter into repurchase agreements with institutions that American Century Investment Management, Inc. (ACIM) (the investment advisor) has determined are creditworthy pursuant to criteria adopted by the Board of Directors. Each repurchase agreement is recorded at cost. The fund requires that the collateral, represented by securities, received in a repurchase transaction be transferred to the custodian in a manner sufficient to enable the fund to obtain those securities in the event of a default under the repurchase agreement. ACIM monitors, on a daily basis, the securities transferred to ensure the value, including accrued interest, of the securities under each repurchase agreement is equal to or greater than amounts owed to the fund under each repurchase agreement.

Joint Trading Account – Pursuant to an Exemptive Order issued by the Securities and Exchange Commission, the fund, along with certain other funds in the American Century Investments family of funds, may transfer uninvested cash balances into a joint trading account. These balances are invested in one or more repurchase agreements that are collateralized by U.S. Treasury or Agency obligations.

Income Tax Status – It is the fund's policy to distribute substantially all net investment income and net realized gains to shareholders and to otherwise qualify as a regulated investment company under provisions of the Internal Revenue Code. The fund is no longer subject to examination by tax authorities for years prior to 2006. At this time, management believes there are no uncertain tax positions which, based on their technical merit, would not be sustained upon examination and for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. Accordingly, no provision has been made for federal or state income taxes. Interest and penalties associated with any federal or state income tax obligations, if any, are recorded as interest expense.

Distributions to Shareholders – Distributions to shareholders are recorded on the ex-dividend date. Distributions from net investment income, if any, are generally declared and paid quarterly. Distributions from net realized gains, if any, are generally declared and paid annually.

The book-basis character of distributions made during the year from net investment income or net realized gains may differ from their ultimate characterization for federal income tax purposes. These differences reflect the differing character of certain income items and net realized gains and losses for financial statement and tax purposes, and may result in reclassification among certain capital accounts on the financial statements.

As of December 31, 2009, the fund has accumulated net realized capital loss carryovers for federal income tax purposes of \$(85,971,201), which may be used to offset future taxable gains. Future capital loss carryover utilization in any given year may be subject to Internal Revenue Code limitations. The capital loss carryovers of \$(33,351,678) and \$(52,619,523) expire in 2016 and 2017, respectively.

The fund has elected to treat \$(379,568) of net capital losses incurred in the two-month period ended December 31, 2009, as having been incurred in the following fiscal year for federal income tax purposes.

Redemption – The fund may impose a 1.00% redemption fee on shares held less than 60 days. The fee may not be applicable to all classes. The redemption fee is retained by a fund and helps cover transaction costs that long-term investors may bear when a fund sells securities to meet investor redemptions.

Indemnifications – Under the corporation's organizational documents, its officers and directors are indemnified against certain liabilities arising out of the performance of their duties to the fund. In addition, in the normal course of business, the fund enters into contracts that provide general indemnifications. The maximum exposure under these arrangements is unknown as this would involve future claims that may be made against a fund. The risk of material loss from such claims is considered by management to be remote.

Use of Estimates – The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America, which may require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from these estimates.

Subsequent Events – Management has evaluated events or transactions that may have occurred since December 31, 2009 that would merit recognition or disclosure in the financial statements. This evaluation was completed through February 12, 2010, the date the financial statements were issued.

2. Fees and Transactions with Related Parties

Management Fees — The corporation has entered into a Management Agreement with ACIM, under which ACIM provides the fund with investment advisory and management services in exchange for a single, unified management fee (the fee) per class. The Agreement provides that all expenses of managing and operating the fund, except brokerage expenses, taxes, interest, fees and expenses of the independent directors (including legal counsel fees), and extraordinary expenses, will be paid by ACIM. The fee is computed and accrued daily based on the daily net assets of the specific class of shares of the fund and paid monthly in arrears. For funds with a stepped fee schedule, the rate of the fee is determined by applying a fee rate calculation formula. This formula takes into account each fund's assets as well as certain assets, if any, of other clients of the investment advisor outside the American Century Investments family of funds (such as subadvised funds and separate accounts) that have very similar investment teams and investment strategies (strategy assets). The annual management fee schedule for each class of the fund ranges from 0.65% to 0.70% for Class I, Class II and Class III. The effective annual management fee for each class of the fund for the year ended December 31, 2009 was 0.70%.

Distribution Fees — The Board of Directors has adopted the Master Distribution Plan (the plan) for Class II, pursuant to Rule 12b-1 of the 1940 Act. The plan provides that Class II will pay American Century Investment Services, Inc. (ACIS) an annual distribution fee equal to 0.25%. The fee is computed and accrued daily based on the Class II daily net assets and paid monthly in arrears. The distribution fee provides compensation for expenses incurred in connection with distributing shares of Class II including, but not limited to, payments to brokers, dealers, and financial institutions that have entered into sales agreements with respect to shares of the fund. Fees incurred under the plan during the year ended December 31, 2009, are detailed in the Statement of Operations.

Related Parties — Certain officers and directors of the corporation are also officers and/or directors of American Century Companies, Inc. (ACC), the parent of the corporation's investment advisor, ACIM, the distributor of the corporation, ACIS, and the corporation's transfer agent, American Century Services, LLC.

The fund is eligible to invest in a money market fund for temporary purposes, which is managed by J.P. Morgan Investment Management, Inc. (JPMIM). The fund has a Mutual Funds Services Agreement with J.P. Morgan Investor Services Co. (JPMIS) and a securities lending agreement with JPMorgan Chase Bank (JPMCB). JPMCB is a custodian of the fund. JPMIM, JPMIS and JPMCB are wholly owned subsidiaries of JPMorgan Chase & Co. (JPM). JPM is an equity investor in ACC.

3. Investment Transactions

Purchases and sales of investment securities, excluding short-term investments, for the year ended December 31, 2009, were \$111,348,487 and \$146,572,431, respectively.

As of December 31, 2009, the composition of unrealized appreciation and depreciation of investment securities based on the aggregate cost of investments for federal income tax purposes was as follows:

| | |
|--|---------------|
| Federal tax cost of investments | \$235,931,087 |
| Gross tax appreciation of investments | \$ 40,697,481 |
| Gross tax depreciation of investments | (16,328,428) |
| Net tax appreciation (depreciation) of investments | \$ 24,369,053 |

The difference between book-basis and tax-basis cost and unrealized appreciation (depreciation) is attributable primarily to the tax deferral of losses on wash sales.

4. Capital Share Transactions

| | Year ended December 31, 2009 | | Year ended December 31, 2008 | |
|---|------------------------------|-----------------------|------------------------------|----------------------------|
| | Shares | Amount | Shares | Amount |
| Class I/Shares Authorized | <u>300,000,000</u> | | <u>300,000,000</u> | |
| Sold | 2,662,082 | \$ 12,250,101 | 3,452,332 | \$ 22,188,106 |
| Issued in reinvestment of distributions | 2,752,869 | 11,010,568 | 8,120,845 | 54,572,077 |
| Redeemed | (10,966,102) | (50,738,660) | (17,677,958) | (113,820,854) |
| | (5,551,151) | (27,477,991) | (6,104,781) | (37,060,671) |
| Class II/Shares Authorized | <u>50,000,000</u> | | <u>50,000,000</u> | |
| Sold | 375,445 | 1,760,514 | 565,186 | 3,419,388 |
| Issued in reinvestment of distributions | 144,662 | 576,303 | 409,701 | 2,753,190 |
| Redeemed | (786,135) | (3,611,604) | (992,539) | (6,384,231) |
| | (266,028) | (1,274,787) | (17,652) | (211,653) |
| Class III/Shares Authorized | <u>50,000,000</u> | | <u>50,000,000</u> | |
| Sold | 155,550 | 773,484 | 164,944 | 1,182,902 |
| Issued in reinvestment of distributions | 33,500 | 134,815 | 124,748 | 838,305 |
| Redeemed | (196,583) | (881,742) | (494,423) | (3,064,322) ⁽¹⁾ |
| | (7,533) | 26,557 | (204,731) | (1,043,115) |
| Net increase (decrease) | <u>(5,824,712)</u> | <u>\$(28,726,221)</u> | <u>(6,327,164)</u> | <u>\$ (38,315,439)</u> |

(1) Net of redemption fees of \$1,903.

5. Fair Value Measurements

The fund's securities valuation process is based on several considerations and may use multiple inputs to determine the fair value of the positions held by the fund. In conformity with accounting principles generally accepted in the United States of America, the inputs used to determine a valuation are classified into three broad levels as follows:

- Level 1 valuation inputs consist of actual quoted prices in an active market for identical securities;
- Level 2 valuation inputs consist of significant direct or indirect observable market data (including quoted prices for similar securities, evaluations of subsequent market events, interest rates, prepayment speeds, credit risk, etc.); or
- Level 3 valuation inputs consist of significant unobservable inputs (including a fund's own assumptions).

The level classification is based on the lowest level input that is significant to the fair valuation measurement. The valuation inputs are not an indication of the risks associated with investing in these securities or other financial instruments.

The following is a summary of the valuation inputs used to determine the fair value of the fund's securities as of December 31, 2009:

| | Level 1 | Level 2 | Level 3 |
|---|----------------------|------------------|----------|
| Investment Securities | | | |
| Common Stocks | \$259,664,910 | — | — |
| Convertible Preferred Stocks | — | \$196,273 | — |
| Temporary Cash Investments | 38,957 | 400,000 | — |
| Total Value of Investment Securities | <u>\$259,703,867</u> | <u>\$596,273</u> | <u>—</u> |

6. Derivative Instruments

Equity Price Risk — The fund is subject to equity price risk in the normal course of pursuing its investment objectives. A fund may enter into futures contracts based on an equity index in order to manage its exposure to changes in market conditions. A fund may purchase futures contracts to gain exposure to increases in market value or sell futures contracts to protect against a decline in market value. Upon entering into a futures contract, a fund is required to deposit either cash or securities in an amount equal to a certain percentage of the contract value (initial margin). Subsequent payments (variation margin) are made or received daily, in cash, by a fund. The variation margin is equal to the daily change in the contract value and is recorded as unrealized gains and losses. A fund recognizes a realized gain or loss when the contract is closed or expires. Net realized and unrealized gains or losses occurring during the holding period of futures contracts are a component of net realized gain (loss) on futures contract transactions and change in net unrealized appreciation (depreciation) on futures contracts, respectively. One of the risks of entering into futures contracts is the possibility that the change in value of the contract may not correlate with the changes in value of the underlying securities. During the period, the fund infrequently purchased equity price risk derivative instruments for temporary investment purposes.

At December 31, 2009, the fund did not have any derivative instruments disclosed on the Statement of Assets and Liabilities. For the year ended December 31, 2009, the effect of equity price risk derivatives on the Statement of Operations was \$(50,534) in net realized gain (loss) on futures contract transactions.

7. Interfund Lending

The fund, along with certain other funds in the American Century Investments family of funds, may participate in an interfund lending program, pursuant to an Exemptive Order issued by the Securities and Exchange Commission (SEC). This program provides an alternative credit facility allowing the fund to borrow from or lend to other funds in the American Century Investments family of funds that permit such transactions. Interfund lending transactions are subject to each fund's investment policies and borrowing and lending limits. The interfund loan rate earned/paid on interfund lending transactions is determined daily based on the average of certain current market rates. Interfund lending transactions normally extend only overnight, but can have a maximum duration of seven days. The program is subject to annual approval by the Board of Directors. During the year ended December 31, 2009, the fund did not utilize the program.

8. Recently Issued Accounting Standards

In March 2008, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) Section 815-10 (formerly Statement of Financial Accounting Standards No. 161, "Disclosures about Derivative Instruments and Hedging Activities — an amendment of FASB Statement No. 133"). ASC Section 815-10 is effective for interim periods beginning after November 15, 2008 and has been adopted by the fund. ASC Section 815-10 amends and expands disclosures about derivative instruments and hedging activities. ASC Section 815-10 requires qualitative disclosures about the objectives and strategies of derivative instruments, quantitative disclosures about the fair value amounts of and gains and losses on derivative instruments, and disclosures of credit-risk-related contingent features in hedging activities.

9. Other Tax Information (Unaudited)

The following information is provided pursuant to provisions of the Internal Revenue Code.

For corporate taxpayers, the fund hereby designates \$11,721,686, or up to the maximum amount allowable, of ordinary income distributions paid during the fiscal year ended December 31, 2009 as qualified for the corporate dividends received deduction.

Financial Highlights

VP Income & Growth

Class I

| For a Share Outstanding Throughout the Years Ended December 31 | | | | | |
|--|---------------|-----------------|----------------|---------------|--------------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| Per-Share Data | | | | | |
| Net Asset Value, Beginning of Period | \$4.82 | \$8.46 | \$8.63 | \$7.51 | \$7.32 |
| Income From Investment Operations | | | | | |
| Net Investment Income (Loss) ⁽¹⁾ | 0.09 | 0.12 | 0.12 | 0.14 | 0.13 |
| Net Realized and Unrealized Gain (Loss) | 0.70 | (2.77) | (0.13) | 1.12 | 0.20 |
| Total From Investment Operations | 0.79 | (2.65) | (0.01) | 1.26 | 0.33 |
| Distributions | | | | | |
| From Net Investment Income | (0.23) | (0.14) | (0.16) | (0.14) | (0.14) |
| From Net Realized Gains | — | (0.85) | — | — | — |
| Total Distributions | (0.23) | (0.99) | (0.16) | (0.14) | (0.14) |
| Net Asset Value, End of Period | \$5.38 | \$4.82 | \$8.46 | \$8.63 | \$7.51 |
| Total Return⁽²⁾ | 18.10% | (34.59)% | (0.07)% | 17.09% | 4.63% |
| Ratios/Supplemental Data | | | | | |
| Ratio of Operating Expenses to Average Net Assets | 0.70% | 0.70% | 0.71% | 0.70% | 0.70% |
| Ratio of Net Investment Income (Loss) to Average Net Assets | 1.98% | 1.86% | 1.39% | 1.75% | 1.81% |
| Portfolio Turnover Rate | 46% | 57% | 54% | 63% | 76% |
| Net Assets, End of Period (in thousands) | \$243,409 | \$245,028 | \$481,304 | \$615,658 | \$772,330 |

(1) Computed using average shares outstanding throughout the period.

(2) Total return assumes reinvestment of net investment income and capital gains distributions, if any. The total return of the classes may not precisely reflect the class expense differences because of the impact of calculating the net asset values to two decimal places. If net asset values were calculated to three decimal places, the total return differences would more closely reflect the class expense differences. The calculation of net asset values to two decimal places is made in accordance with SEC guidelines and does not result in any gain or loss of value between one class and another.

See Notes to Financial Statements.

VP Income & Growth

Class II

| For a Share Outstanding Throughout the Years Ended December 31 | | | | | |
|--|---------------|-----------------|----------------|---------------|--------------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| Per-Share Data | | | | | |
| Net Asset Value, Beginning of Period | \$4.81 | \$8.44 | \$8.62 | \$7.50 | \$7.30 |
| Income From Investment Operations | | | | | |
| Net Investment Income (Loss) ⁽¹⁾ | 0.08 | 0.10 | 0.10 | 0.12 | 0.11 |
| Net Realized and Unrealized Gain (Loss) | 0.70 | (2.76) | (0.14) | 1.12 | 0.22 |
| Total From Investment Operations | 0.78 | (2.66) | (0.04) | 1.24 | 0.33 |
| Distributions | | | | | |
| From Net Investment Income | (0.21) | (0.12) | (0.14) | (0.12) | (0.13) |
| From Net Realized Gains | — | (0.85) | — | — | — |
| Total Distributions | (0.21) | (0.97) | (0.14) | (0.12) | (0.13) |
| Net Asset Value, End of Period | \$5.38 | \$4.81 | \$8.44 | \$8.62 | \$7.50 |
| Total Return⁽²⁾ | 17.77% | (34.73)% | (0.43)% | 16.81% | 4.52% |
| Ratios/Supplemental Data | | | | | |
| Ratio of Operating Expenses to Average Net Assets | 0.95% | 0.95% | 0.96% | 0.95% | 0.95% |
| Ratio of Net Investment Income (Loss) to Average Net Assets | 1.73% | 1.61% | 1.14% | 1.50% | 1.56% |
| Portfolio Turnover Rate | 46% | 57% | 54% | 63% | 76% |
| Net Assets, End of Period (in thousands) | \$14,511 | \$14,261 | \$25,158 | \$27,778 | \$27,857 |

(1) Computed using average shares outstanding throughout the period.

(2) Total return assumes reinvestment of net investment income and capital gains distributions, if any. The total return of the classes may not precisely reflect the class expense differences because of the impact of calculating the net asset values to two decimal places. If net asset values were calculated to three decimal places, the total return differences would more closely reflect the class expense differences. The calculation of net asset values to two decimal places is made in accordance with SEC guidelines and does not result in any gain or loss of value between one class and another.

See Notes to Financial Statements.

VP Income & Growth

Class III

| For a Share Outstanding Throughout the Years Ended December 31 | | | | | |
|--|---------------|-----------------|----------------|---------------|--------------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| Per-Share Data | | | | | |
| Net Asset Value, Beginning of Period | \$4.82 | \$8.46 | \$8.63 | \$7.51 | \$7.32 |
| Income From Investment Operations | | | | | |
| Net Investment Income (Loss) ⁽¹⁾ | 0.09 | 0.12 | 0.12 | 0.13 | 0.13 |
| Net Realized and Unrealized Gain (Loss) | 0.70 | (2.77) | (0.13) | 1.13 | 0.20 |
| Total From Investment Operations | 0.79 | (2.65) | (0.01) | 1.26 | 0.33 |
| Distributions | | | | | |
| From Net Investment Income | (0.23) | (0.14) | (0.16) | (0.14) | (0.14) |
| From Net Realized Gains | — | (0.85) | — | — | — |
| Total Distributions | (0.23) | (0.99) | (0.16) | (0.14) | (0.14) |
| Net Asset Value, End of Period | \$5.38 | \$4.82 | \$8.46 | \$8.63 | \$7.51 |
| Total Return⁽²⁾ | 18.10% | (34.59)% | (0.07)% | 17.09% | 4.63% |
| Ratios/Supplemental Data | | | | | |
| Ratio of Operating Expenses to Average Net Assets | 0.70% | 0.70% | 0.71% | 0.70% | 0.70% |
| Ratio of Net Investment Income (Loss) to Average Net Assets | 1.98% | 1.86% | 1.39% | 1.75% | 1.81% |
| Portfolio Turnover Rate | 46% | 57% | 54% | 63% | 76% |
| Net Assets, End of Period (in thousands) | \$3,451 | \$3,131 | \$7,222 | \$9,838 | \$5,601 |

(1) Computed using average shares outstanding throughout the period.

(2) Total return assumes reinvestment of net investment income and capital gains distributions, if any. The total return of the classes may not precisely reflect the class expense differences because of the impact of calculating the net asset values to two decimal places. If net asset values were calculated to three decimal places, the total return differences would more closely reflect the class expense differences. The calculation of net asset values to two decimal places is made in accordance with SEC guidelines and does not result in any gain or loss of value between one class and another.

See Notes to Financial Statements.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders,
American Century Variable Portfolios, Inc.:

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of VP Income & Growth Fund, one of the funds constituting American Century Variable Portfolios, Inc. (the "Corporation"), as of December 31, 2009, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Corporation is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2009, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of VP Income & Growth Fund of American Century Variable Portfolios, Inc., as of December 31, 2009, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
Kansas City, Missouri
February 12, 2010

Management

The individuals listed below serve as directors or officers of the fund. Each director serves until his or her successor is duly elected and qualified or until he or she retires. Mandatory retirement age for independent directors is 72. However, the mandatory retirement age of any director may be extended with the approval of the remaining independent directors. Those listed as interested directors are “interested” primarily by virtue of their engagement as directors and/or officers of, or ownership interest in, American Century Companies, Inc. (ACC) or its wholly owned, direct or indirect, subsidiaries, including the fund’s investment advisor, American Century Investment Management, Inc. (ACIM) or American Century Global Investment Management, Inc. (ACGIM); the fund’s principal underwriter, American Century Investment Services, Inc. (ACIS); and the fund’s transfer agent, American Century Services, LLC (ACS).

The other directors (more than three-fourths of the total number) are independent; that is, they have never been employees, directors or officers of, and have no financial interest in, ACC or any of its wholly owned, direct or indirect, subsidiaries, including ACIM, ACGIM, ACIS and ACS. The directors serve in this capacity for seven registered investment companies in the American Century Investments family of funds.

All persons named as officers of the fund also serve in similar capacities for the other 14 registered investment companies in the American Century Investments family of funds advised by ACIM or ACGIM, a wholly owned subsidiary of ACIM, unless otherwise noted. No officer is compensated for his or her service as an officer of the fund. The listed officers are interested persons of the fund and are appointed or re-appointed on an annual basis.

Interested Director

Jonathan S. Thomas, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1963

Position(s) Held with Fund: Director (since 2007) and President (since 2007)

Principal Occupation(s) During Past 5 Years: President and Chief Executive Officer, ACC (March 2007 to present); Chief Administrative Officer, ACC (February 2006 to February 2007); Executive Vice President, ACC (November 2005 to February 2007). Also serves as: President, Chief Executive Officer and Director, ACS; Executive Vice President, ACIM and ACGIM; Director, ACIM, ACGIM, ACIS and other ACC subsidiaries. Managing Director, Morgan Stanley (March 2000 to November 2005)

Number of Portfolios in Fund Complex Overseen by Director: 103

Other Directorships Held by Director: None

Independent Directors

Thomas A. Brown, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1940

Position(s) Held with Fund: Director (since 1980)

Principal Occupation(s) During Past 5 Years: Managing Member, Associated Investments, LLC (real estate investment company); Managing Member, Brown Cascade Properties, LLC (real estate investment company); Retired, Area Vice President, Applied Industrial Technologies (bearings and power transmission company)

Number of Portfolios in Fund Complex Overseen by Director: 63

Other Directorships Held by Director: None

Andrea C. Hall, Ph.D., 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1945

Position(s) Held with Fund: Director (since 1997)

Principal Occupation(s) During Past 5 Years: Retired, Advisor to the President, Midwest Research Institute (not-for-profit, contract research organization)

Number of Portfolios in Fund Complex Overseen by Director: 63

Other Directorships Held by Director: None

James A. Olson, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1942

Position(s) Held with Fund: Director (since 2007)

Principal Occupation(s) During Past 5 Years: Member, Plaza Belmont LLC (private equity fund manager); Chief Financial Officer, Plaza Belmont LLC (September 1999 to September 2006)

Number of Portfolios in Fund Complex Overseen by Director: 63

Other Directorships Held by Director: Saia, Inc.; Entertainment Properties Trust

Donald H. Pratt, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1937

Position(s) Held with Fund: Director (since 1995) and Chairman of the Board (since 2005)

Principal Occupation(s) During Past 5 Years: Chairman and Chief Executive Officer, Western Investments, Inc. (real estate company); Retired Chairman of the Board, Butler Manufacturing Company (metal buildings producer)

Number of Portfolios in Fund Complex Overseen by Director: 63

Other Directorships Held by Director: None

Gale E. Sayers, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1943

Position(s) Held with Fund: Director (since 2000)

Principal Occupation(s) During Past 5 Years: President, Chief Executive Officer and Founder, Sayers40, Inc. (technology products and services provider)

Number of Portfolios in Fund Complex Overseen by Director: 63

Other Directorships Held by Director: None

M. Jeannine Strandjord, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1945

Position(s) Held with Fund: Director (since 1994)

Principal Occupation(s) During Past 5 Years: Retired, formerly Senior Vice President, Sprint Corporation (telecommunications company)

Number of Portfolios in Fund Complex Overseen by Director: 63

Other Directorships Held by Director: DST Systems, Inc.; Euronet Worldwide, Inc.; Charming Shoppes, Inc.

John R. Whitten, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1946

Position(s) Held with Fund: Director (since 2008)

Principal Occupation(s) During Past 5 Years: Project Consultant, Celanese Corp. (industrial chemical company) (September 2004 to January 2005)

Number of Portfolios in Fund Complex Overseen by Director: 63

Other Directorships Held by Director: Rudolph Technologies, Inc.

Officers

Barry Fink, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1955

Position(s) Held with Fund: Executive Vice President (since 2007)

Principal Occupation(s) During Past 5 Years: Chief Operating Officer and Executive Vice President, ACC (September 2007 to present); President, ACS (October 2007 to present); Managing Director, Morgan Stanley (2000 to 2007); Global General Counsel, Morgan Stanley (2000 to 2006). Also serves as: Director, ACC, ACS, ACIS and other ACC subsidiaries

Maryanne Roepke, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1956

Position(s) Held with Fund: Chief Compliance Officer (since 2006) and Senior Vice President (since 2000)

Principal Occupation(s) During Past 5 Years: Chief Compliance Officer, ACIM, ACGIM and ACS (August 2006 to present); Assistant Treasurer, ACC (January 1995 to August 2006); and Treasurer and Chief Financial Officer, various American Century Investments funds (July 2000 to August 2006). Also serves as: Senior Vice President, ACS

Charles A. Etherington, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1957

Position(s) Held with Fund: General Counsel (since 2007) and Senior Vice President (since 2006)

Principal Occupation(s) During Past 5 Years: Attorney, ACC (February 1994 to present); Vice President, ACC (November 2005 to present); General Counsel, ACC (March 2007 to present). Also serves as: General Counsel, ACIM, ACGIM, ACS, ACIS and other ACC subsidiaries; and Senior Vice President, ACIM, ACGIM and ACS

Robert Leach, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1966

Position(s) Held with Fund: Vice President, Treasurer and Chief Financial Officer (all since 2006)

Principal Occupation(s) During Past 5 Years: Vice President, ACS (February 2000 to present); and Controller, various American Century Investments funds (1997 to September 2006)

David H. Reinmiller, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1963

Position(s) Held with Fund: Vice President (since September 2000)

Principal Occupation(s) During Past 5 Years: Attorney, ACC (January 1994 to present); Associate General Counsel, ACC (January 2001 to present); Chief Compliance Officer, American Century Investments funds, ACIM and ACGIM (January 2001 to February 2005). Also serves as: Associate General Counsel, ACIM, ACGIM, ACS, ACIS and other ACC subsidiaries; and Vice President, ACIM, ACGIM and ACS

Ward Stauffer, 4500 Main Street, Kansas City, MO 64111

Year of Birth: 1960

Position(s) Held with Fund: Secretary (since February 2005)

Principal Occupation(s) During Past 5 Years: Attorney, ACC (June 2003 to present)

The SAI has additional information about the fund's directors and is available without charge, upon request, by calling 1-800-378-9878.

Additional Information

Proxy Voting Guidelines

American Century Investment Management, Inc., the fund's investment advisor, is responsible for exercising the voting rights associated with the securities purchased and/or held by the fund. A description of the policies and procedures the advisor uses in fulfilling this responsibility is available without charge, upon request, by calling 1-800-378-9878. It is also available on American Century Investments' website at americancentury.com and on the Securities and Exchange Commission's website at sec.gov. Information regarding how the investment advisor voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available on the "About Us" page at americancentury.com. It is also available at sec.gov.

Quarterly Portfolio Disclosure

The fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year on Form N-Q. The fund's Form N-Q is available on the SEC's website at sec.gov, and may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The fund also makes its complete schedule of portfolio holdings for the most recent quarter of its fiscal year available on its website at ipro.americancentury.com (for Investment Professionals) and, upon request, by calling 1-800-378-9878.

Index Definitions

The following indices are used to illustrate investment market, sector, or style performance or to serve as fund performance comparisons. They are not investment products available for purchase.

The **Russell 1000® Index** is a market-capitalization weighted, large-cap index created by Frank Russell Company to measure the performance of the 1,000 largest publicly traded U.S. companies, based on total market capitalization.

The **Russell 1000® Growth Index** measures the performance of those Russell 1000 Index companies (the 1,000 largest publicly traded U.S. companies, based on total market capitalization) with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000® Value Index** measures the performance of those Russell 1000 Index companies (the 1,000 largest publicly traded U.S. companies, based on total market capitalization) with lower price-to-book ratios and lower forecasted growth values.

The **Russell 2000® Index** is a market-capitalization weighted index created by Frank Russell Company to measure the performance of the 2,000 smallest of the 3,000 largest publicly traded U.S. companies, based on total market capitalization.

The **Russell 2000® Growth Index** measures the performance of those Russell 2000 Index companies (the 2,000 smallest of the 3,000 largest publicly traded U.S. companies, based on total market capitalization) with higher price-to-book ratios and higher forecasted growth values.

The **Russell 2000® Value Index** measures the performance of those Russell 2000 Index companies (the 2,000 smallest of the 3,000 largest publicly traded U.S. companies, based on total market capitalization) with lower price-to-book ratios and lower forecasted growth values.

The **Russell Midcap® Index** measures the performance of the 800 smallest of the 1,000 largest publicly traded U.S. companies, based on total market capitalization.

The **Russell Midcap® Growth Index** measures the performance of those Russell Midcap Index companies (the 800 smallest of the 1,000 largest publicly traded U.S. companies, based on total market capitalization) with higher price-to-book ratios and higher forecasted growth values.

The **Russell Midcap® Value Index** measures the performance of those Russell Midcap Index companies (the 800 smallest of the 1,000 largest publicly traded U.S. companies, based on total market capitalization) with lower price-to-book ratios and lower forecasted growth values.

The **S&P 500 Index** is a market value-weighted index of the stocks of 500 publicly traded U.S. companies chosen for market size, liquidity, and industry group representation that are considered to be leading firms in dominant industries. Each stock's weight in the index is proportionate to its market value. Created by Standard & Poor's, it is considered to be a broad measure of U.S. stock market performance.

Notes



American Century
Investments®

Contact Us

americencentury.com

Automated Information Line 1-800-345-8765

Investment Professional Service Representatives 1-800-345-6488

Telecommunications Device for the Deaf 1-800-634-4113

American Century Variable Portfolios, Inc.

Investment Advisor:

American Century Investment Management, Inc.
Kansas City, Missouri

This report and the statements it contains are submitted for the general information of our shareholders. The report is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

American Century Investment Services, Inc., Distributor

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CL-AMIN-67559

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