PROCTER & GAMBLE CO
Form 11-K
June 29, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 11-K

x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED] FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006, OR

o TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED] FOR THE TRANSITION PERIOD __________ to __________

Commission file number 001-00434

A. Full title of the plan and the address of the plan, if different from that of the issuer named below: The Procter & Gamble Subsidiaries Savings Plan, The Procter & Gamble Company, Two Procter & Gamble Plaza, Cincinnati, Ohio 45202.

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office: The Procter & Gamble Company, One Procter & Gamble Plaza, Cincinnati, Ohio 45202

REQUIRED INFORMATION

Item 4. Plan Financial Statements and Schedules Prepared in Accordance with the Financial Reporting Requirements of ERISA.

SIGNATURE

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934, THE TRUSTEES (OR OTHER PERSONS WHO ADMINISTER THE EMPLOYEE BENEFIT PLAN) HAVE DULY CAUSED THIS ANNUAL REPORT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED HEREUNTO DULY AUTHORIZED.

The Procter & Gamble
Subsidiarties Savings Plan

Date: June 29, 2007
By: /s/ THOMAS J. MESS
Thomas J. Mess
Secretary, Trustees of
The Procter & Gamble
Subsidiaries Savings Plan

EXHIBIT INDEX

Exhibit No.	
23	Consent of Deloitte & Touche LLP

The Procter & Gamble
Subsidiaries Savings Plan

Financial Statements as of and for the Years
Ended December 31, 2006 and 2005,
Supplemental Schedule as of December 31, 2006,
and Report of Independent Registered Public Accounting
Firm

THE PROCTER & GAMBLE SUBSIDIARIES SAVINGS PLAN

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NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To The Procter & Gamble Master Savings Plan Committee:

We have audited the accompanying statements of net assets available for benefits of The Procter & Gamble Subsidiaries Savings Plan (the "Plan") as of December 31, 2006 and 2005, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with 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 are free of material misstatement. The Plan 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 Plan'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. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2006 and 2005, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2006, is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan's management. Such schedule has been subjected to the auditing procedures applied in our audit of the basic 2006 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/S/ DELOITTE & TOUCHE LLP

June 22, 2007

THE PROCTER & GAMBLE SUBSIDIARIES SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2006 AND 2005

	2006	2005
PARTICIPANT-DIRECTED INVESTMENTS:		
At fair value	$ 233,121,247	$ 226,758,928
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	233,121,247	226,758,928
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	833,390	799,236
NET ASSETS AVAILABLE FOR BENEFITS	$ 233,954,637	$ 227,558,164

See notes to financial statements.

THE PROCTER & GAMBLE SUBSIDIARIES SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2006 AND 2005

		2006		**2005**
ADDITIONS:				
Investment income:				
Net appreciation in fair value of investments	$	20,906,833	$	6,906,703
Net appreciation in contract value of investments		1,487,197		1,494,462
Interest		125,785		115,626
Dividends		5,873,140		4,940,691
Total investment income		28,392,955		13,457,482
Total additions		28,392,955		13,457,482
DEDUCTIONS:				
Distributions to and withdrawals by participants		21,825,644		19,063,622
Administrative expenses		170,838		107,151
Total deductions		21,996,482		19,170,773
INCREASE/(DECREASE) IN NET ASSETS		6,396,473		(5,713,291)
NET ASSETS AVAILABLE FOR BENEFITS:				
Beginning of year		227,558,164		233,271,455
End of year	$	233,954,637	$	227,558,164

See notes to financial statements.

THE PROCTER & GAMBLE SUBSIDIARIES SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2006 AND 2005

1. DESCRIPTION OF THE PLAN

The following brief description of The Procter & Gamble Subsidiaries Savings Plan (the "Plan") is provided for general information only. Participants should refer to the Plan agreement for more complete information.

General — The Plan was established effective March 2, 1990 upon the acquisition of the Hawaiian Punch Division of DelMonte by The Procter & Gamble Company (the "Company"). During the period from March 1996 through June 2002, the following plans were merged into the Plan: the Sundor Brands Savings Plan, Max Factor Savings Plan, the Speas Savings Plan, the Tambrands, Inc. Savings Plan ("Tambrands"), the Iams Company Savings Plan ("Iams"), Recovery Engineering, Inc. Salary Savings Plan ("Pur"), the Richardson-Vicks Savings Plan ("Richardson-Vicks"), The Procter & Gamble Subsidiaries Savings and Investment Plan ("Subsidiaries Savings and Investment"), the Procter & Gamble Pharmaceuticals Savings Plan ("Pharmaceuticals"), and the Millstone Coffee, Inc. 401(k) Savings and Profit Sharing Plan ("Millstone").

The Plan is a voluntary defined contribution plan covering all eligible employees of Sundor Group, Inc., including the Sundor Brands and Hawaiian Punch divisions, Max Factor & Company, Speas Company, Tambrands Company, Iams Company, Pur Company, Richardson-Vicks Company, Maryland Club Foods, Inc., Shulton, Inc., Dover Baby Wipes Company, Giorgio Beverly Hills, Inc., Millstone Coffee, Inc., Norwich Eaton, and former employees of Fisher Nut Company who were members of the Twin Cities Bakery and Confectionery Workers Union Local No. 22, all subsidiaries of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plan is administered by the Master Savings Plan Committee consisting of three members appointed by the Board of Directors of the Company, except for duties specifically vested in the trustee of the Plan, J.P. Morgan Chase Bank, and the Plan recordkeeper, J.P. Morgan Retirement Plan Services LLC, who are also appointed by the Board of Directors of the Company.

***Contributions* —** Effective April 1996, all contributions to the Plan were suspended. Tambrands, Iams, Pur, Richardson-Vicks, Subsidiaries Savings and Investment, Pharmaceuticals, and Millstone Savings Plans were frozen prior to conversion into the Plan.

Participant Accounts — Individual accounts are maintained for each Plan participant. Each participant's account is credited with an allocation of the Plan's earnings or losses. The benefit to which a participant is entitled is limited to the benefit that can be provided from their account. Participants can allocate their account to one or all of the investment options offered by the Plan.

Investments — Participants direct the investment of their accounts into various investment options offered by the Plan. The Plan currently offers common stock, mutual funds, a common collective trust fund and an insurance investment contract as investment options for participants.

***Vesting* —** Upon suspension of contributions, all participants were vested immediately in their accounts plus actual earnings thereon.

Participant Loans — The Plan has a loan feature under which active participants may borrow up to 50% of the current value of their vested account balances exclusive of amounts attributable to Company contributions (up to a maximum of $50,000). Loans are repaid via payroll deduction over a period of up to five years, except for loans used to purchase a primary residence, which are repaid via payroll deduction over a period of up to 10 years. Principal and interest paid is credited to applicable funds in the borrower's account. Former Company participants may not borrow against their account balances. Upon participant termination or retirement, the outstanding loan balance is treated as a distribution to the participant if repayment is not made by the participant.

***Payment of Benefits* —** The Plan provides for benefits to be paid upon retirement, disability, death, or separation other than retirement as defined by the Plan document. Plan benefits may be made in a lump sum of cash or shares of Company common stock, in installments over not more than 120 months, or variable amounts paid monthly. Retired or terminated employees shall commence benefit payments upon attainment of age 70½.

A participant may withdraw any portion of after-tax contributions once in any three-month period. Participants who have attained age 59 ½ or have demonstrated financial hardship may withdraw all or any portion of their before-tax contributions once in any six-month period.

Account balances attributable to terminated employees are approximately $120,763,841 and $113,204,000 as of December 31, 2006 and 2005, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties — The Plan utilizes various investment instruments, including Company common stock, J.M. Smucker Company common stock, a common collective trust fund and various mutual funds that include investments in U.S. Government securities, corporate debt instruments, corporate stocks, and investment contracts. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

***Investment Valuation and Income Recognition* —** The Plan's investments are stated at fair value. Shares of mutual funds are valued at quoted market prices, which represent the net assets value of shares held by the Plan at year end. Common stock is valued at quoted market prices. The common collective trust fund is stated at fair value as determined by the issuer of the common collective trust fund based on the fair market value of the underlying investments.The fully benefit-responsive investment contract is stated at fair value and then adjusted to contract value. Fair value of the contract is calculated by the difference between replacement cost and actual cost, projected for the duration of the associated portfolio, discounted back to measurement date using bank-finance yield curve. Loans to participants are valued at the outstanding loan balances.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Management fees and operating expenses charged to the Plan for investments in the mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Adoption of new Accounting Guidance— The financial statements reflect the retroactive adoption of Financial Accounting Standards Board Staff Positions, FSP AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the "FSP"). As required by the FSP, the statements of net assets available for benefits present investment contracts at fair value as well as an additional line item showing an adjustment of fully benefit responsive contracts from fair value to contract value. The statements of changes in net assets available for benefit are presented on a contract value basis and were not affected by the adoption of the FSP. The adoption of the FSP did not impact the amount of net assets available for benefits at December 31, 2005.

Administrative Expenses — Investment management expenses are paid by the Plan and are netted against investment income. Loan processing fees are paid by the participants through reduction in their investment balances. In addition, effective July 1, 2005, recordkeeping fees of the Plan are paid by participants through a reduction in their investment balances.

***Payment of Benefits* —** Benefit payments to participants are recorded upon distribution. There were no amounts allocated to accounts of persons who have elected to withdraw from the Plan but have not yet been paid at December 31, 2006 and 2005 respectively.

3. INVESTMENTS

The Plan's investments that represented five percent or more of the Plan's net assets available for benefits as of December 31, 2006 and 2005, are as follows:

Description	**2006**	**2005**
Barclays Global Investors Equity Index Fund F	-	$ 74,922,244
Barclays Global Investors Equity Index Fund T	$ 75,867,800	
* The Procter & Gamble Company common stock	59,577,105	57,673,937

Royce Low Priced Stock Fund	26,920,081	25,146,006
PIMCO Total Return Fund	17,747,189	18,356,100
Fidelity Diversified International Fund	17,757,237	15,431,628
* J.P. Morgan Chase Bank Intermediate Bond Fund	30,514,325	31,435,594

BOARD AND COMMITTEE STRUCTURE

The Board of Directors of FAX is currently composed of five Independent Directors and one Interested Director, Martin J. Gilbert. The Board of Directors of FCO is currently composed of five Independent Directors and one Interested Director, Martin J. Gilbert. The Board of Directors of IAF is currently composed of five Independent Directors and one Interested Director, Hugh Young. Each Fund s bylaws provide that the Board of Directors to be elected by holders of a Fund s common stock shall be divided into three classes, as nearly equal in number as possible, each of which will serve for three years, with one class being elected each year. FAX s Articles Supplementary for the Preferred Shares provide for the election of two Directors by holders of the Fund s preferred stock.

The Boards of FAX and FCO have each appointed Mr. Malone, an Independent Director, as Chairman. The Board of IAF has appointed Mr. Miles, an Independent Director, as Chairman. The Chairman presides at meetings of the Directors, participates in the preparation of the agenda for meetings of the Board, and acts as a liaison between the Directors and management between Board meetings. Except for any duties specified herein, the designation of the Chairman does not impose on such Director any duties, obligations or liability that is greater than the duties, obligations or liability imposed on such person as a member of the Board, generally.

Each Board holds regular quarterly meetings each year to consider and address matters involving the respective Fund. Each Board also may hold special meetings to address matters arising between regular meetings. The Independent Directors also meet outside the presence of management in executive session at least quarterly and have engaged separate, independent legal counsel to assist them in performing their oversight responsibilities.

Each Board has established a committee structure that includes an Audit and Valuation Committee, a Contract Review Committee, a Nominating and Corporate Governance Committee, a Cost Review Committee and a Leverage Committee (FAX and FCO only) (each discussed in more detail below) to assist each Board in the oversight and direction of the business affairs of the respective Fund, and from time to time may establish informal ad hoc committees or working groups to review and address the practices of the respective Fund with respect to specific matters. The Committee system facilitates the timely and efficient consideration of matters by the Directors, and facilitates effective oversight of compliance with legal and regulatory requirements and of each Fund s activities and associated risks. The standing Committees currently conduct an annual review of their charters, which includes a review of their responsibilities and operations. Each Nominating and Corporate Governance Committee and each

Board as a whole also conduct an annual self-assessment of the performance of the Board, including consideration of the effectiveness of the Board s Committee structure. Each Committee is comprised entirely of Independent Directors. Each Committee member is also independent within the meaning of the NYSE MKT listing standards. Each Board reviews its structure regularly and believes that its leadership structure, including having a super-majority of Independent Directors, coupled with an Independent Director as Chairman, is appropriate because it allows the Board to exercise informed and independent judgment over the matters under its purview and it allocates areas of responsibility among the Committees and the full Board in a manner that enhances efficient and effective oversight.

Audit and Valuation Committee

Each Fund s Audit and Valuation Committee, established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the 1934 Act), is responsible for the selection and engagement of the Fund s independent registered public accounting firm (subject to ratification by the Fund s Independent Directors), pre-approves and reviews both the audit and non audit work of the Fund s independent registered public accounting firm, and reviews compliance of the Fund with regulations of the SEC and the Internal Revenue Service, and other related matters. The members of each Fund s Audit and Valuation Committee are Messrs. P. Gerald Malone, Neville J. Miles, Peter D. Sacks and Moritz Sell.

Each Board has adopted an Audit and Valuation Committee Charter for its Audit and Valuation Committee, the current copy of which is available on each Fund s website at http://aberdeenfax.com, http://aberdeenfco.com and http://aberdeeniaf.com.

Each Audit and Valuation Committee oversees the activities of its Fund s Pricing Committee and performs the responsibilities assigned to the Audit and Valuation Committee in the Fund s Valuation and Liquidity Procedures, such as overseeing the implementation of the Valuation and Liquidity Procedures. Each Board has delegated to its Audit and Valuation Committee the responsibility of determining the fair value of its Fund s securities or other assets in situations set forth in the Valuation and Liquidity Procedures.

Contract Review Committee

Each Contract Review Committee reviews and makes recommendations to the Board of Directors with respect to entering into, reviewing or amending the Fund s management agreement, advisory agreement, sub-advisory agreement (if applicable), administration agreement, investor relations services agreement and other agreements. The members of each Fund s Contract Review Committee are Messrs. P. Gerald Malone, Neville J. Miles, William J. Potter, Peter D. Sacks and Moritz Sell (IAF only).

Nominating and Corporate Governance Committee; Consideration of Potential Director Nominees

Each Fund s Nominating and Corporate Governance Committee recommends nominations for membership on the Board and reviews and evaluates the effectiveness of the Board in its role in governing the Fund and overseeing the management of the Fund. It evaluates candidates qualifications for Board membership and, with respect to nominees for positions as Independent Directors, their independence from the Fund s Investment Manager, Investment Adviser and Sub-Adviser, as appropriate, and other principal service providers. Each Nominating and Corporate Governance Committee generally meets twice annually to identify and evaluate nominees for director and makes its recommendations to its respective Board at the time of each Board s December meeting. Each Nominating and Corporate Governance Committee also periodically reviews director compensation and will recommend any appropriate changes to the Boards as a group. Each Nominating and Corporate Governance Committee also reviews and may make recommendations to its respective Board relating to the effectiveness of the Board in carrying out its responsibilities in governing the Fund and overseeing the management of the Fund. Each Board has adopted a Nominating and Corporate Governance Committee Charter, a copy of which is on each Fund s website at http://aberdeenfax.com, http://aberdeenfco.com and http://aberdeeniaf.com. The members of each Fund s Nominating and Corporate Governance Committee are Messrs. P. Gerald Malone, Neville J.

Miles, William J. Potter and Moritz Sell.

Each Nominating and Corporate Governance Committee may take into account a wide variety of factors in considering prospective director candidates, including (but not limited to): (i) availability (including availability to attend to Board

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business on short notice) and commitment of a candidate to attend meetings and perform his or her responsibilities on the Board; (ii) relevant industry and related experience; (iii) educational background; (iv) reputation; (v) financial expertise; (vi) the candidate s ability, judgment and expertise; (vii) overall diversity of the Board s composition; and (viii) commitment to the representation of the interests of the Fund and its shareholders. Each Nominating and Corporate Governance Committee also considers the effect of any relationships beyond those delineated in the 1940 Act that might impair independence, such as business, financial or family relationships with the Investment Manager, Investment Adviser or Sub-Adviser or their affiliates, as appropriate. Each Nominating and Corporate Governance Committee will consider potential director candidates, if any, recommended by its Fund shareholders provided that the proposed candidates: (i) satisfy any minimum qualifications of the Fund for its directors, and (ii) are not interested persons of the Fund, as that term is defined in the 1940 Act; and (iii) are independent as defined in the listing standards of any exchange on which the Fund s shares are listed.

While the Nominating and Corporate Governance Committees have not adopted a particular definition of diversity or a particular policy with regard to the consideration of diversity in identifying candidates, when considering a candidate s and a Board s diversity, the Committees generally consider the manner in which each candidate s leadership, independence, interpersonal skills, financial acumen, integrity and professional ethics, educational and professional background, prior director or executive experience, industry knowledge, business judgment and specific experiences or expertise would complement or benefit the Board and, as a whole, contribute to the ability of the Board to oversee the Fund. Each Committee may also consider other factors or attributes as they may determine appropriate in their judgment. Each Committee believes that the significance of each candidate s background, experience, qualifications, attributes or skills must be considered in the context of the Board as a whole.

Each Fund s bylaws contain provisions regarding minimum qualifications for directors. These include a requirement that, to qualify as a nominee for a directorship, each candidate, at the time of nomination, other than persons who were directors at the time of the adoption of the minimum qualifications, must possess at least the following specific minimum qualifications: (i) a nominee shall have at least five years experience in any of investment management, economics, public accounting or Australian business; (ii) a nominee shall have a college undergraduate or graduate degree in economics, finance, business administration, accounting or engineering, or a professional degree in law, engineering, or medicine, from an accredited university or college in the United States, Australia, the United Kingdom, Canada or New Zealand, or the equivalent degree from an equivalent institution of higher learning in another country; and (iii) a nominee shall not have violated any provision of the U.S. federal or state securities laws, or comparable laws of another country.

Each Fund s bylaws also contain advance notice provisions and general procedures with respect to the submission of proposals, including the nomination of directors. Shareholders who intend to propose potential director candidates must substantiate compliance with these requirements. Notice of shareholder proposals must be provided to the Fund s Secretary not earlier than the 150^{th} day and not later than 5:00 p.m., Eastern Time, on the 120^{th} day prior to the first anniversary of the date of the preceding year s proxy statement. Any shareholder may obtain a copy of the Funds bylaws by calling the Investor Relations department of Aberdeen Standard Investments Inc., the Funds investor relations services provider, toll-free at 1-800-522-5465, or by sending an e-mail to Aberdeen Standard Investments Inc. at InvestorRelations@aberdeenstandard.com.

Cost Review Committee

Each Cost Review Committee reviews on an ongoing basis the fees and expenses incurred by the Fund, to ensure that such expenses are commensurate with the services provided. The members of each Fund s Cost Review Committee are Messrs. Neville J. Miles, William J. Potter, Peter D. Sacks and Moritz Sell (IAF).

Leverage Committee

The Leverage Committee monitors the Fund s leverage and reviews leverage options for the Fund. The members of the FAX and FCO s Leverage Committee are Messrs. P. Gerald Malone, William J. Potter and Peter D. Sacks.

Board Oversight of Risk Management

The Funds are subject to a number of risks, including, among others, investment, compliance, operational and valuation risks. Risk oversight forms part of each Board s general oversight of the respective Fund and is addressed as part of various Board and Committee activities. Each Board has adopted, and periodically reviews, policies and procedures designed to address these risks. Different processes, procedures and controls are employed with respect to different types of risks. Day-to-day risk management functions are subsumed within the responsibilities of ASIAL, who carries out each Fund s investment management and business affairs, and also by ASI Aus and AAML, as applicable, and other service providers in connection with the services they provide to the Funds. Each of ASIAL, ASI Aus and AAML, as applicable, and other service providers have their own, independent interest in risk management, and their policies and methods of risk management will depend on their functions and business models. As part of its regular oversight of each Fund, the respective Board, directly and/or through a Committee, interacts with and reviews reports from, among others, ASIAL, ASI Aus and AAML, as applicable, and each Fund s other service providers (including the Funds transfer agent), the Funds Chief Compliance Officer, and the Funds independent registered public accounting firm, legal counsel to the Funds, as appropriate, relating to the operations of the Funds. The Boards also require ASIAL to report to the Boards on other matters relating to risk management on a regular and as-needed basis. The Boards recognize that it may not be possible to identify all of the risks that may affect the Funds or to develop processes and controls to eliminate or mitigate their occurrence or effects. Each Board may, at any time and in its discretion, change the manner in which it conducts risk oversight.

Board and Committee Meetings in Fiscal 2018

During the Funds fiscal year ended October 31, 2018, the Boards of FAX, FCO and IAF each held four regular meetings, the Audit and Valuation Committee of FAX, FCO and IAF each held three meetings; the Nominating and Corporate Governance Committee of FAX, FCO and IAF each held two meetings; the Contract Review Committee of FAX, FCO and IAF each held one meeting; the Cost Review Committee of FAX, FCO and IAF each held one meeting; the Leverage Committee of FAX and FCO each held four meetings. During such period, each incumbent Director attended at least 75% of the aggregate number of meetings of the Board and of Committees of the Board on which he served.

Communications with the Board of Directors

Shareholders who wish to communicate with Board members with respect to matters relating to the Funds may address their written correspondence to the Boards as a whole or to individual Board members c/o Aberdeen Standard Investments Inc., the Funds investor relations service provider, at 1735 Market Street, 32nd Floor, Philadelphia, PA 19103, or via e-mail to the Director(s) c/o Aberdeen Standard Investments Inc. at InvestorRelations@aberdeenstandard.com.

Director Attendance at Annual Meetings of Shareholders

Generally, in the event that any of the Funds Directors are geographically close to the site of an annual meeting of shareholders at the time of such meeting, one or more of such Directors may attend the meeting. However, since a majority of the Funds Directors reside outside of the United States, the Funds recognize that it would be impractical for most Directors to attend such meetings and would create a significant expense for the Funds to require the Directors to attend such meetings. In light of the fact that the residences of most Directors are substantial distances from the location of the annual meetings of shareholders and that, historically, few shareholders have attended the annual meetings in person, the Funds have not established a policy with respect to Director attendance at annual meetings of shareholders.

REPORTS OF THE AUDIT AND VALUATION COMMITTEES; INFORMATION REGARDING THE FUNDS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Each Audit and Valuation Committee has selected, and each Fund s Independent Directors have ratified the selection of, KPMG LLP (KPMG), 1601 Market Street, Philadelphia, PA 19103, an independent registered public accounting firm, to audit the financial statements of the Funds for the fiscal year ending October 31, 2019. Representatives from KPMG are not expected to be present at the Meetings to make a statement or respond to questions from shareholders. However, such representatives are expected to be available by telephone to respond to questions raised by shareholders, if any, during the Meetings.

Each Audit and Valuation Committee has received from KPMG the written disclosures and the letter required by the Public Company Accounting Oversight Board regarding KPMG s communications with the Audit and Valuation Committee concerning independence, and have discussed with KPMG its independence. Each Audit and Valuation Committee has also reviewed and discussed the audited financial statements with Fund management and KPMG, and discussed certain matters with KPMG addressed by Statements on Auditing Standards Nos. 61 and 90. Based on the foregoing, each Audit and Valuation Committee recommended to its Board that the Fund s audited financial statements be included in the respective Fund s Annual Report to Shareholders for the fiscal year ended October 31, 2018.

The following table sets forth the aggregate fees billed for professional services rendered by KPMG during the Funds two most recent fiscal years:

	2018			2017		
	FAX	FCO	IAF	FAX	FCO	IAF
Audit Fees	$ 82,723	$ 73.080	$ 55,000	$ 81,500	$ 72,000	$ 57,000
Audit-Related Fees	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Tax Fees(1)	$ 7,610	$ 7,610	$ 7,610	$ 7,500	$ 7,500	$ 7,750
All Other Fees	None	None	None	None	None	None

(1) The Tax Fees are for the completion of the Funds federal and state tax returns. For the fiscal year ended October 31, 2018, KPMG billed $745,960 for aggregate non-audit fees for services to the Investment Manager, Investment Adviser and Sub-Adviser of FAX, FCO and IAF. For the fiscal year ended October 31, 2017, KPMG billed $796,703 for aggregate non-audit fees for services to the Investment Manager, Investment Adviser and Sub-Adviser of FAX and FCO and billed $788,203 for aggregate non-audit fees for services to the Investment Manager and Investment Adviser of IAF.

All of the services described in the table above were pre-approved by the relevant Audit and Valuation Committee.

Each Audit and Valuation Committee has adopted an Audit and Valuation Committee Charter that provides that the Audit and Valuation Committee shall annually select, retain or terminate, and recommend to the Audit and Valuation Committee members of the Board and ratified by the entire Board, who are not interested persons (as that term is defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended), of the Fund for their ratification, the selection, retention or termination, the Fund s independent auditor and, in connection therewith, evaluate the terms of the engagement (including compensation of the auditor) and the qualifications and independence of the independent auditor, including whether the independent auditor provides any consulting, auditing or tax services to the Investment Manager, Investment Adviser or Sub-Adviser, if applicable, and receive the independent auditor s specific representations as to its independence, delineating all relationships between the independent auditor and the Fund, consistent with the Independent Standards Board (ISB) Standard No. 1. Each Audit and Valuation Committee Charter also provides that the Committee shall review in advance, and consider approval of, any and all proposals by Fund management or the Investment Manager that the Fund, Investment Manager or their affiliated persons, employ the independent auditor to render permissible non-audit services to the Fund and to consider whether such services are consistent with the independent auditor s independence.

Each Audit and Valuation Committee has considered whether the provision of non-audit services that were rendered to the Investment Manager, Investment Adviser, or Sub-Adviser, if applicable, and any entity controlling, controlled by, or under common control with these entities that provides ongoing services to the relevant Fund that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant s independence and has concluded that it is independent.

COMPENSATION

The following table sets forth information regarding compensation of Directors by each Fund and by the Fund Complex of which the Funds are a part for the fiscal year ended October 31, 2018. Officers of the Funds and Directors who are interested persons of the Funds do not receive any compensation directly from the Funds or any other fund in the Fund Complex for performing their duties as officers or Directors, respectively.

Name of Director	Aggregate Compensation from Fund Fiscal Year Ended October 31, 2018			Total Compensation From Fund and Fund Complex Paid To Directors*
	FAX	FCO	IAF	
Independent Directors:				
P. Gerald Malone	$ 62,000	$ 59,000	$ 36,000	$ 353,755 (32)
Neville J. Miles	$ 46,000	$ 37,000	$ 59,000	$ 240,000 (28)
William J. Potter	$ 42,000	$ 45,000	$ 38,000	$ 250,000 (3)
Peter D. Sacks	$ 48,539	$ 45,539	$ 43,539	$ 235,618 (28)
Moritz Sell	$ 0	$ 0	$ 38,000	$ 74,018 (3)
Interested Directors:				
Martin J. Gilbert	N/a	N/a	N/a	N/a(26)
Hugh Young	N/a	N/a	N/a	N/a (2)

* The number in parentheses indicates the total number of funds in the Fund Complex on which the Director serves or served at any time during the fiscal year ended October 31, 2018.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the 1934 Act and Section 30(h) of the 1940 Act, as applied to the Funds, require the Funds officers, Directors, the Investment Manager and Investment Adviser, affiliates of the Investment Manager or Investment Adviser, and persons who beneficially own more than 10% of a registered class of a Fund s outstanding securities (Reporting Persons) to electronically file reports of ownership of that Fund s securities and changes in such ownership with the SEC and the NYSE MKT. Such persons are required by SEC regulations to furnish the Fund with copies of all such filings.

Based solely on its review of the copies of such forms received by it and written representations from certain Reporting Persons that no year-end reports were required for those persons, and except as provided in the following sentence, each Fund believes that during the fiscal year ended October 31, 2018, its Reporting Persons complied with all applicable filing requirements in a timely manner.

Relationship of Directors or Nominees with the Investment Manager, Investment Adviser, Sub-Adviser and Administrator

Aberdeen Standard Investments (Asia) Limited serves as the Investment Manager to the Funds pursuant to management agreements dated as of April 3, 2009 for FAX, as of June 7, 2006 for FCO, and as of March 8, 2004 for IAF. The Investment Manager is a Singapore corporation with its registered office located at 21 Church Street, #01-01 Capital Square Two, Singapore 049480. Aberdeen Standard Investments Australia Limited serves as the Investment Adviser to the Funds pursuant to advisory agreements dated as of April 3, 2009 for FAX, as of June 7, 2006 for FCO, and as of March 8, 2004 for IAF. The Investment Adviser is an Australian corporation with its registered offices located at Level 10, 255 George Street, Sydney, NSW 2000, Australia. Aberdeen Asset Managers Limited serves as the Sub-Adviser to FAX and FCO pursuant to sub-advisory agreements dated November 1, 2015 and March 1, 2012, respectively. The Sub-Adviser is a United Kingdom corporation with its registered offices located at Bow Bells House 1 Bread Street, London, United Kingdom, EC4M 9HH. The Investment Manager, Investment Adviser and Sub-Adviser are each wholly-owned subsidiaries of Aberdeen Asset Management PLC (Aberdeen PLC), a Scottish company. The registered offices of Aberdeen PLC are located at 10 Queen s Terrace, Aberdeen, Scotland AB10 1YG. The merger of Standard Life plc and Aberdeen PLC, announced on March 6, 2017 (the Merger) closed on August 14, 2017. Aberdeen PLC became a direct subsidiary of Standard Life plc as a result of the Merger and the combined company changed its name to Standard Life Aberdeen plc. Following the Merger, the Funds Investment Manager, Investment Adviser, Sub-Adviser and Administrator each became an indirect subsidiary of Standard Life Aberdeen plc, but otherwise did not change. Mr. Martin Gilbert, a Director (FAX and FCO) and Vice President of the Funds, also serves as the Co-Chief Executive and an Executive Director of Standard Life Aberdeen plc. Mr. Gilbert is also a shareholder of Standard Life Aberdeen plc. Mr. Hugh Young, a Director of IAF, serves as the Managing Director of the Investment Manager and a Director of ASIAL. Mr. Young is also a shareholder of Standard Life Aberdeen plc.

Aberdeen Standard Investments Inc. (ASI), an affiliate of the Investment Manager, Investment Adviser and Sub-Adviser, serves as the Funds administrator. ASI is a Delaware corporation with its principal business office located at 1735 Market Street, 32nd Floor, Philadelphia, Pennsylvania 19103. ASI also provides investor relations services to the Funds under an investor relations services agreement. Messrs. Andolina, Cotton, Goodson, Hendry and Mmes. Melia, Nichols and Sitar, who serve as officers of the Funds, are also directors and/or officers of ASI.

EACH FUND S BOARD, INCLUDING THE INDEPENDENT DIRECTORS, RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE NOMINEES FOR DIRECTOR FOR THE RELEVANT FUND.

ADDITIONAL INFORMATION

Expenses. The expense of preparation, printing and mailing of the enclosed proxy card and accompanying Notice and Joint Proxy Statement will be borne proportionately by each Fund. Each Fund will reimburse banks, brokers and others for their reasonable expenses in forwarding proxy solicitation material to the beneficial owners of the shares of that Fund. In order to obtain the necessary quorum at each Meeting, supplementary solicitation may be made by mail, telephone, telegraph or personal interview. Such solicitation may be conducted by, among others, officers, Directors and employees of the Funds, the Investment Manager, the Investment Adviser, the Sub-Adviser (in the case of FAX and FCO) or the Funds Administrator.

AST Fund Solutions, LLC (AST) has been retained to assist in the solicitation of proxies and will receive an estimated fee of $4,400 (FAX), $1,750 (FCO) and $3,600 (IAF) and be reimbursed for its reasonable expenses. Total payments to AST are expected to be between $10,000 and $14,000.

Solicitation and Voting of Proxies. Solicitation of proxies is being made primarily by the mailing of this Joint Proxy Statement with its enclosures on or about February 15, 2019. As mentioned above, AST has been engaged to assist in the solicitation of proxies. As the meeting date approaches, certain shareholders of a Fund may receive a call from a representative of AST, if the Fund has not yet received their vote. Authorization to permit AST to execute proxies may be obtained by telephonic instructions from shareholders of a Fund. Proxies that are obtained telephonically will be recorded in accordance with procedures that management of each of the Funds believes are reasonably designed to ensure that the identity of the shareholder casting the vote is accurately determined and that the voting instructions of the shareholder are accurately determined.

Beneficial Owners. Based upon filings made with the SEC, as of January 31, 2019, the following table shows certain information concerning persons who may be deemed beneficial owners of 5% or more of a class of shares of IAF, FCO and FAX because they possessed or shared voting or investment power with respect to IAF, FCO or FAX s shares:

Fund	Class	Name and Address	Number of Shares Beneficially Owned	Percentage of Shares
IAF	Common	First Trust Portfolios L.P. 120 East Liberty Drive Wheaton, IL 60187	3,776,030	16.60%
FCO	Common	First Trust Portfolios L.P. 120 East Liberty Drive Wheaton, IL 60187	1,590,202	18.23%
FAX	Preferred	Voya Financial Inc. 230 Park Avenue New York, NY 10169	600,000	30.00%

Shareholder Proposals. If a shareholder intends to present a proposal, including the nomination of a director, at the Annual Meeting of Shareholders of the Funds to be held in 2020 and desires to have the proposal included in the Funds proxy statement and form of proxy for that meeting, the shareholder must deliver the proposal to the Secretary of the Funds at the office of the Funds, 1735 Market Street, 32nd Floor, Philadelphia, Pennsylvania 19103, and such proposal must be received by the Secretary no later than October 18, 2019.

Shareholders wishing to present proposals, including the nomination of a director, at the Annual Meeting of Shareholders of the Funds to be held in 2020 which they do not wish to be included in the Funds proxy materials must send written notice of such proposals to the Secretary of the Funds at the office of the Fund, 1735 Market Street 32nd Floor, Philadelphia, Pennsylvania 19103, and such notice must be received by the Secretary no sooner than September 18, 2019 and no later than 5:00 p.m., Eastern Time, on October 18, 2019 in the form prescribed from time to time in the Funds bylaws.

SHAREHOLDERS WHO DO NOT EXPECT TO BE PRESENT AT THE MEETINGS AND WHO WISH TO HAVE THEIR SHARES VOTED ARE REQUESTED TO DATE AND SIGN THE ENCLOSED PROXY CARD(S)

AND RETURN THEM IN THE ENCLOSED ENVELOPE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES.

Delivery of Proxy

Unless the Funds have received contrary instructions from shareholders, only one copy of this Joint Proxy Statement may be mailed to households, even if more than one person in a household is a shareholder of record. If a shareholder needs an additional copy of this Joint Proxy Statement, please contact the Funds at 1-800-522-5465. If any shareholder does not want the mailing of this Joint Proxy Statement to be combined with those for other members of its household, please contact the Funds in writing at: 1735 Market Street, 32nd Floor, Philadelphia, PA 19103 or call the Funds at 1-800-522-5465.

Other Business

Management knows of no business to be presented at the Meetings, other than the Proposal set forth in this Joint Proxy Statement, but should any other matter requiring the vote of shareholders arise, the proxies will vote thereon according to their discretion.

By order of the Boards of Directors,

Megan Kennedy, Secretary

Aberdeen Asia-Pacific Income Fund, Inc.

Aberdeen Global Income Fund, Inc.

Aberdeen Australia Equity Fund, Inc.

EVERY SHAREHOLDER S VOTE IS IMPORTANT

EASY VOTING OPTIONS:

VOTE ON THE INTERNET

Log on to:

www.proxy-direct.com

or scan the QR code

Follow the on-screen instructions

available 24 hours

VOTE BY PHONE

Call 1-800-337-3503

Follow the recorded instructions

available 24 hours

VOTE BY MAIL

Vote, sign and date this Proxy

Card and return in the

postage-paid envelope

VOTE IN PERSON

Attend Shareholder Meeting

1735 Market Street, 32nd Floor

Philadelphia, PA 19103

on March 29, 2019

Please detach at perforation before mailing.

PROXY ABERDEEN GLOBAL INCOME FUND, INC.

ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON MARCH 29, 2019

THIS PROXY IS BEING SOLICITED BY THE BOARD OF DIRECTORS. The undersigned shareholder(s) of Aberdeen Global Income Fund, Inc., revoking previous proxies, hereby appoints Alan Goodson, Megan Kennedy and Matthew Keener, or any one of them true and lawful attorneys with power of substitution of each, to vote all shares of Aberdeen Global Income Fund, Inc. which the undersigned is entitled to vote, at the Annual Meeting of Shareholders to be held on Friday, March 29, 2019, at 11:00 a.m. Eastern Time, at the offices of Aberdeen Standard Investments Inc., 1735 Market Street, 32nd Floor, Philadelphia, Pennsylvania 19103, and at any adjournment thereof as indicated on the reverse side.

In their discretion, the proxy holders named above are authorized to vote upon such other matters as may properly come before the meeting or any adjournment thereof.

Receipt of the Notice of the Annual Meeting and the accompanying Proxy Statement is hereby acknowledged. If this Proxy is executed but no instructions are given, the votes entitled to be cast by the undersigned will be cast FOR the nominees for director.

VOTE VIA THE INTERNET:
www.proxy-direct.com

VOTE VIA THE TELEPHONE:
1-800-337-3503

PLEASE SIGN, DATE AND RETURN THE PROXY PROMPTLY USING THE ENCLOSED ENVELOPE.

FCO_30457_012519

EVERY SHAREHOLDER S VOTE IS IMPORTANT

Important Notice Regarding the Availability of Proxy Materials for the

Aberdeen Global Income Fund, Inc.

Shareholders Meeting to Be Held on Friday, March 29, 2019, at 11:00 a.m. (Eastern Time)

The Proxy Statement for this meeting is available at: http://www.aberdeenFCO.com

IF YOU VOTE ON THE INTERNET OR BY TELEPHONE,

YOU NEED NOT RETURN THIS PROXY CARD

Please detach at perforation before mailing.

In their discretion, the proxy holders are authorized to vote upon the matters set forth in the Notice of Meeting and Proxy Statement dated February 6, 2019 and upon all other such matters as may properly come before the meeting or any adjournment thereof.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE NOMINEES FOR DIRECTOR IN THE PROPOSAL.

TO VOTE MARK BLOCKS BELOW IN BLUE OR BLACK INK AS SHOWN IN THIS EXAMPLE:

A **Proposal**

1. To elect two Class III Directors to the Board of Directors to serve until the 2022 Annual Meeting of Shareholders. 01. Martin J. Gilbert 02. Neville J. Miles	**FOR**	**AGAINST**	**ABSTAIN**

2. To transact such other business as may properly come before the Annual Meeting.

B **Authorized Signatures This section must be completed for your vote to be counted. Sign and Date Below**

Note: Please sign exactly as your name(s) appear(s) on this Proxy Card, and date it. When shares are held jointly, each holder should sign. When signing as attorney, executor, guardian, administrator, trustee, officer of corporation or other entity or in another representative capacity, please give the full title under the signature.

Date (mm/dd/yyyy) Please print date below	**Signature 1 Please keep signature within the box**	**Signature 2 Please keep signature within the box**
/ /		

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	Mutual Funds:	
	The Royce Funds Low Price Fund	26,920,081
	Fidelity Investments Diversified International Fund	17,757,237
	PIMCO Total Return Fund	17,747,189
*	J.P. Morgan Funds Prime Money Market Fund	2,259,638
	Common Collective Trust Fund-	
	Barclays Global Investors Equity Index Fund T	75,867,800
*		

	J.P. Morgan Stable Value Fund Stable Value Fund:	
	US Treasury Note, 3.5%, due May 31, 2007	49,693
*	J.P. Morgan Chase Bank Liquidity Fund	279,393
*	J.P. Morgan Chase Bank Intermediate Bond Fund	30,514,325
*	Loans to participants 309 loans with maturities ranging from January 2006 to January 2015 and interest rates ranging from 5% to 10.5%	1,805,663
	TOTAL INVESTMENTS	$ 233,121,247

* Denotes party-in-interest.

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