



VP Value Fund

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Market Perspective



By Enrique Chang, Chief Investment Officer, American Century Investments

U.S. Stocks Edged Higher in a Volatile Year

The U.S. stock market weathered significant volatility in 2011, delivering mixed but slightly positive returns overall. Stocks began the year on a positive note, extending a late-2010 rally into the first four months of 2011 as improving economic data and better-than-expected corporate profits provided a boost to investor confidence. Stocks advanced

despite unrest in the Middle East and North Africa, as well as a devastating earthquake and tsunami in Japan.

After peaking in late April, however, stocks reversed course as evidence of a slowdown in economic activity and a worsening sovereign debt crisis in Europe put downward pressure on the equity market. In addition, government wrangling over the federal debt ceiling and an unprecedented credit rating downgrade of U.S. debt from AAA to AA+ during the summer weighed on investor confidence. Recession fears and fiscal uncertainty led to an accelerating market decline in the third quarter of the year.

The equity market bottomed in early October and experienced yet another reversal, rebounding sharply in the final three months of the year. Investors grew more optimistic as modest but promising signs of improving economic activity quashed recession fears, and European authorities took steps to address its sovereign debt crisis, including efforts to shore up the Continent's banking sector and expand its emergency funding facility.

Large-Cap Stocks and Growth-Oriented Issues Held Up Best

Thanks to a strong finish, the broad U.S. equity indices, such as the S&P 500 Index and Russell 3000 Index, eked out returns of 1–2% in 2011. As the table below illustrates, large-cap stocks were primarily responsible for the overall gains in the market, posting modestly positive returns, while mid- and small-cap issues declined. Meanwhile, growth and value stocks were mixed—growth outperformed value among large and small-cap shares, but value prevailed in the mid-cap segment of the market.

Given the extreme volatility during the year, the most defensive sectors of the market generated the best returns; the utilities, consumer staples, and health care sectors all produced double-digit gains for the year. On the downside, just three sectors of the market declined in 2011—the economically sensitive industrials and materials sectors, as well as the financials sector.

U.S. Stock Index Returns

For the 12 months ended December 31, 2011

Russell 1000 Index (Large-Cap)	1.50%	Russell 2000 Index (Small-Cap)	-4.18%
Russell 1000 Growth Index	2.64%	Russell 2000 Growth Index	-2.91%
Russell 1000 Value Index	0.39%	Russell 2000 Value Index	-5.50%
Russell Midcap Index	-1.55%		
Russell Midcap Growth Index	-1.65%		
Russell Midcap Value Index	-1.38%		

Performance

Total Returns as of December 31, 2011

	Ticker Symbol	Average Annual Returns				Inception Date
		1 year	5 years	10 years	Since Inception	
Class I	AVPIX	1.01%	-0.94%	4.35%	7.27%	5/1/96
Russell 3000 Value Index	—	-0.10%	-2.58%	4.08%	6.99% ⁽¹⁾	—
S&P 500 Index	—	2.11%	-0.25%	2.92%	6.16% ⁽¹⁾	—
Lipper Multi-Cap Value Funds Index	—	-4.12%	-3.02%	2.99%	5.76% ⁽¹⁾	—
Class II	AVPVX	0.86%	-1.10%	4.18%	4.37%	8/14/01
Class III	AVPTX	1.01%	-0.94%	—	4.64%	5/6/02

(1) Since 4/30/96, the date nearest Class I's inception for which data are available.

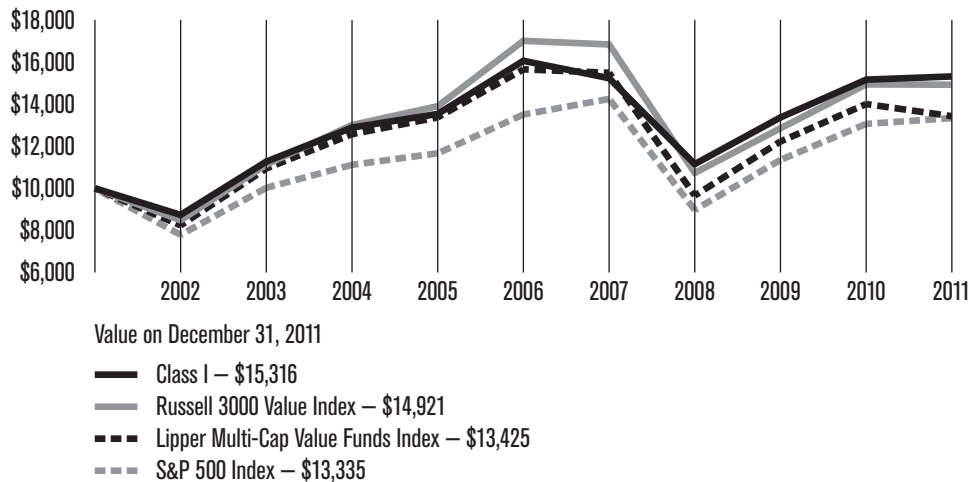
The performance information presented does not include charges and deductions imposed by the insurance company separate account under the variable annuity or variable life insurance contracts. The inclusion of such charges could significantly lower performance. Please refer to the insurance company separate 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. International investing involves special risks, such as political instability and currency fluctuations.

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 indices 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 indices do not.

Growth of \$10,000 Over 10 Years

\$10,000 investment made December 31, 2001



Total Annual Fund Operating Expenses

Class I	Class II	Class III
0.98%	1.13%	0.98%

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.

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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 indices 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 indices do not.

Portfolio Commentary

Portfolio Managers: Michael Liss, Kevin Toney, and Phil Davidson

Performance Summary

VP Value returned +1.01%* for the 12 months ended December 31, 2011. By comparison, its benchmark, the Russell 3000 Value Index, declined -0.10%. The Lipper Multi-Cap Value Funds Index fell -4.12% while the average return for Morningstar's U.S. Insurance Fund Large Cap Value category** (its performance, like VP Value's, reflects operating expenses) was -0.21%. The broader market, as measured by the S&P 500 Index, returned +2.11%. (The portfolio's returns reflect operating expenses, while the indices' returns do not.)

Stocks recorded mixed results in 2011 as some indices eked out small gains and others posted modest losses. Market volatility was high as investors confronted political turmoil in the Middle East; Japan's earthquake, tsunami, and nuclear accident; the European debt crisis; and a political stalemate in the U.S. over the raising of the debt ceiling. Lackluster U.S. growth also dampened investor sentiment, though conditions improved in the final months of the year. Corporate earnings remained solid and employers began to add jobs. In this environment, investors generally favored higher-yielding securities. Growth stocks outperformed value stocks, except in the mid-cap sphere where value stocks beat their growth counterparts. During the reporting period, VP Value received positive results in absolute terms from five of the ten of the sectors in which it was invested. Relative to the benchmark, the portfolio was hampered by its investments in the utilities and consumer discretionary sectors. Investments in the consumer staples and financials sectors enhanced results. Foreign holdings also accounted for a portion of the portfolio's total return during the period. Holdings of Koninklijke Philips Electronics N.V., an electronics conglomerate headquartered in the Netherlands, detracted from performance and was a primary source of non-domestic impact on the portfolio's total return.

Consumer Staples Contributed

VP Value's overweight in consumer staples added to relative performance as investors gravitated to more defensive stocks. The portfolio benefited from our focus on high-quality companies, particularly among food and household products stocks. Many of these names offer attractive dividend yields. Two notable contributors were Kraft Foods and Kimberly-Clark Corp. Kraft, which reported better-than-expected profits, has been able to raise consumer prices, offsetting higher commodities costs. Kraft is also planning to split itself into two companies—a global snack company to capitalize on growth opportunities for products such as cookies and chewing gum, and a North American grocery business that will focus selling staples such as cheese and coffee. Kimberly-Clark has demonstrated strong pricing power as commodities prices, specifically the price of pulp, have increased.

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

**The average returns for Morningstar's U.S. Insurance Fund Large Cap Value category were -2.07% and 3.22% for the five- and ten-year periods ended December 31, 2011, respectively. ©2012 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Financials Enhanced Performance

An underweight position and strong stock selection in financials contributed to VP Value's relative results. Within diversified financial services, we focused on less-volatile names. VP Value did not own Citigroup. It was underweight Bank of America. Both companies are struggling with mortgage-putback losses and related litigation; credit risk linked to the European debt crisis; changes in U.S. regulations as a result of Dodd-Frank legislation; and a decline in earnings power as a result of the low interest rate environment.

The financials sector also provided two top detractors — Northern Trust, which provides investment management services to wealthy individuals and institutions, and Hudson City Bancorp, a regional bank operating primarily in New Jersey and New York. The low interest rate environment has raised concern about both companies' future earnings power.

Energy Supplied Key Contributor

In the energy sector, the portfolio benefited from a position in oil and gas drilling company, EQT Corp. The stock appreciated, we believe, because of unspecified rumors about its potential acquisition.

Consumer Discretionary Detracted

In the consumer discretionary sector, the portfolio's relative performance was a question of what it didn't own rather than what it did. An underweight in the media industry slowed progress. Media stocks, especially television names, recorded gains during the reporting period on strong advertising sales.

Household durables supplied a key detractor, Whirlpool Corp. Shares of the appliance maker fell on weaker demand for appliances in the U.S. and overseas, combined with higher input costs for materials such as steel. In specialty retailing, VP Value was hampered by an investment in office supplies retailer Staples, which declined on weakness in white-collar employment and poor cost management in its European operations. Specialty retailing was also the source of positive contributor Lowe's Companies. The home improvement retailer benefited from increased optimism about a housing market turnaround.

Utilities Hampered Results

An underweight in utilities, the strongest performing sector in the benchmark, dampened relative results. Utilities stocks, which are generally viewed as defensive instruments in difficult economic times, outperformed. We have considered these stocks overvalued for some time.

Outlook

We will continue to follow our disciplined, bottom-up process, selecting securities one at a time for the portfolio. As of December 31, 2011, we see opportunities in health care, industrials, and consumer staples, reflected by our overweight positions in these sectors relative to the benchmark. Our fundamental analysis and valuation work is also directing us toward smaller weightings in financials and utilities stocks.

Fund Characteristics

DECEMBER 31, 2011

Top Ten Holdings	% of net assets
General Electric Co.	3.0%
Pfizer, Inc.	2.8%
JPMorgan Chase & Co.	2.8%
Total SA	2.8%
AT&T, Inc.	2.7%
Johnson & Johnson	2.6%
Procter & Gamble Co. (The)	2.5%
Northern Trust Corp.	2.4%
Chevron Corp.	2.2%
Lowe's Cos., Inc.	1.9%

Top Five Industries	% of net assets
Oil, Gas and Consumable Fuels	12.0%
Pharmaceuticals	8.9%
Insurance	6.3%
Commercial Banks	6.0%
Capital Markets	5.5%

Types of Investments in Portfolio	% of net assets
Domestic Common Stocks	87.8%
Foreign Common Stocks*	8.4%
Total Common Stocks	96.2%
Temporary Cash Investments	3.0%
Other Assets and Liabilities	0.8%

*Includes depositary shares, dual listed securities and foreign ordinary shares.

Shareholder Fee Example

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, 2011 to December 31, 2011.

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 7/1/11	Ending Account Value 12/31/11	Expenses Paid During Period ⁽¹⁾ 7/1/11 – 12/31/11	Annualized Expense Ratio ⁽¹⁾
Actual				
Class I	\$1,000	\$971.70	\$4.92	0.99%
Class II	\$1,000	\$969.30	\$5.66	1.14%
Class III	\$1,000	\$971.70	\$4.92	0.99%
Hypothetical				
Class I	\$1,000	\$1,020.22	\$5.04	0.99%
Class II	\$1,000	\$1,019.46	\$5.80	1.14%
Class III	\$1,000	\$1,020.22	\$5.04	0.99%

(1) 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

DECEMBER 31, 2011

	Shares	Value
Common Stocks – 96.2%		
AEROSPACE AND DEFENSE – 1.0%		
General Dynamics Corp.	40,015	\$ 2,657,396
Huntington Ingalls Industries, Inc. ⁽¹⁾	55,974	1,750,867
Raytheon Co.	64,222	3,107,060
		7,515,323
AIR FREIGHT AND LOGISTICS – 0.3%		
United Parcel Service, Inc., Class B	25,606	1,874,103
AIRLINES – 0.8%		
Southwest Airlines Co.	683,376	5,849,699
AUTOMOBILES – 1.7%		
General Motors Co. ⁽¹⁾	209,036	4,237,160
Honda Motor Co., Ltd.	84,400	2,574,655
Toyota Motor Corp.	177,200	5,905,132
		12,716,947
BEVERAGES – 1.0%		
Dr Pepper Snapple Group, Inc.	191,542	7,562,078
CAPITAL MARKETS – 5.5%		
BlackRock, Inc.	8,270	1,474,045
Charles Schwab Corp. (The)	669,021	7,533,176
Franklin Resources, Inc.	25,697	2,468,454
Goldman Sachs Group, Inc. (The)	66,681	6,029,963
Northern Trust Corp.	454,344	18,019,283
State Street Corp.	140,371	5,658,355
		41,183,276
COMMERCIAL BANKS – 6.0%		
BB&T Corp.	104,868	2,639,528
Comerica, Inc.	257,688	6,648,350
Commerce Bancshares, Inc.	98,784	3,765,646
PNC Financial Services Group, Inc.	155,212	8,951,076
U.S. Bancorp.	343,773	9,299,060
Wells Fargo & Co.	495,943	13,668,189
		44,971,849
COMMERCIAL SERVICES AND SUPPLIES – 3.2%		
Avery Dennison Corp.	123,748	3,549,093
Cintas Corp.	23,562	820,193
Republic Services, Inc.	503,650	13,875,557
Waste Management, Inc.	178,870	5,850,838
		24,095,681
COMMUNICATIONS EQUIPMENT – 1.6%		
Cisco Systems, Inc. ⁽²⁾	674,587	12,196,533

	Shares	Value
COMPUTERS AND PERIPHERALS – 2.3%		
Diebold, Inc.	185,183	\$ 5,568,453
Hewlett-Packard Co.	327,077	8,425,503
QLogic Corp. ⁽¹⁾	167,235	2,508,525
Western Digital Corp. ⁽¹⁾	31,407	972,047
		17,474,528
CONSTRUCTION MATERIALS – 0.2%		
Martin Marietta Materials, Inc.	20,722	1,562,646
CONTAINERS AND PACKAGING – 0.7%		
Bemis Co., Inc.	182,612	5,492,969
DIVERSIFIED FINANCIAL SERVICES – 2.8%		
JPMorgan Chase & Co.	631,882	21,010,076
DIVERSIFIED TELECOMMUNICATION SERVICES – 3.6%		
AT&T, Inc.	675,537	20,428,239
CenturyLink, Inc.	93,399	3,474,442
Verizon Communications, Inc.	71,015	2,849,122
		26,751,803
ELECTRIC UTILITIES – 2.4%		
Great Plains Energy, Inc.	79,737	1,736,672
NV Energy, Inc.	212,757	3,478,577
Westar Energy, Inc.	457,611	13,170,044
		18,385,293
ELECTRICAL EQUIPMENT – 1.3%		
ABB Ltd. ADR ⁽¹⁾	102,540	1,930,828
Emerson Electric Co.	65,901	3,070,328
Hubbell, Inc., Class B	26,996	1,804,952
Thomas & Betts Corp. ⁽¹⁾	52,185	2,849,301
		9,655,409
ELECTRONIC EQUIPMENT, INSTRUMENTS AND COMPONENTS – 0.4%		
Molex, Inc.	123,255	2,940,864
FOOD AND STAPLES RETAILING – 1.8%		
CVS Caremark Corp.	135,263	5,516,025
SYSCO Corp.	127,438	3,737,757
Wal-Mart Stores, Inc.	72,913	4,357,281
		13,611,063
FOOD PRODUCTS – 2.5%		
ConAgra Foods, Inc.	64,470	1,702,008
Kellogg Co.	40,576	2,051,928
Kraft Foods, Inc., Class A	291,726	10,898,884
Ralcorp Holdings, Inc. ⁽¹⁾	35,216	3,010,968
Unilever NV CVA	41,602	1,430,619
		19,094,407

	Shares	Value
HEALTH CARE EQUIPMENT AND SUPPLIES — 5.1%		
Becton Dickinson and Co.	81,838	\$ 6,114,936
Boston Scientific Corp. ⁽¹⁾	1,166,571	6,229,489
CareFusion Corp. ⁽¹⁾	422,288	10,730,338
Medtronic, Inc.	155,084	5,931,963
Zimmer Holdings, Inc. ⁽¹⁾	173,246	9,254,801
		38,261,527
HEALTH CARE PROVIDERS AND SERVICES — 2.2%		
Aetna, Inc.	76,692	3,235,636
CIGNA Corp.	62,409	2,621,178
LifePoint Hospitals, Inc. ⁽¹⁾	85,665	3,182,455
UnitedHealth Group, Inc.	146,030	7,400,800
		16,440,069
HOTELS, RESTAURANTS AND LEISURE — 1.4%		
International Game Technology	106,055	1,824,146
International Speedway Corp., Class A	194,864	4,939,802
Speedway Motorsports, Inc.	238,211	3,651,775
		10,415,723
HOUSEHOLD DURABLES — 0.9%		
Toll Brothers, Inc. ⁽¹⁾	90,840	1,854,953
Whirlpool Corp.	108,392	5,143,200
		6,998,153
HOUSEHOLD PRODUCTS — 3.5%		
Clorox Co.	28,617	1,904,748
Kimberly-Clark Corp.	69,599	5,119,702
Procter & Gamble Co. (The)	287,000	19,145,770
		26,170,220
INDUSTRIAL CONGLOMERATES — 4.6%		
3M Co.	24,608	2,011,212
General Electric Co.	1,249,265	22,374,336
Koninklijke Philips Electronics NV	385,813	8,129,233
Tyco International Ltd.	49,887	2,330,222
		34,845,003
INSURANCE — 6.3%		
Allstate Corp. (The)	312,336	8,561,130
Berkshire Hathaway, Inc., Class A ⁽¹⁾	69	7,918,095
HCC Insurance Holdings, Inc.	130,187	3,580,143
Marsh & McLennan Cos., Inc.	259,767	8,213,833
MetLife, Inc.	139,016	4,334,519
Prudential Financial, Inc.	60,679	3,041,231
Torchmark Corp.	39,047	1,694,249
Transatlantic Holdings, Inc.	64,360	3,522,423
Travelers Cos., Inc. (The)	105,066	6,216,755
		47,082,378

	Shares	Value
IT SERVICES — 0.3%		
Visa, Inc., Class A	18,347	\$ 1,862,771
METALS AND MINING — 0.9%		
Barrick Gold Corp.	37,621	1,702,350
Freeport-McMoRan Copper & Gold, Inc.	78,022	2,870,430
Newmont Mining Corp.	31,291	1,877,773
		6,450,553
MULTI-UTILITIES — 2.5%		
PG&E Corp.	233,259	9,614,936
Xcel Energy, Inc.	332,969	9,203,263
		18,818,199
MULTILINE RETAIL — 1.0%		
Target Corp.	150,562	7,711,786
OIL, GAS AND CONSUMABLE FUELS — 12.0%		
Apache Corp.	39,431	3,571,660
BP plc	288,246	2,061,410
BP plc ADR	17,423	744,659
Chevron Corp.	155,655	16,561,692
Devon Energy Corp.	80,799	5,009,538
Exxon Mobil Corp.	135,633	11,496,253
Imperial Oil Ltd.	261,303	11,642,251
Murphy Oil Corp.	61,067	3,403,874
Peabody Energy Corp.	61,509	2,036,563
Southwestern Energy Co. ⁽¹⁾	117,406	3,749,948
Total SA	404,798	20,694,444
Ultra Petroleum Corp. ⁽¹⁾	315,868	9,359,169
		90,331,461
PHARMACEUTICALS — 8.9%		
Bristol-Myers Squibb Co.	130,500	4,598,820
Eli Lilly & Co.	118,653	4,931,219
Hospira, Inc. ⁽¹⁾	91,244	2,771,080
Johnson & Johnson	301,135	19,748,433
Merck & Co., Inc.	370,334	13,961,592
Pfizer, Inc.	973,855	21,074,222
		67,085,366
REAL ESTATE INVESTMENT TRUSTS (REITs) — 0.3%		
Weyerhaeuser Co.	129,895	2,425,140
SEMICONDUCTORS AND SEMICONDUCTOR EQUIPMENT — 2.9%		
Applied Materials, Inc.	813,839	8,716,216
Intel Corp.	453,021	10,985,759
Texas Instruments, Inc.	68,864	2,004,631
		21,706,606
SPECIALTY RETAIL — 3.0%		
Lowe's Cos., Inc.	558,463	14,173,791
Staples, Inc.	597,557	8,300,067
		22,473,858

	Shares	Value
THRIFTS AND MORTGAGE FINANCE — 0.8%		
Hudson City Bancorp., Inc.	990,154	\$ 6,188,462
WIRELESS TELECOMMUNICATION SERVICES — 0.5%		
Rogers Communications, Inc., Class B	98,549	3,796,857
TOTAL COMMON STOCKS (Cost \$689,933,988)		723,008,679
Temporary Cash Investments — 3.0%		
Repurchase Agreement, Bank America Merrill Lynch, (collateralized by various U.S. Treasury obligations, 3.125%, 5/15/21, valued at \$7,540,560), in a joint trading account at 0.00%, dated 12/30/11, due 1/3/12 (Delivery value \$7,369,424)		7,369,424
Repurchase Agreement, Credit Suisse First Boston, Inc., (collateralized by various U.S. Treasury obligations, 1.75%, 5/31/16, valued at \$3,757,831), in a joint trading account at 0.01%, dated 12/30/11, due 1/3/12 (Delivery value \$3,684,716)		3,684,712

	Shares	Value
Repurchase Agreement, Goldman Sachs & Co., (collateralized by various U.S. Treasury obligations, 4.75%, 2/15/37, valued at \$7,528,995), in a joint trading account at 0.02%, dated 12/30/11, due 1/3/12 (Delivery value \$7,369,439)		\$ 7,369,423
SSgA U.S. Government Money Market Fund	4,303,479	4,303,479
TOTAL TEMPORARY CASH INVESTMENTS (Cost \$22,727,038)		22,727,038
TOTAL INVESTMENT SECURITIES — 99.2% (Cost \$712,661,026)		745,735,717
OTHER ASSETS AND LIABILITIES — 0.8%		5,740,178
TOTAL NET ASSETS — 100.0%		\$751,475,895

Forward Foreign Currency Exchange Contracts

Contracts to Sell	Counterparty	Settlement Date	Value	Unrealized Gain (Loss)
11,499,057 CAD for USD	UBS AG	1/31/12	\$11,280,317	\$(26,729)
1,352,134 CHF for USD	Credit Suisse AG	1/31/12	1,440,165	7,578
12,545,447 EUR for USD	UBS AG	1/31/12	16,239,619	167,066
1,356,542 GBP for USD	Credit Suisse AG	1/31/12	2,106,221	17,784
482,853,000 JPY for USD	Credit Suisse AG	1/31/12	6,275,634	(67,015)
			\$37,341,956	\$ 98,684

(Value on Settlement Date \$37,440,640)

Futures Contracts

Contracts Purchased	Expiration Date	Underlying Face Amount at Value	Unrealized Gain (Loss)
181 S&P 500 E-Mini	March 2012	\$11,336,030	\$(51,415)

Notes to Schedule of Investments

ADR = American Depositary Receipt

CAD = Canadian Dollar

CHF = Swiss Franc

CVA = Certificaten Van Aandelen

EUR = Euro

GBP = British Pound

JPY = Japanese Yen

USD = United States Dollar

(1) Non-income producing.

(2) Security, or a portion thereof, has been segregated for futures contracts. At the period end, the aggregate value of securities pledged was \$11,337,000.

See Notes to Financial Statements.

Statement of Assets and Liabilities

DECEMBER 31, 2011

Assets

Investment securities, at value (cost of \$712,661,026)	\$745,735,717
Deposits with broker for futures contracts	724,000
Foreign currency holdings, at value (cost of \$370,830)	368,523
Receivable for investments sold	3,265,239
Receivable for capital shares sold	3,702,235
Unrealized gain on forward foreign currency exchange contracts	192,428
Dividends and interest receivable	1,693,501
	755,681,643

Liabilities

Payable for investments purchased	2,695,620
Payable for capital shares redeemed	712,555
Payable for variation margin on futures contracts	43,440
Unrealized loss on forward foreign currency exchange contracts	93,744
Accrued management fees	580,382
Distribution fees payable	80,007
	4,205,748

Net Assets

\$751,475,895

Net Assets Consist of:

Capital (par value and paid-in surplus)	\$1,164,714,495
Undistributed net investment income	1,746,308
Accumulated net realized loss	(448,102,055)
Net unrealized appreciation	33,117,147
	\$ 751,475,895

	Net assets	Shares outstanding	Net asset value per share
Class I, \$0.01 Par Value	\$362,220,774	62,468,879	\$5.80
Class II, \$0.01 Par Value	\$383,192,479	66,018,366	\$5.80
Class III, \$0.01 Par Value	\$6,062,642	1,045,588	\$5.80

See Notes to Financial Statements.

Statement of Operations

YEAR ENDED DECEMBER 31, 2011

Investment Income (Loss)	
Income:	
Dividends (net of foreign taxes withheld of \$317,924)	\$ 20,911,846
Interest	10,482
	20,922,328
Expenses:	
Management fees	7,129,394
Distribution fees – Class II	990,427
Directors' fees and expenses	49,716
Other expenses	417
	8,169,954
Net investment income (loss)	12,752,374
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) on:	
Investment transactions	47,508,992
Futures contract transactions	379,353
Foreign currency transactions	(508,982)
	47,379,363
Change in net unrealized appreciation (depreciation) on:	
Investments	(55,295,056)
Futures contracts	(51,415)
Translation of assets and liabilities in foreign currencies	542,011
	(54,804,460)
Net realized and unrealized gain (loss)	(7,425,097)
Net Increase (Decrease) in Net Assets Resulting from Operations	\$ 5,327,277

See Notes to Financial Statements.

Statement of Changes in Net Assets

YEARS ENDED DECEMBER 31, 2011 AND DECEMBER 31, 2010

Increase (Decrease) in Net Assets	December 31, 2011	December 31, 2010
Operations		
Net investment income (loss)	\$ 12,752,374	\$ 22,853,537
Net realized gain (loss)	47,379,363	89,172,398
Change in net unrealized appreciation (depreciation)	(54,804,460)	17,581,001
Net increase (decrease) in net assets resulting from operations	<u>5,327,277</u>	<u>129,606,936</u>
Distributions to Shareholders		
From net investment income:		
Class I	(7,323,324)	(12,210,520)
Class II	(7,469,008)	(9,009,199)
Class III	(143,801)	(143,522)
Decrease in net assets from distributions	<u>(14,936,133)</u>	<u>(21,363,241)</u>
Capital Share Transactions		
Net increase (decrease) in net assets from capital share transactions	<u>(41,834,125)</u>	<u>(464,817,747)</u>
Redemption Fees		
Increase in net assets from redemption fees	<u>431</u>	<u>3,796</u>
Net increase (decrease) in net assets	(51,442,550)	(356,570,256)
Net Assets		
Beginning of period	802,918,445	1,159,488,701
End of period	<u>\$751,475,895</u>	<u>\$ 802,918,445</u>
Undistributed net investment income	<u>\$1,746,308</u>	<u>\$2,742,319</u>

See Notes to Financial Statements.

Notes to Financial Statements

DECEMBER 31, 2011

1. Organization

American Century Variable Portfolios, Inc. (the corporation) is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company and is organized as a Maryland corporation. VP Value Fund (the fund) is one fund in a series issued by the corporation. The fund is diversified as defined under the 1940 Act. The fund's investment objective is to seek long-term capital growth. Income is a secondary objective. The fund pursues its objectives by investing in equity securities of companies of all sizes that management believes to be undervalued at the time of purchase.

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. Class II is charged a lower unified management fee because it has a separate arrangement for distribution services.

2. Significant Accounting Policies

The following is a summary of significant accounting policies consistently followed by the fund in preparation of its financial statements. 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.

Investment Valuations — The fund determines the fair value of its investments and computes its net asset value per share as of the close of regular trading (usually 4 p.m. Eastern time) on the New York Stock Exchange (NYSE) on each day the NYSE is open.

Equity securities that are listed or traded on a domestic securities exchange are valued at the last reported sales price or at the official closing price as provided by the exchange. Equity securities traded on foreign securities exchanges are typically valued at the closing price on the exchange where primarily traded or as of the close of the NYSE, if that is earlier. If no last sales price is reported, or if local convention or regulation so provides, the mean of the latest bid and asked prices is used. 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 closing price. In its determination of fair value, the fund may review several factors including: market information specific to a security; news developments in U.S. and foreign markets; the performance of particular U.S. and foreign securities, indices, comparable securities, American Depositary Receipts, Exchange-Traded Funds, and other relevant market indicators.

Debt securities maturing within 60 days at the time of purchase may be valued at cost, plus or minus any amortized discount or premium or at the evaluated mean as provided by an independent pricing service. Evaluated mean prices are commonly derived through utilization of market models, which may consider, among other factors, trade data, quotations from dealers and active market makers, relevant yield curve and spread data, related sector levels, creditworthiness, and other relevant market information on the same or comparable securities.

Investments in open-end management investment companies are valued at the reported net asset value per share. Repurchase agreements are valued at cost. Exchange-traded futures contracts are valued at the settlement price as provided by the appropriate clearing corporation. Forward foreign currency exchange contracts are valued at the mean of the latest bid and asked prices of the forward currency rates as provided by an independent pricing service.

The value of investments initially expressed in foreign currencies is translated into U.S. dollars at prevailing exchange rates.

If the fund determines that the market price for a portfolio security is not readily available or the valuation methods mentioned above do not reflect a security's fair value, such security is valued as determined in good faith by the Board of Directors or its designee, in accordance with procedures adopted by the Board of Directors. Circumstances that may cause the fund to use these procedures to value a security include, but are not limited to: a security has been declared in default; trading in a security has been halted during the trading day; there is a foreign market holiday and no trading occurred; or an event occurred between the close of a foreign exchange and the NYSE that may affect the value of a security.

Security Transactions – 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.

Foreign Currency Translations – All assets and liabilities initially expressed in foreign currencies are translated into U.S. dollars at prevailing exchange rates at period end. The fund may enter into spot foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases and sales of investment securities, dividend and interest income, spot foreign currency exchange contracts, and expenses are translated at the rates of exchange prevailing on the respective dates of such transactions. Net realized and unrealized foreign currency exchange gains or losses related to investment securities are a component of net realized gain (loss) on investment transactions and change in net unrealized appreciation (depreciation) on investments, respectively.

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. 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 2008. 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.

Multiple Class – 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.

Distributions to Shareholders – 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, 2011, the fund had accumulated capital losses of \$(410,302,590), which represent net capital loss carryovers that may be used to offset future realized capital gains for federal income tax purposes. Future capital loss carryover utilization in any given year may be subject to Internal Revenue Code limitations. Capital loss carryovers of \$(190,257,251) and \$(220,045,339) expire in 2016 and 2017, respectively. The Regulated Investment Company Modernization Act of 2010 allows the fund to carry forward capital losses incurred in future taxable years for an unlimited period. Any losses incurred during future taxable years will be required to be utilized prior to the losses which carry an expiration date. As a result, capital loss carryforwards may be more likely to expire unused.

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 the fund and helps cover transaction costs that long-term investors may bear when the 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.

3. 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 distribution fees, 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 each class's daily net assets and paid monthly in arrears. The rate of the fee is determined by applying a fee rate calculation formula. This formula takes into account the 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 ranges from 0.90% to 1.00% for Class I and Class III and from 0.80% to 0.90% for Class II. The effective annual management fee for each class for the year ended December 31, 2011 was 0.98%, 0.88%, and 0.98% for Class I, Class II and Class III, respectively.

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, 2011 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 was eligible to invest in a money market fund for temporary purposes, which is managed by J.P. Morgan Investment Management, Inc. (JPMIM). The fund had a securities lending agreement with JPMorgan Chase Bank (JPMCB) and a mutual funds services agreement with J.P. Morgan Investor Services Co. (JPMIS). JPMCB was a custodian of the fund. JPMIM, JPMIS and JPMCB are wholly owned subsidiaries of JPMorgan Chase & Co. (JPM). Prior to August 31, 2011, JPM was an equity investor in ACC. The services provided to the fund by JPMIM, JPMIS and JPMCB terminated on July 31, 2011.

4. Investment Transactions

Purchases and sales of investment securities, excluding short-term investments, for the year ended December 31, 2011 were \$508,308,073 and \$560,973,003, respectively.

As of December 31, 2011, 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	\$750,413,222
Gross tax appreciation of investments	\$ 59,890,764
Gross tax depreciation of investments	(64,568,269)
Net tax appreciation (depreciation) of investments	\$ (4,677,505)

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.

5. Capital Share Transactions

Transactions in shares of the fund were as follows:

	Year ended December 31, 2011		Year ended December 31, 2010	
	Shares	Amount	Shares	Amount
Class I/Shares Authorized	650,000,000		650,000,000	
Sold	15,410,231	\$ 90,794,234	10,718,650	\$ 58,378,637
Issued in reinvestment of distributions	1,262,451	7,323,324	2,229,670	12,210,520
Redeemed	(20,027,297)	(115,799,803)	(74,540,998)	(418,883,588)
	(3,354,615)	(17,682,245)	(61,592,678)	(348,294,431)
Class II/Shares Authorized	350,000,000		350,000,000	
Sold	5,969,511	34,568,959	5,755,002	31,208,735
Issued in reinvestment of distributions	1,284,921	7,469,008	1,633,801	9,009,199
Redeemed	(11,023,390)	(64,442,423)	(28,414,505)	(158,068,799)
	(3,768,958)	(22,404,456)	(21,025,702)	(117,850,865)
Class III/Shares Authorized	50,000,000		50,000,000	
Sold	202,601	1,210,022	898,747	4,936,667
Issued in reinvestment of distributions	24,703	143,801	25,859	143,522
Redeemed	(544,405)	(3,101,247)	(706,538)	(3,752,640)
	(317,101)	(1,747,424)	218,068	1,327,549
Net increase (decrease)	(7,440,674)	\$(41,834,125)	(82,400,312)	\$(464,817,747)

6. 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 unadjusted quoted prices in an active market for identical securities;
- Level 2 valuation inputs consist of 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 unobservable data (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 necessarily an indication of the risks associated with investing in these securities or other financial instruments.

The following is a summary of the level classifications as of period end. The Schedule of Investments provides additional information on the fund's portfolio holdings.

	Level 1	Level 2	Level 3
Investment Securities			
Domestic Common Stocks	\$660,066,019	–	–
Foreign Common Stocks	6,708,059	\$56,234,601	–
Temporary Cash Investments	4,303,479	18,423,559	–
Total Value of Investment Securities	<u>\$671,077,557</u>	<u>\$74,658,160</u>	–
Other Financial Instruments			
Forward Foreign Currency Exchange Contracts	–	\$98,684	–
Futures Contracts	\$(51,415)	–	–
Total Unrealized Gain (Loss) on Other Financial Instruments	<u>\$(51,415)</u>	<u>\$98,684</u>	–

7. 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. The fund regularly participated in equity price risk derivative instruments during the last three months of the period.

Foreign Currency Risk — The fund is subject to foreign currency exchange rate risk in the normal course of pursuing its investment objectives. The value of foreign investments held by a fund may be significantly affected by changes in foreign currency exchange rates. The dollar value of a foreign security generally decreases when the value of the dollar rises against the foreign currency in which the security is denominated and tends to increase when the value of the dollar declines against such foreign currency. A fund may enter into forward foreign currency exchange contracts to reduce a fund's exposure to foreign currency exchange rate fluctuations. The net U.S. dollar value of foreign currency underlying all contractual commitments held by a fund and the resulting unrealized appreciation or depreciation are determined daily. Realized gain or loss is recorded upon the termination of the contract. Net realized and unrealized gains or losses occurring during the holding period of forward foreign currency exchange contracts are a component of net realized gain (loss) on foreign currency transactions and change in net unrealized appreciation (depreciation) on translation of assets and liabilities in foreign currencies, respectively. A fund bears the risk of an unfavorable change in the foreign currency exchange rate underlying the forward contract. Additionally, losses, up to the fair value, may arise if the counterparties do not perform under the contract terms. The risk of loss from non-performance by the counterparty may be reduced by the use of master netting agreements. The foreign currency risk derivative instruments held at period end as disclosed on the Schedule of Investments are indicative of the fund's typical volume during the period.

Value of Derivative Instruments as of December 31, 2011

Type of Risk Exposure	Asset Derivatives		Liability Derivatives	
	Location on Statement of Assets and Liabilities	Value	Location on Statement of Assets and Liabilities	Value
Equity Price Risk	Receivable for variation margin on futures contracts	—	Payable for variation margin on futures contracts	\$ 43,440
Foreign Currency Risk	Unrealized gain on forward foreign currency exchange contracts	\$192,428	Unrealized loss on forward foreign currency exchange contracts	93,744
		<u>\$192,428</u>		<u>\$137,184</u>

Effect of Derivative Instruments on the Statement of Operations for the Year Ended December 31, 2011

Type of Risk Exposure	Net Realized Gain (Loss)		Change in Net Unrealized Appreciation (Depreciation)	
	Location on Statement of Operations	Value	Location on Statement of Operations	Value
Equity Price Risk	Net realized gain (loss) on futures contract transactions	\$ 379,353	Change in net unrealized appreciation (depreciation) on futures contracts	\$(51,415)
Foreign Currency Risk	Net realized gain (loss) on foreign currency transactions	(510,755)	Change in net unrealized appreciation (depreciation) on translation of assets and liabilities in foreign currencies	547,560
		<u>\$(131,402)</u>		<u>\$496,145</u>

8. Risk Factors

There are certain risks involved in investing in foreign securities. These risks include those resulting from future adverse political, social, and economic developments, fluctuations in currency exchange rates, the possible imposition of exchange controls, and other foreign laws or restrictions.

Financial Highlights

For a Share Outstanding Throughout the Years Ended December 31 (except as noted)

Per-Share Data		Ratios and Supplemental Data											
		Income From Investment Operations:					Distributions From:			Net Asset Value, End of Period		Ratio to Average Net Assets of:	
Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total From Investment Operations	Net Investment Income	Net Realized Gains	Total Distributions	Net Asset Value, End of Period	Total Return ⁽²⁾	Operating Expenses	Net Investment Income (Loss)			
Class I													
2011	\$5.86	0.10	(0.04)	0.06	(0.12)	—	(0.12)	\$5.80	1.01%	0.98%	1.74%	67%	\$362,221
2010	\$5.28	0.12	0.58	0.70	(0.12)	—	(0.12)	\$5.86	13.42%	0.99%	2.16%	69%	\$385,638
2009	\$4.68	0.11	0.75	0.86	(0.26)	—	(0.26)	\$5.28	19.86%	0.97%	2.31%	54%	\$673,058
2008	\$7.47	0.14	(1.93)	(1.79)	(0.16)	(0.84)	(1.00)	\$4.68	(26.78)%	0.95%	2.46%	111%	\$797,196
2007	\$8.74	0.13	(0.54)	(0.41)	(0.14)	(0.72)	(0.86)	\$7.47	(5.14)%	0.93%	1.65%	152%	\$1,470,148
Class II													
2011	\$5.86	0.09	(0.04)	0.05	(0.11)	—	(0.11)	\$5.80	0.86%	1.13%	1.59%	67%	\$383,192
2010	\$5.29	0.11	0.57	0.68	(0.11)	—	(0.11)	\$5.86	13.04%	1.13%	2.01%	69%	\$409,296
2009	\$4.68	0.10	0.76	0.86	(0.25)	—	(0.25)	\$5.29	19.72%	1.12%	2.16%	54%	\$480,382
2008	\$7.46	0.14	(1.93)	(1.79)	(0.15)	(0.84)	(0.99)	\$4.68	(26.80)%	1.10%	2.31%	111%	\$442,933
2007	\$8.73	0.12	(0.54)	(0.42)	(0.13)	(0.72)	(0.85)	\$7.46	(5.31)%	1.08%	1.50%	152%	\$765,324
Class III													
2011	\$5.86	0.10	(0.04)	0.06	(0.12)	—	(0.12)	\$5.80	1.01%	0.98%	1.74%	67%	\$6,063
2010	\$5.28	0.12	0.58	0.70	(0.12)	—	(0.12)	\$5.86	13.42%	0.98%	2.16%	69%	\$7,984
2009	\$4.68	0.11	0.75	0.86	(0.26)	—	(0.26)	\$5.28	19.86%	0.97%	2.31%	54%	\$6,049
2008	\$7.47	0.14	(1.93)	(1.79)	(0.16)	(0.84)	(1.00)	\$4.68	(26.78)%	0.95%	2.46%	111%	\$6,191
2007	\$8.74	0.13	(0.54)	(0.41)	(0.14)	(0.72)	(0.86)	\$7.47	(5.14)%	0.93%	1.65%	152%	\$10,381

Notes to Financial Highlights

- (1) Computed using average shares outstanding throughout the period.
- (2) Total returns are calculated based on the net asset value of the last business day. Total returns for periods less than one year are not annualized.

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 Value Fund, one of the funds constituting American Century Variable Portfolios, Inc. (the "Corporation"), as of December 31, 2011, 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, 2011, 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 Value Fund of American Century Variable Portfolios, Inc., as of December 31, 2011, 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 13, 2012

Management

The Board of Directors

The individuals listed below serve as directors of the funds. Each director will continue to serve in this capacity until death, retirement, resignation or removal from office. The mandatory retirement age for directors who are not “interested persons,” as that term is defined in the Investment Company Act (independent directors), is 72. However, the mandatory retirement age for an individual director may be extended with the approval of the remaining independent directors.

Mr. Thomas is the only director who is an “interested person” because he currently serves as President and Chief Executive Officer of American Century Companies, Inc. (ACC), the parent company of American Century Investment Management, Inc. (ACIM or the advisor).

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, American Century Investment Services, Inc. (ACIS) and American Century Services, LLC (ACS). The directors serve in this capacity for seven (in the case of Mr. Thomas, 15) registered investment companies in the American Century Investments family of funds.

The following table presents additional information about the directors. The mailing address for each director is 4500 Main Street, Kansas City, Missouri 64111.

Name (Year of Birth)	Position(s) Held with Funds	Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of American Century Portfolios Overseen by Director	Other Directorships Held During Past 5 Years
Independent Directors					
Thomas A. Brown (1940)	Director	Since 1980	Managing Member, Associated Investments, LLC (real estate investment company); Brown Cascade Properties, LLC (real estate investment company) (2001 to 2009)	65	None
Andrea C. Hall (1945)	Director	Since 1997	Retired as advisor to the President, Midwest Research Institute (not-for-profit research organization) (June 2006)	65	None
Jan M. Lewis (1957)	Director	Since 2011	President and Chief Executive Officer, Catholic Charities of Northeast Kansas (human services organization) (2006 to present)	65	None
James A. Olson (1942)	Director	Since 2007	Member, Plaza Belmont LLC (private equity fund manager)	65	Saia, Inc. and Entertainment Properties Trust
Donald H. Pratt (1937)	Director and Chairman of the Board	Since 1995 (Chairman since 2005)	Chairman and Chief Executive Officer, Western Investments, Inc. (real estate company)	65	None

Name (Year of Birth)	Position(s) Held with Funds	Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of American Century Portfolios Overseen by Director	Other Directorships Held During Past 5 Years
Independent Directors					
M. Jeannine Strandjord (1945)	Director	Since 1994	Retired	65	DST Systems Inc., Euronet Worldwide Inc., and Charming Shoppes, Inc. (2006 to 2010)
John R. Whitten (1946)	Director	Since 2008	Project Consultant, Celanese Corp. (industrial chemical company)	65	Rudolph Technologies, Inc.
Stephen E. Yates (1948)	Advisory Director	Since 2011	Retired; Executive Vice President, Technology & Operations, KeyCorp. (computer services) (2004 to 2010)	65	Applied Industrial Technology (2001 to 2010)
Interested Director					
Jonathan S. Thomas (1963)	Director and President	Since 2007	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: Chief Executive Officer and Manager, ACS; Executive Vice President, ACIM; Director, ACC, ACIM and other ACC subsidiaries	106	None

Officers

The following table presents certain information about the executive officers of the funds. Each officer serves as an officer for each of the 15 investment companies in the American Century family of funds, unless otherwise noted. No officer is compensated for his or her service as an officer of the funds. The listed officers are interested persons of the funds and are appointed or re-appointed on an annual basis. The mailing address for each officer listed below is 4500 Main Street, Kansas City, Missouri 64111.

Name (Year of Birth)	Offices with the Funds	Principal Occupation(s) During the Past Five Years
Jonathan S. Thomas (1963)	Director and President since 2007	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: Chief Executive Officer and Manager, ACS; Executive Vice President, ACIM; Director, ACC, ACIM and other ACC subsidiaries
Barry Fink (1955)	Executive Vice President since 2007	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). Also serves as: Manager, ACS and Director, ACC and certain ACC subsidiaries
Maryanne L. Roepke (1956)	Chief Compliance Officer since 2006 and Senior Vice President since 2000	Chief Compliance Officer, American Century funds, ACIM and ACS (August 2006 to present). Also serves as: Senior Vice President, ACS
Charles A. Etherington (1957)	General Counsel since 2007 and Senior Vice President since 2006	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, ACS, ACIS and other ACC subsidiaries; and Senior Vice President, ACIM and ACS
Robert J. Leach (1966)	Vice President, Treasurer and Chief Financial Officer since 2006	Vice President, ACS (February 2000 to present)
David H. Reinmiller (1963)	Vice President since 2000	Attorney, ACC (January 1994 to present); Associate General Counsel, ACC (January 2001 to present). Also serves as Vice President, ACIM and ACS
Ward D. Stauffer (1960)	Secretary since 2005	Attorney, ACC (June 2003 to present)

The Statement of Additional Information 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 Forms N-Q are 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.

Other Tax Information

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

For corporate taxpayers, the fund hereby designates \$14,936,133, or up to the maximum amount allowable, of ordinary income distributions paid during the fiscal year ended December 31, 2011 as qualified for the corporate dividends received deduction.

Notes



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.