

Annual Report
December 31, 2009



American Century
Investments®

American Century Variable Portfolios

VP Capital Appreciation Fund

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Market Perspective



By Enrique Chang, Chief Investment Officer, American Century Investments

Signs of Economic Recovery Boosted Stocks

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

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

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

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

Challenges Still to Be Overcome

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

U.S. Stock Index Returns

For the 12 months ended December 31, 2009

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

Performance

VP Capital Appreciation

Total Returns as of December 31, 2009

	Ticker Symbol	Average Annual Returns			Since Inception	Inception Date
		1 year	5 years	10 years		
Class I	AVCIX	37.07%	9.00%	2.11%	7.44%	11/20/87
Russell Midcap Growth Index⁽¹⁾	—	46.29%	2.40%	-0.52%	10.48% ⁽²⁾	—

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(2) Since 11/30/87, 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.

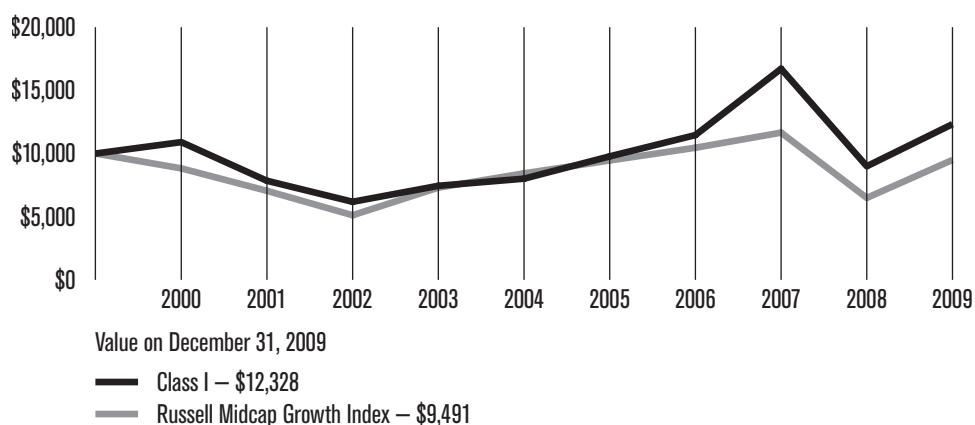
Data presented reflect past performance. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate, and redemption value may be more or less than original cost. To obtain performance data current to the most recent month end, please call 1-800-345-6488. The fund's investment process may result in high portfolio turnover, high commission costs and high capital gains distributions. In addition, its investment approach may involve higher volatility and risk. International investing involves special risks, such as political instability and currency fluctuations. Investing in emerging markets may accentuate these risks.

Data assumes reinvestment of dividends and capital gains, and none of the charts reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. Returns for the index are provided for comparison. The fund's total returns include operating expenses (such as transaction costs and management fees) that reduce returns, while the total returns of the index do not.

VP Capital Appreciation

Growth of \$10,000 Over 10 Years

\$10,000 investment made December 31, 1999



One-Year Returns Over 10 Years

Periods ended December 31

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Class I	9.03%	-28.07%	-21.20%	20.47%	7.58%	22.06%	17.22%	45.80%	-46.18%	37.07%
Russell Midcap Growth Index	-11.75%	-20.15%	-27.41%	42.71%	15.48%	12.10%	10.66%	11.43%	-44.32%	46.29%

Total Annual Fund Operating Expenses

Class I 1.01%

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

Data presented reflect past performance. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate, and redemption value may be more or less than original cost. To obtain performance data current to the most recent month end, please call 1-800-345-6488. The fund's investment process may result in high portfolio turnover, high commission costs and high capital gains distributions. In addition, its investment approach may involve higher volatility and risk. International investing involves special risks, such as political instability and currency fluctuations. Investing in emerging markets may accentuate these risks.

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Portfolio Commentary

VP Capital Appreciation

Portfolio Managers: David Hollond, Greg Walsh

Performance Summary

VP Capital Appreciation returned 37.07% for the 12 months ended December 31, 2009, lagging the 46.29% return of the portfolio's benchmark, the Russell Midcap Growth Index.

As described on page 2, after dipping to multi-year low on March 9, 2009, markets responded positively to generally improving economic data and rallied soundly, erasing earlier losses. Lower quality stocks led market strength during much of the rally, while stocks that exhibit accelerating growth and improving price momentum, two factors that the investment team looks for in portfolio holdings, were largely shunned. During the final months of the reporting period, however, the performance of stocks exhibiting these characteristics began to stabilize.

Within the portfolio, VP Capital Appreciation derived positive results from each major sector, although investment choices in some sectors lagged sector returns in the benchmark. Poor stock selection in the consumer discretionary and health care sectors accounted for the majority of VP Capital Appreciation's underperformance relative to the benchmark. Holdings in the financials and energy sectors further detracted from relative returns. Effective stock selection in the information technology sector benefited absolute and relative performance, as did avoiding the utilities sector altogether.

Consumer Discretionary, Health Care Detracted from Relative Performance

Holdings in the consumer discretionary sector generated positive returns but detracted from performance relative to the benchmark. Within the sector, an overweight stake in select private education companies, including Career Education Corp., hurt performance. These holdings have benefited in previous reporting periods from expanding student enrollments as a result of corporate layoffs and fewer job opportunities, resulting in accelerating fundamentals. During the reporting period, though, the share prices of these companies underperformed as investors were seemingly willing to move toward more aggressive holdings within the sector.

Elsewhere in the sector, an overweight stake in the specialty retail industry reflected a focus on automotive parts retailers, including O'Reilly Automotive. These holdings have benefited in previous reporting periods due to their defensive nature in weak economic environments, as automobile owners have sought to extend the lives of their vehicles. During the reporting period, though, they underperformed as investors willing to take on more risk moved to more aggressive areas of the market. Although O'Reilly Automotive lagged the industry group's average benchmark return, its share price gained 24% for the reporting period.

The health care sector was another source of underperformance. Within the biotechnology industry, the portfolio held several detrimental overweight positions. A stake in biotechnology companies Celgene Corp. and Spain-based Grifols SA, which are not benchmark constituents, hurt

VP Capital Appreciation

performance as the companies' share prices underperformed. Concerns about the potential for generic competition in the biotechnology industry, which could disrupt future growth prospects, weighed on biotech stocks in general.

Financials, Energy Lagged

Holdings in the financials sector detracted from absolute and relative returns. Here, VP Capital Appreciation held a position in insurance company Aon, which is not a benchmark constituent. Aon hurt portfolio performance as the company's cost-cutting measures and weaker than anticipated pricing power failed to bring earnings levels in line with expectations.

Within the energy sector, the portfolio was underweight the energy equipment and services industry. This position proved detrimental as the group generated meaningful gains in the benchmark. Stock selection within the group further detracted from relative performance.

Information Technology, Utilities Helped

VP Capital Appreciation derived absolute and relative gains from select positions in the information technology sector. In particular, holding Apple Inc. was the largest contributor to absolute and relative performance as its share price climbed 147%. The company, which is not a member of the benchmark, continued to introduce consumer-related products that were well received by the market. Successful stakes in the internet software and services industry included Hong Kong-based Tencent Holdings Inc. The company added meaningfully to absolute and relative gains as its share price climbed more than 200% for the period, driven by significant growth in its market-leading instant messaging service in China and strength in online gaming.

The portfolio completely avoided the utilities sector during the reporting period, benefiting relative returns. Although the sector delivered positive performance within the benchmark, returns were modest relative to other sectors where VP Capital Appreciation was focused.

Outlook

VP Capital Appreciation's investment process focuses on medium-sized companies with accelerating earnings growth rates and share price momentum. We believe that active investing in such companies will generate outperformance over time compared with the Russell Midcap Growth Index. By the end of the reporting period, companies exhibiting these characteristics showed signs of stabilization. The investment team is optimistic that the positive trends will continue, based on current fundamentals and a long history of utilizing these characteristics in the investment process.

VP Capital Appreciation

Top Ten Holdings as of December 31, 2009

	% of net assets as of 12/31/09	% of net assets as of 6/30/09
Cliffs Natural Resources, Inc.	2.4%	0.5%
SBA Communications Corp., Class A	2.3%	1.5%
Petrohawk Energy Corp.	2.3%	1.1%
Seagate Technology	2.2%	1.0%
priceline.com, Inc.	2.2%	0.8%
Apple, Inc.	2.1%	1.8%
Agilent Technologies, Inc.	1.7%	—
AK Steel Holding Corp.	1.7%	0.7%
O'Reilly Automotive, Inc.	1.6%	1.7%
Lorillard, Inc.	1.6%	2.2%

Top Five Industries as of December 31, 2009

	% of net assets as of 12/31/09	% of net assets as of 6/30/09
Specialty Retail	6.2%	5.3%
Semiconductors & Semiconductor Equipment	6.0%	7.2%
Computers & Peripherals	5.4%	3.3%
Metals & Mining	5.1%	2.4%
Hotels, Restaurants & Leisure	4.7%	4.9%

Types of Investments in Portfolio

	% of net assets as of 12/31/09	% of net assets as of 6/30/09
Domestic Common Stocks	86.9%	85.7%
Foreign Common Stocks ⁽¹⁾	12.7%	12.2%
Total Common Stocks	99.6%	97.9%
Temporary Cash Investments	0.4%	3.6%
Other Assets and Liabilities	— ⁽²⁾	(1.5)%

(1) Includes depositary shares, dual listed securities and foreign ordinary shares

(2) Category is less than 0.05% of total net assets

Shareholder Fee Example (Unaudited)

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

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

Actual Expenses

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

Hypothetical Example for Comparison Purposes

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

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

	Beginning Account Value 7/1/09	Ending Account Value 12/31/09	Expenses Paid During Period* 7/1/09 - 12/31/09	Annualized Expense Ratio*
Actual	\$1,000	\$1,232.30	\$5.63	1.00%
Hypothetical	\$1,000	\$1,020.16	\$5.09	1.00%

*Expenses are equal to the fund'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

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DECEMBER 31, 2009

	Shares	Value
Common Stocks – 99.6%		
AEROSPACE & DEFENSE – 2.2%		
Goodrich Corp.	63,000	\$ 4,047,750
Precision Castparts Corp.	16,100	1,776,635
		5,824,385
BIOTECHNOLOGY – 3.0%		
Alexion Pharmaceuticals, Inc. ⁽¹⁾	49,900	2,436,118
Celgene Corp. ⁽¹⁾	37,600	2,093,568
Talecris Biotherapeutics Holdings Corp. ⁽¹⁾	69,972	1,558,277
United Therapeutics Corp. ⁽¹⁾	37,800	1,990,170
		8,078,133
CAPITAL MARKETS – 3.6%		
Affiliated Managers Group, Inc. ⁽¹⁾	33,400	2,249,490
Jefferies Group, Inc. ⁽¹⁾	116,900	2,774,037
Lazard Ltd., Class A	79,506	3,018,843
Morgan Stanley	51,636	1,528,425
		9,570,795
CHEMICALS – 1.8%		
Ecolab, Inc.	69,700	3,107,226
Valspar Corp.	57,100	1,549,694
		4,656,920
COMMERCIAL BANKS – 0.6%		
Fifth Third Bancorp.	177,300	1,728,675
COMMUNICATIONS EQUIPMENT – 2.2%		
ADTRAN, Inc.	91,700	2,067,835
F5 Networks, Inc. ⁽¹⁾	72,100	3,819,858
		5,887,693
COMPUTERS & PERIPHERALS – 5.4%		
Apple, Inc. ⁽¹⁾	26,543	5,596,857
EMC Corp. ⁽¹⁾	90,400	1,579,288
Lexmark International, Inc., Class A ⁽¹⁾	48,400	1,257,432
Seagate Technology	318,200	5,788,058
		14,221,635
CONSTRUCTION & ENGINEERING – 0.5%		
Chicago Bridge & Iron Co. NV New York Shares ⁽¹⁾	70,400	1,423,488
CONSUMER FINANCE – 2.1%		
AmeriCredit Corp. ⁽¹⁾	139,300	2,652,272
Discover Financial Services	194,141	2,855,814
		5,508,086

	Shares	Value
CONTAINERS & PACKAGING – 1.0%		
Crown Holdings, Inc. ⁽¹⁾	103,300	\$ 2,642,414
DIVERSIFIED CONSUMER SERVICES – 0.5%		
Career Education Corp. ⁽¹⁾	57,900	1,349,649
ELECTRICAL EQUIPMENT – 1.7%		
Cooper Industries plc, Class A	69,000	2,942,160
Trina Solar Ltd. ADR ⁽¹⁾	26,800	1,446,396
		4,388,556
ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS – 3.4%		
Agilent Technologies, Inc. ⁽¹⁾	145,100	4,508,257
Amphenol Corp., Class A	82,700	3,819,086
Jabil Circuit, Inc.	47,300	821,601
		9,148,944
ENERGY EQUIPMENT & SERVICES – 1.3%		
Cameron International Corp. ⁽¹⁾	39,600	1,655,280
Smith International, Inc.	62,500	1,698,125
		3,353,405
FOOD & STAPLES RETAILING – 2.7%		
Costco Wholesale Corp.	63,200	3,739,544
Whole Foods Market, Inc. ⁽¹⁾	122,400	3,359,880
		7,099,424
HEALTH CARE EQUIPMENT & SUPPLIES – 2.5%		
Beckman Coulter, Inc.	31,500	2,061,360
C.R. Bard, Inc.	38,400	2,991,360
ev3, Inc. ⁽¹⁾	127,800	1,704,852
		6,757,572
HEALTH CARE PROVIDERS & SERVICES – 2.9%		
Express Scripts, Inc. ⁽¹⁾	45,100	3,898,895
Medco Health Solutions, Inc. ⁽¹⁾	58,000	3,706,780
		7,605,675
HEALTH CARE TECHNOLOGY – 1.3%		
athenahealth, Inc. ⁽¹⁾	32,700	1,479,348
SXC Health Solutions Corp. (NASDAQ) ⁽¹⁾	36,561	1,972,466
		3,451,814

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	Shares	Value
HOTELS, RESTAURANTS & LEISURE – 4.7%		
Ctrip.com International Ltd. ADR ⁽¹⁾	49,819	\$ 3,579,993
Las Vegas Sands Corp. ⁽¹⁾	171,600	2,563,704
Royal Caribbean Cruises Ltd. ⁽¹⁾	76,300	1,928,864
Starwood Hotels & Resorts Worldwide, Inc.	54,400	1,989,408
WMS Industries, Inc. ⁽¹⁾	57,800	2,312,000
		12,373,969
INSURANCE – 0.5%		
Genworth Financial, Inc., Class A ⁽¹⁾	107,544	1,220,624
INTERNET & CATALOG RETAIL – 2.5%		
Netflix, Inc. ⁽¹⁾	16,400	904,296
priceline.com, Inc. ⁽¹⁾	26,271	5,740,214
		6,644,510
INTERNET SOFTWARE & SERVICES – 3.0%		
Equinix, Inc. ⁽¹⁾	33,800	3,587,870
MercadoLibre, Inc. ⁽¹⁾	28,153	1,460,296
Tencent Holdings Ltd.	137,200	2,956,991
		8,005,157
IT SERVICES – 3.6%		
Cognizant Technology Solutions Corp., Class A ⁽¹⁾	89,700	4,063,410
Global Payments, Inc.	55,600	2,994,616
MasterCard, Inc., Class A	9,300	2,380,614
		9,438,640
LIFE SCIENCES TOOLS & SERVICES – 1.4%		
Life Technologies Corp. ⁽¹⁾	73,000	3,812,790
MACHINERY – 3.7%		
Bucyrus International, Inc.	36,100	2,034,957
Cummins, Inc.	41,700	1,912,362
Flowsolve Corp.	12,515	1,183,043
Hitachi Construction Machinery Co. Ltd.	76,800	2,001,923
Ingersoll-Rand plc	74,900	2,676,926
		9,809,211
MEDIA – 0.6%		
Lamar Advertising Co., Class A ⁽¹⁾	53,600	1,666,424
METALS & MINING – 5.1%		
AK Steel Holding Corp.	204,900	4,374,615
Cliffs Natural Resources, Inc.	139,700	6,438,773
United States Steel Corp.	12,500	689,000
Walter Energy, Inc.	25,600	1,927,936
		13,430,324

	Shares	Value
MULTILINE RETAIL – 2.6%		
J.C. Penney Co., Inc.	66,000	\$ 1,756,260
Kohl's Corp. ⁽¹⁾	36,900	1,990,017
Nordstrom, Inc.	84,500	3,175,510
		6,921,787
MULTI-INDUSTRY – 1.1%		
Financial Select Sector SPDR Fund	196,500	2,827,635
OIL, GAS & CONSUMABLE FUELS – 4.6%		
Continental Resources, Inc. ⁽¹⁾	32,200	1,381,058
Petrohawk Energy Corp. ⁽¹⁾	251,646	6,036,987
Quicksilver Resources, Inc. ⁽¹⁾	169,681	2,546,912
Range Resources Corp.	46,700	2,327,995
		12,292,952
PHARMACEUTICALS – 1.2%		
Shire plc ADR	56,400	3,310,680
PROFESSIONAL SERVICES – 0.5%		
Manpower, Inc.	24,100	1,315,378
REAL ESTATE MANAGEMENT & DEVELOPMENT – 1.3%		
CB Richard Ellis Group, Inc., Class A ⁽¹⁾	259,300	3,518,701
ROAD & RAIL – 2.3%		
J.B. Hunt Transport Services, Inc.	79,100	2,552,557
Kansas City Southern ⁽¹⁾	104,600	3,482,134
RailAmerica, Inc. ⁽¹⁾	16,738	204,204
		6,238,895
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT – 6.0%		
Analog Devices, Inc.	112,000	3,536,960
ASML Holding NV New York Shares	69,600	2,372,664
Atheros Communications, Inc. ⁽¹⁾	80,100	2,742,624
Cypress Semiconductor Corp. ⁽¹⁾	182,900	1,931,424
Silicon Laboratories, Inc. ⁽¹⁾	24,400	1,179,496
Teradyne, Inc. ⁽¹⁾	181,600	1,948,568
Varian Semiconductor Equipment Associates, Inc. ⁽¹⁾	41,600	1,492,608
Veeco Instruments, Inc. ⁽¹⁾	23,900	789,656
		15,994,000

VP Capital Appreciation

	Shares	Value
SOFTWARE – 2.3%		
Citrix Systems, Inc. ⁽¹⁾	74,800	\$ 3,112,428
McAfee, Inc. ⁽¹⁾	19,623	796,105
Perfect World Co. Ltd., Class B ADR ⁽¹⁾	13,461	530,902
Rovi Corp. ⁽¹⁾	49,200	1,568,004
		6,007,439
SPECIALTY RETAIL – 6.2%		
Chico's FAS, Inc. ⁽¹⁾	290,600	4,082,930
Dick's Sporting Goods, Inc. ⁽¹⁾	54,900	1,365,363
Guess?, Inc.	40,700	1,721,610
J. Crew Group, Inc. ⁽¹⁾	49,300	2,205,682
O'Reilly Automotive, Inc. ⁽¹⁾	112,700	4,296,124
Williams-Sonoma, Inc.	128,800	2,676,464
		16,348,173
TEXTILES, APPAREL & LUXURY GOODS – 0.9%		
Warnaco Group, Inc. (The) ⁽¹⁾	57,996	2,446,851
TOBACCO – 1.6%		
Lorillard, Inc.	53,100	4,260,213
TRADING COMPANIES & DISTRIBUTORS – 2.4%		
Fastenal Co.	102,200	4,255,608
MSC Industrial Direct Co., Class A	43,570	2,047,790
		6,303,398
WIRELESS TELECOMMUNICATION SERVICES – 2.8%		
Millicom International Cellular SA	16,900	1,246,713
SBA Communications Corp., Class A ⁽¹⁾	181,374	6,195,736
		7,442,449
TOTAL COMMON STOCKS (Cost \$201,338,420)		264,327,463

	Shares	Value
Temporary Cash Investments – 0.4%		
JPMorgan U.S. Treasury Plus Money Market Fund Agency Shares	57,363	\$ 57,363
Repurchase Agreement, Bank of America Securities, LLC, (collateralized by various U.S. Treasury obligations, 2.375%, 10/31/14, valued at \$1,015,628), in a joint trading account at 0.01%, dated 12/31/09, due 1/4/10 (Delivery value \$1,000,001)		1,000,000
TOTAL TEMPORARY CASH INVESTMENTS (Cost \$1,057,363)		1,057,363
TOTAL INVESTMENT SECURITIES – 100.0% (Cost \$202,395,783)		265,384,826
OTHER ASSETS AND LIABILITIES⁽²⁾		(80,614)
TOTAL NET ASSETS – 100.0%		\$265,304,212

Geographic Diversification

(as a % of net assets)	
United States	86.9%
People's Republic of China	3.2%
Ireland	2.3%
Cayman Islands	2.2%
Netherlands	1.4%
Bermuda	1.1%
Japan	0.8%
Canada	0.7%
Argentina	0.5%
Luxembourg	0.5%
Cash and Equivalents*	0.4%

*Includes temporary cash investments and other assets and liabilities.

Forward Foreign Currency Exchange Contracts

Contracts to Sell	Settlement Date	Value	Unrealized Gain (Loss)
91,008,000 JPY for USD	1/29/10	\$977,289	\$16,650

(Value on Settlement Date \$993,939)

Notes to Schedule of Investments

ADR = American Depositary Receipt

JPY = Japanese Yen

SPDR = Standard & Poor's Depository Receipts

USD = United States Dollar

(1) Non-income producing.

(2) Category is less than 0.05% of total net assets.

Industry classifications and geographic diversification are unaudited.

See Notes to Financial Statements.

Statement of Assets and Liabilities

DECEMBER 31, 2009

Assets	
Investment securities, at value (cost of \$202,395,783)	\$265,384,826
Receivable for investments sold	251,865
Receivable for forward foreign currency exchange contracts	16,650
Receivable for capital shares sold	60,684
Dividends and interest receivable	92,182
	<u>265,806,207</u>
Liabilities	
Payable for capital shares redeemed	280,640
Accrued management fees	221,355
	<u>501,995</u>
Net Assets	<u><u>\$265,304,212</u></u>
Class I Capital Shares, \$0.01 Par Value	
Authorized	<u>150,000,000</u>
Outstanding	<u>24,629,290</u>
Net Asset Value Per Share	<u><u>\$10.77</u></u>
Net Assets Consist of:	
Capital (par value and paid-in surplus)	\$254,845,437
Accumulated net investment loss	(16,650)
Accumulated net realized loss on investment and foreign currency transactions	(52,531,319)
Net unrealized appreciation on investments and translation of assets and liabilities in foreign currencies	63,006,744
	<u>\$265,304,212</u>

See Notes to Financial Statements.

Statement of Operations

YEAR ENDED DECEMBER 31, 2009

Investment Income (Loss)	
Income:	
Dividends (net of foreign taxes withheld of \$23,293)	\$ 1,978,576
Interest	2,914
	<u>1,981,490</u>
Expenses:	
Management fees	2,709,657
Directors' fees and expenses	10,461
Other expenses	192
	<u>2,720,310</u>
Net investment income (loss)	<u>(738,820)</u>
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) on:	
Investment transactions	(2,343,054)
Futures contract transactions	(704,359)
Foreign currency transactions	(1,446,900)
	<u>(4,494,313)</u>
Change in net unrealized appreciation (depreciation) on:	
Investments	91,499,846
Translation of assets and liabilities in foreign currencies	1,092,085
	<u>92,591,931</u>
Net realized and unrealized gain (loss)	<u>88,097,618</u>
Net Increase (Decrease) in Net Assets Resulting from Operations	<u>\$87,358,798</u>

See Notes to Financial Statements.

Statement of Changes in Net Assets

YEARS ENDED DECEMBER 31, 2009 AND DECEMBER 31, 2008

Increase (Decrease) in Net Assets	2009	2008
Operations		
Net investment income (loss)	\$ (738,820)	\$ (1,734,558)
Net realized gain (loss)	(4,494,313)	(44,398,471)
Change in net unrealized appreciation (depreciation)	92,591,931	(205,324,882)
Net increase (decrease) in net assets resulting from operations	87,358,798	(251,457,911)
Distributions to Shareholders		
From net investment income	(2,405,402)	—
From net realized gains	—	(36,274,099)
Decrease in net assets from distributions	(2,405,402)	(36,274,099)
Capital Share Transactions		
Proceeds from shares sold	40,008,831	41,235,930
Proceeds from reinvestment of distributions	2,405,402	36,274,099
Payments for shares redeemed	(131,744,156)	(119,728,541)
Net increase (decrease) in net assets from capital share transactions	(89,329,923)	(42,218,512)
Net increase (decrease) in net assets	(4,376,527)	(329,950,522)
Net Assets		
Beginning of period	269,680,739	599,631,261
End of period	\$265,304,212	\$269,680,739
Accumulated undistributed net investment income (loss)	\$(16,650)	\$2,511,550
Transactions in Shares of the Fund		
Sold	4,493,708	3,315,545
Issued in reinvestment of distributions	348,104	2,934,798
Redeemed	(14,160,496)	(9,814,997)
Net increase (decrease) in shares of the fund	(9,318,684)	(3,564,654)

See Notes to Financial Statements.

Notes to Financial Statements

DECEMBER 31, 2009

1. Organization and Summary of Significant Accounting Policies

Organization — American Century Variable Portfolios, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act) as an open-end management investment company. VP Capital Appreciation Fund (the fund) is one fund in a series issued by the corporation. The fund is diversified under the 1940 Act. The fund's investment objective is to seek capital growth. The fund pursues its investment objective by investing primarily in common stocks of medium-sized and smaller companies that management believes will increase in value over time. The following is a summary of the fund's significant accounting policies.

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

Security Transactions — For financial reporting purposes, security transactions are accounted for as of the trade date. Net realized gains and losses are determined on the identified cost basis, which is also used for federal income tax purposes. Certain countries impose taxes on realized gains on the sale of securities registered in their country. The fund records the foreign tax expense, if any, on an accrual basis. The foreign tax expense on realized gains and unrealized appreciation reduces the net realized gain (loss) on investment transactions and net unrealized appreciation (depreciation) on investments, respectively.

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 certain expenses are translated at the rates of exchange prevailing on the respective dates of such transactions. For assets and liabilities, other than investments in securities, net realized and unrealized gains and losses from foreign currency translations arise from changes in currency exchange rates.

Net realized and unrealized foreign currency exchange gains or losses occurring during the holding period of investment securities are a component of net realized gain (loss) on investment transactions and net unrealized appreciation (depreciation) on investments, respectively. Certain countries may impose taxes on the contract amount of purchases and sales of foreign currency contracts in their currency. The fund records the foreign tax expense, if any, as a reduction to the net realized gain (loss) on foreign currency transactions.

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

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

Income Tax Status – It is the fund's policy to distribute substantially all net investment income and net realized gains to shareholders and to otherwise qualify as a regulated investment company under provisions of the Internal Revenue Code. The fund is no longer subject to examination by tax authorities for years prior to 2006. Additionally, non-U.S. tax returns filed by the fund due to investments in certain foreign securities remain subject to examination by the relevant taxing authority for 7 years from the date of filing. At this time, management believes there are no uncertain tax positions which, based on their technical merit, would not be sustained upon examination and for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. Accordingly, no provision has been made for federal or state income taxes. Interest and penalties associated with any federal or state income tax obligations, if any, are recorded as interest expense.

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

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

As of December 31, 2009, the fund has accumulated net realized capital loss carryovers for federal income tax purposes of \$(50,164,458), which may be used to offset future taxable gains. Future capital loss carryover utilization in any given year may be subject to Internal Revenue Code limitations. The capital loss carryovers of \$(15,731,353) and \$(34,433,105) expire in 2016 and 2017, respectively.

The fund has capital loss deferrals of \$(786,012), which represent net capital losses incurred in the two-month period ended December 31, 2009. The fund has elected to treat such losses as having been incurred in the following fiscal year for federal income tax purposes.

Indemnifications – Under the corporation's organizational documents, its officers and directors are indemnified against certain liabilities arising out of the performance of their duties to the fund. In addition, in the normal course of business, the fund enters into

contracts that provide general indemnifications. The maximum exposure under these arrangements is unknown as this would involve future claims that may be made against a fund. The risk of material loss from such claims is considered by management to be remote.

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

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

2. Fees and Transactions with Related Parties

Management Fees – The corporation has entered into a Management Agreement with ACIM, under which ACIM provides the fund with investment advisory and management services in exchange for a single, unified management fee (the fee). The Agreement provides that all expenses of managing and operating the fund, except brokerage expenses, taxes, interest, fees and expenses of the independent directors (including legal counsel fees), and extraordinary expenses, will be paid by ACIM. The fee is computed and accrued daily based on the daily net assets of the fund and paid monthly in arrears. For funds with a stepped fee schedule, the rate of the fee is determined by applying a fee rate calculation formula. This formula takes into account each fund’s assets as well as certain assets, if any, of other clients of the investment advisor outside the American Century Investments family of funds (such as subadvised funds and separate accounts) that have very similar investment teams and investment strategies (strategy assets). The annual management fee schedule for the fund ranges from 0.90% to 1.00%. The effective annual management fee for the fund for the year ended December 31, 2009 was 1.00%.

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, American Century Investment Services, Inc., and the corporation’s transfer agent, American Century Services, LLC.

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

3. Investment Transactions

Purchases and sales of investment securities, excluding short-term investments, for the year ended December 31, 2009, were \$409,134,334 and \$501,271,169, respectively.

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

Federal tax cost of investments	\$203,976,632
Gross tax appreciation of investments	\$62,307,667
Gross tax depreciation of investments	(899,473)
Net tax appreciation (depreciation) of investments	\$61,408,194

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

4. Fair Value Measurements

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

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

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

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

	Level 1	Level 2	Level 3
Investment Securities			
Domestic Common Stocks	\$230,541,124	–	–
Foreign Common Stocks	28,827,425	\$4,958,914	–
Temporary Cash Investments	57,363	1,000,000	–
Total Value of Investment Securities	\$259,425,912	\$5,958,914	–
Other Financial Instruments			
Total Unrealized Gain (Loss) on Forward Foreign Currency Exchange Contracts	–	\$16,650	–

5. Derivative Instruments

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

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 using prevailing exchange rates. 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, 2009

Type of Derivative	Asset Derivatives		Liability Derivatives	
	Location on Statement of Assets and Liabilities	Value	Location on Statement of Assets and Liabilities	Value
Foreign Currency Risk	Receivable for forward foreign currency exchange contracts	\$16,650	Payable for forward foreign currency exchange contracts	—

Effect of Derivative Instruments on the Statement of Operations for the Year Ended December 31, 2009

Type of Derivative	Net Realized Gain (Loss)		Change in Net Unrealized Appreciation (Depreciation)	
	Location on Statement of Operations		Location on Statement of Operations	
Equity Price Risk	Net realized gain (loss) on futures contract transactions	\$ (704,359)	Change in net unrealized appreciation (depreciation) on futures contracts	—
Foreign Currency Risk	Net realized gain (loss) on foreign currency transactions	(1,463,692)	Change in net unrealized appreciation (depreciation) on translation of assets and liabilities in foreign currencies	\$1,087,725
		<u>\$ (2,168,051)</u>		<u>\$1,087,725</u>

6. Interfund Lending

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

7. Risk Factors

The fund's investment process may result in high portfolio turnover, high commission costs and high capital gains distributions. In addition, its investment approach may involve higher volatility and risk. 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. Investing in emerging markets may accentuate these risks.

8. Recently Issued Accounting Standards

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

9. Other Tax Information (Unaudited)

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

The fund hereby designates up to the maximum amount allowable as qualified dividend income for the fiscal year ended December 31, 2009.

For corporate taxpayers, the fund hereby designates \$1,457,473, or up to the maximum amount allowable, of ordinary income distributions paid during the fiscal year ended December 31, 2009 as qualified for the corporate dividends received deduction.

Financial Highlights

VP Capital Appreciation

Class I

For a Share Outstanding Throughout the Years Ended December 31					
	2009	2008	2007	2006	2005
Per-Share Data					
Net Asset Value, Beginning of Period	\$7.94	\$15.98	\$10.96	\$9.35	\$7.66
Income From Investment Operations					
Net Investment Income (Loss)	(0.02) ⁽¹⁾	(0.05) ⁽¹⁾	(0.07)	(0.04)	(0.04)
Net Realized and Unrealized Gain (Loss)	2.92	(6.96)	5.09	1.65	1.73
Total From Investment Operations	2.90	(7.01)	5.02	1.61	1.69
Distributions					
From Net Investment Income	(0.07)	—	—	—	—
From Net Realized Gains	—	(1.03)	—	—	—
Total Distributions	(0.07)	(1.03)	—	—	—
Net Asset Value, End of Period	\$10.77	\$7.94	\$15.98	\$10.96	\$9.35
Total Return⁽²⁾	37.07%	(46.18)%	45.80%	17.22%	22.06%
Ratios/Supplemental Data					
Ratio of Operating Expenses to Average Net Assets	1.00%	1.00%	1.00%	1.00%	1.00%
Ratio of Net Investment Income (Loss) to Average Net Assets	(0.27)%	(0.39)%	(0.54)%	(0.37)%	(0.46)%
Portfolio Turnover Rate	153%	166%	138%	218%	223%
Net Assets, End of Period (in thousands)	\$265,304	\$269,681	\$599,631	\$339,885	\$331,362

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

(2) Total return assumes reinvestment of net investment income and capital gains distributions, if any.

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

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

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

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

Management

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

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

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

Interested Director

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

Year of Birth: 1963

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

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

Number of Portfolios in Fund Complex Overseen by Director: 103

Other Directorships Held by Director: None

Independent Directors

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

Year of Birth: 1940

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

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

Number of Portfolios in Fund Complex Overseen by Director: 63

Other Directorships Held by Director: None

Andrea C. Hall, Ph.D., 4500 Main Street, Kansas City, MO 64111
Year of Birth: 1945
Position(s) Held with Fund: Director (since 1997)
Principal Occupation(s) During Past 5 Years: Retired, Advisor to the President, Midwest Research Institute (not-for-profit, contract research organization)
Number of Portfolios in Fund Complex Overseen by Director: 63
Other Directorships Held by Director: None

James A. Olson, 4500 Main Street, Kansas City, MO 64111
Year of Birth: 1942
Position(s) Held with Fund: Director (since 2007)
Principal Occupation(s) During Past 5 Years: Member, Plaza Belmont LLC (private equity fund manager); Chief Financial Officer, Plaza Belmont LLC (September 1999 to September 2006)
Number of Portfolios in Fund Complex Overseen by Director: 63
Other Directorships Held by Director: Saia, Inc.; Entertainment Properties Trust

Donald H. Pratt, 4500 Main Street, Kansas City, MO 64111
Year of Birth: 1937
Position(s) Held with Fund: Director (since 1995) and Chairman of the Board (since 2005)
Principal Occupation(s) During Past 5 Years: Chairman and Chief Executive Officer, Western Investments, Inc. (real estate company); Retired Chairman of the Board, Butler Manufacturing Company (metal buildings producer)
Number of Portfolios in Fund Complex Overseen by Director: 63
Other Directorships Held by Director: None

Gale E. Sayers, 4500 Main Street, Kansas City, MO 64111
Year of Birth: 1943
Position(s) Held with Fund: Director (since 2000)
Principal Occupation(s) During Past 5 Years: President, Chief Executive Officer and Founder, Sayers40, Inc. (technology products and services provider)
Number of Portfolios in Fund Complex Overseen by Director: 63
Other Directorships Held by Director: None

M. Jeannine Strandjord, 4500 Main Street, Kansas City, MO 64111
Year of Birth: 1945
Position(s) Held with Fund: Director (since 1994)
Principal Occupation(s) During Past 5 Years: Retired, formerly Senior Vice President, Sprint Corporation (telecommunications company)
Number of Portfolios in Fund Complex Overseen by Director: 63
Other Directorships Held by Director: DST Systems, Inc.; Euronet Worldwide, Inc.; Charming Shoppes, Inc.

John R. Whitten, 4500 Main Street, Kansas City, MO 64111
Year of Birth: 1946
Position(s) Held with Fund: Director (since 2008)
Principal Occupation(s) During Past 5 Years: Project Consultant, Celanese Corp. (industrial chemical company) (September 2004 to January 2005)
Number of Portfolios in Fund Complex Overseen by Director: 63
Other Directorships Held by Director: Rudolph Technologies, Inc.

Officers

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

Year of Birth: 1955

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

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

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

Year of Birth: 1956

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

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

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

Year of Birth: 1957

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

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

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

Year of Birth: 1966

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

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

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

Year of Birth: 1963

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

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

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

Year of Birth: 1960

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

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

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

Additional Information

Proxy Voting Guidelines

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

Quarterly Portfolio Disclosure

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

Index Definitions

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

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

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

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

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

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

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

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

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

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

Notes



American Century
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American Century Variable Portfolios, Inc.

Investment Advisor:

American Century Investment Management, Inc.
Kansas City, Missouri

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CL-AMIN-67562

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