

# SECURITIES AND EXCHANGE COMMISSION

## FORM N-CSRS

Certified semi-annual shareholder report of registered management investment companies filed on  
Form N-CSR

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### FILER

#### **MFS SERIES TRUST VII**

CIK: **318874** | IRS No.: **046452925** | State of Incorpor.: **MA** | Fiscal Year End: **1031**  
Type: **N-CSRS** | Act: **40** | File No.: **811-03090** | Film No.: **061002378**

Mailing Address  
*500 BOYLSTON STREET  
15TH FLOOR  
BOSTON MA 02116*

Business Address  
*500 BOYLSTON ST  
15TH FLOOR  
BOSTON MA 02116  
18006372929*

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF  
REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-3090

MFS SERIES TRUST VII

(Exact name of registrant as specified in charter)

500 Boylston Street, Boston, Massachusetts 02116

(Address of principal executive offices) (Zip code)

Susan S. Newton  
Massachusetts Financial Services Company  
500 Boylston Street  
Boston, Massachusetts 02116

(Name and address of agents for service)

Registrant's telephone number, including area code: (617) 954-5000

Date of fiscal year end: November 30

Date of reporting period: May 31, 2006

ITEM 1. REPORTS TO STOCKHOLDERS.

MFS (R) CAPITAL OPPORTUNITIES FUND

5/31/06

SEMIANNUAL REPORT

LETTER FROM THE CEO	1
PORTFOLIO COMPOSITION	2
EXPENSE TABLE	3
PORTFOLIO OF INVESTMENTS	5
FINANCIAL STATEMENTS	9
NOTES TO FINANCIAL STATEMENTS	23
BOARD REVIEW OF INVESTMENT ADVISORY AGREEMENT	33
PROXY VOTING POLICIES AND INFORMATION	33
QUARTERLY PORTFOLIO DISCLOSURE	33
CONTACT INFORMATION	BACK COVER

THE REPORT IS PREPARED FOR THE GENERAL INFORMATION OF  
SHAREHOLDERS. IT IS INTENDED FOR DISTRIBUTION TO  
PROSPECTIVE INVESTORS ONLY WHEN PRECEDED OR  
ACCOMPANIED BY A CURRENT PROSPECTUS.

M F S (SM)  
INVESTMENT MANAGEMENT (R)

LETTER FROM THE CEO

[Photo of Robert J. Manning]

Dear Shareholders,

It has been said that change is the only constant in life. As investors have seen, that theme is still accurate today as we recently have experienced shifting economic cycles because of natural disasters and political instability around the globe.

Markets worldwide have fluctuated in the past year as devastating hurricanes had a dramatic effect on the international economy, particularly on oil prices. We witnessed political unrest in the Middle East, highlighted by instability in Iraq, and in Africa, the usually stable Nigeria also experienced violence. As a result, energy prices have bounced up and down, with crude oil prices at one point topping a record \$70 per barrel.

Such cycles are not uncommon and in fact have almost become the norm in our everyday lives. What does all of this mean to you as an investor? In times like these, it helps to know that you're working with a seasoned investment professional who has experience to guide you through difficult times. At MFS(R), we believe our investment management team has the knowledge and confidence to navigate through difficult cycles and at the same time see through adversity to find investment opportunities for our clients and shareholders.

Our investment management process, honed over 80 years, combines a unique concept of teamwork with our unwavering focus on the long term. We firmly believe that the best way to realize long-term financial goals - be it a college education, a comfortable retirement, or a secure family legacy - is to follow a three-pronged approach that focuses on longer time horizons. Allocate holdings across the major asset classes - including stocks, bonds, and cash. Diversify within each class to take advantage of different market segments and investing styles. Rebalance assets regularly to maintain a desired asset allocation. Of course, these strategies cannot guarantee a profit or protect against a loss. This long-term approach requires diligence and patience, two traits that in our experience are essential to capitalizing on the many opportunities the financial markets can offer - through both up and down economic cycles.

Respectfully,

/s/ Robert J. Manning

Robert J. Manning  
Chief Executive Officer and Chief Investment Officer  
MFS Investment Management(R)

July 17, 2006

The opinions expressed in this letter are those of MFS, and no forecasts can be guaranteed.

#### PORTFOLIO COMPOSITION

##### PORTFOLIO STRUCTURE

Stocks	100.1%
Cash & Other Net Assets	-0.1%

##### TOP TEN HOLDINGS

Johnson & Johnson	3.8%
-----	-----
Wyeth	3.3%
-----	-----
Exxon Mobil Corp.	2.8%
-----	-----
Dell, Inc.	2.7%
-----	-----
Amgen, Inc.	2.4%
-----	-----
Tyco International Ltd.	2.4%
-----	-----
Nestle S.A.	2.1%
-----	-----
Intel Corp.	2.0%
-----	-----
NIKE, Inc., "B"	2.0%
-----	-----
Commerce Bancorp, Inc.	2.0%
-----	-----

##### SECTOR WEIGHTINGS

Health Care	20.1%
-------------	-------

Technology	17.7%
Financial Services	16.8%
Retailing	9.6%
Energy	9.0%
Consumer Staples	6.1%
Basic Materials	4.9%
Special Products & Services	4.1%
Industrial Goods & Services	3.9%
Leisure	3.8%
Utilities & Communications	2.4%
Transportation	1.7%

From time to time "Cash & Other Net Assets," may be negative due to timing of cash receipts.

Percentages are based on net assets as of 5/31/06.

The portfolio is actively managed, and current holdings may be different.

EXPENSE TABLE

FUND EXPENSES BORNE BY THE SHAREHOLDERS DURING THE PERIOD, DECEMBER 1, 2005 THROUGH MAY 31, 2006.

As a shareholder of the fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on certain purchase or redemption payments and redemption fees on certain exchanges and redemptions, 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 the fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period December 1, 2005 through May 31, 2006.

ACTUAL EXPENSES

The first line for each share class in the following table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. 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 in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The second line for each share class in the following table provides information about hypothetical account values and hypothetical expenses based on the fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the fund's actual return. 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 the 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 fees. Therefore, the second line for each share class in 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.

Expenses  
Paid During

Share Class		Annualized Expense Ratio	Beginning Account Value 12/01/05	Ending Account Value 5/31/06	Period(p) 12/01/05-5/31/06
A	Actual	1.24%	\$1,000.00	\$1,032.90	\$6.28
	Hypothetical (h)	1.24%	\$1,000.00	\$1,018.75	\$6.24
B	Actual	1.99%	\$1,000.00	\$1,029.40	\$10.07
	Hypothetical (h)	1.99%	\$1,000.00	\$1,015.01	\$10.00
C	Actual	1.99%	\$1,000.00	\$1,028.70	\$10.07
	Hypothetical (h)	1.99%	\$1,000.00	\$1,015.01	\$10.00
I	Actual	0.99%	\$1,000.00	\$1,034.00	\$5.02
	Hypothetical (h)	0.99%	\$1,000.00	\$1,020.00	\$4.99
R	Actual	1.49%	\$1,000.00	\$1,031.70	\$7.55
	Hypothetical (h)	1.49%	\$1,000.00	\$1,017.50	\$7.49
R1	Actual	2.09%	\$1,000.00	\$1,028.60	\$10.57
	Hypothetical (h)	2.09%	\$1,000.00	\$1,014.51	\$10.50
R2	Actual	1.75%	\$1,000.00	\$1,030.20	\$8.86
	Hypothetical (h)	1.75%	\$1,000.00	\$1,016.21	\$8.80
R3	Actual	1.64%	\$1,000.00	\$1,030.30	\$8.30
	Hypothetical (h)	1.64%	\$1,000.00	\$1,016.75	\$8.25
R4	Actual	1.40%	\$1,000.00	\$1,033.00	\$7.10
	Hypothetical (h)	1.40%	\$1,000.00	\$1,017.95	\$7.04
R5	Actual	1.08%	\$1,000.00	\$1,033.60	\$5.48
	Hypothetical (h)	1.08%	\$1,000.00	\$1,019.55	\$5.44
529A	Actual	1.59%	\$1,000.00	\$1,031.00	\$8.05
	Hypothetical (h)	1.59%	\$1,000.00	\$1,017.00	\$8.00
529B	Actual	2.24%	\$1,000.00	\$1,027.90	\$11.33
	Hypothetical (h)	2.24%	\$1,000.00	\$1,013.76	\$11.25
529C	Actual	2.23%	\$1,000.00	\$1,027.30	\$11.27
	Hypothetical (h)	2.23%	\$1,000.00	\$1,013.81	\$11.20

(h) 5% class return per year before expenses.

(p) Expenses paid is equal to each class' annualized expense ratio, as shown above, multiplied by the average account value over the period, multiplied by the number of days in the period, divided by the number of days in the year. Expenses paid do not include any applicable sales charges (loads) or redemption fees. If these transaction costs had been included, your costs would have been higher.

PORTFOLIO OF INVESTMENTS (unaudited) - 5/31/06

<TABLE>

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by broad-based asset classes.

<CAPTION>

Common Stocks - 100.1%

ISSUER	SHARES/PAR	VALUE (\$)
<S>	<C>	<C>
Advertising & Broadcasting - 2.5%		
Viacom, Inc., "B" (n)	441,319	\$ 16,659,792

Walt Disney Co. (1)	520,480	15,874,640
		\$ 32,534,432
-----		
Aerospace - 1.5%		
-----		
United Technologies Corp.	309,590	\$ 19,355,567
-----		
Apparel Manufacturers - 2.0%		
-----		
NIKE, Inc., "B"	332,020	\$ 26,664,526
-----		
Banks & Credit Companies - 11.3%		
-----		
American Express Co. (1)	322,370	\$ 17,524,033
Bank of America Corp. (1)	548,506	26,547,690
Commerce Bancorp, Inc. (1)	677,350	26,613,081
Investors Financial Services Corp. (1)	330,154	14,440,936
J.P. Morgan Chase & Co.	511,680	21,818,035
New York Community Bancorp, Inc. (1)	829,100	13,812,806
PNC Financial Services Group, Inc. (1)	196,870	13,566,312
SLM Corp.	267,370	14,373,811
		\$ 148,696,704
-----		
Biotechnology - 5.3%		
-----		
Amgen, Inc. (1) (n)	476,070	\$ 32,177,571
Gen-Probe, Inc. (n)	146,960	7,935,840
Genzyme Corp. (n)	302,581	18,003,570
MedImmune, Inc. (1) (n)	376,030	11,965,275
		\$ 70,082,256
-----		
Brokerage & Asset Managers - 2.0%		
-----		
Affiliated Managers Group, Inc. (1) (n)	139,990	\$ 12,627,098
Franklin Resources, Inc.	146,950	13,218,152
		\$ 25,845,250
-----		
Business Services - 1.5%		
-----		
Getty Images, Inc. (1) (n)	294,300	\$ 19,326,681
-----		
Chemicals - 1.0%		
-----		
3M Co.	159,400	\$ 13,335,404
-----		
Computer Software - 3.1%		
-----		
Oracle Corp. (1) (n)	1,619,219	\$ 23,025,294
Symantec Corp. (1) (n)	1,127,339	17,586,488
		\$ 40,611,782
-----		
Computer Software - Systems - 3.9%		
-----		
Dell, Inc. (n)	1,412,040	\$ 35,837,575
MICROS Systems, Inc. (1) (n)	360,100	14,818,115
		\$ 50,655,690
-----		
Consumer Goods & Services - 4.1%		
-----		
eBay, Inc. (n)	188,000	\$ 6,168,280
Estee Lauder Cos., Inc., "A" (1)	486,690	19,925,089
ITT Educational Services, Inc. (1) (n)	221,210	14,378,650
Strayer Education, Inc. (1)	136,060	13,565,182
		\$ 54,037,201
-----		
Containers - 1.9%		
-----		
Owens-Illinois, Inc. (1) (n)	1,432,290	\$ 24,348,930
-----		
Electrical Equipment - 2.4%		
-----		
Tyco International Ltd. (1)	1,170,097	\$ 31,721,330
-----		
Electronics - 2.9%		
-----		
Intel Corp. (1)	1,486,660	\$ 26,789,613

Samsung Electronics Co. Ltd., GDR	35,800	11,312,800
		\$ 38,102,413
-----		
Energy - Independent - 0.5%		
-----		
Arch Coal, Inc.	144,400	\$ 6,983,184
-----		
Energy - Integrated - 4.8%		
-----		
Exxon Mobil Corp.	613,370	\$ 37,360,367
Hess Corp. (1)	172,870	25,930,500
		\$ 63,290,867
-----		
Food & Non Alcoholic Beverages - 2.9%		
-----		
Nestle S.A. (1)	93,240	\$ 27,803,724
PepsiCo, Inc.	176,450	10,668,167
		\$ 38,471,891
-----		
General Merchandise - 2.4%		
-----		
Kohl's Corp. (1) (n)	353,340	\$ 18,970,825
Wal-Mart Stores, Inc.	268,390	13,003,496
		\$ 31,974,321
-----		
Insurance - 3.5%		
-----		
Berkshire Hathaway, Inc., "B" (1) (n)	7,190	\$ 22,066,110
St. Paul Travelers Cos., Inc. (1)	543,970	23,945,559
		\$ 46,011,669
-----		
Internet - 1.5%		
-----		
Yahoo!, Inc. (n)	602,070	\$ 19,019,391
-----		
Leisure & Toys - 1.3%		
-----		
Electronic Arts, Inc. (n)	258,990	\$ 10,895,709
NAMCO BANDAI Holdings, Inc. (1)	452,000	6,573,743
		\$ 17,469,452
-----		
Medical Equipment - 5.6%		
-----		
Advanced Medical Optics, Inc. (1) (n)	385,590	\$ 17,474,939
Medtronic, Inc. (1)	422,150	21,314,354
Millipore Corp. (1) (n)	224,310	15,567,114
St. Jude Medical, Inc. (n)	271,900	9,271,790
Ventana Medical Systems, Inc. (1) (n)	202,452	9,608,372
		\$ 73,236,569
-----		
Metals & Mining - 1.3%		
-----		
BHP Billiton Ltd., ADR (1)	394,350	\$ 17,067,468
-----		
Network & Telecom - 6.3%		
-----		
Cisco Systems, Inc. (n)	1,315,440	\$ 25,887,859
Juniper Networks, Inc. (1) (n)	1,264,380	20,141,573
NICE Systems Ltd., ADR (n)	706,244	19,209,837
Nortel Networks Corp. (1) (n)	2,927,670	6,967,855
TomTom N.V. (1) (n)	236,020	10,452,123
		\$ 82,659,247
-----		
Oil Services - 3.7%		
-----		
GlobalSantaFe Corp. (1)	379,912	\$ 22,844,109
National Oilwell Varco, Inc. (1) (n)	165,020	10,901,221
Noble Corp. (1)	214,220	14,894,717
		\$ 48,640,047
-----		
Pharmaceuticals - 9.2%		
-----		
Eli Lilly & Co.	340,830	\$ 17,600,461
Endo Pharmaceuticals Holdings, Inc. (1) (n)	329,700	9,673,398

Johnson & Johnson	832,030	50,104,847
Wyeth (1)	952,159	43,551,753
		\$ 120,930,459
-----		
Specialty Chemicals - 0.7%		
Praxair, Inc. (1)	167,430	\$ 8,823,561
-----		
Specialty Stores - 5.2%		
Advance Auto Parts, Inc.	489,600	\$ 18,663,552
CarMax, Inc. (1)(n)	518,580	16,496,030
PETSMART, Inc. (1)	693,450	18,501,246
Urban Outfitters, Inc. (1)(n)	816,380	15,160,177
		\$ 68,821,005
-----		
Tobacco - 1.7%		
Altria Group, Inc.	313,430	\$ 22,676,660
-----		
Trucking - 1.7%		
FedEx Corp.	208,240	\$ 22,754,385
-----		
Utilities - Electric Power - 2.4%		
Constellation Energy Group, Inc. (1)	238,800	\$ 12,345,960
NRG Energy, Inc. (1)(n)	373,980	18,605,505
		\$ 30,951,465
-----		
TOTAL COMMON STOCKS (IDENTIFIED COST, \$1,293,141,311)		\$ 1,315,099,807
-----		
Short-Term Obligations - 0.1%		
General Electric Capital Corp., 5.06%, due 6/01/06, at Amortized Cost and Value (y)	\$ 1,371,000	\$ 1,371,000
-----		
Collateral for Securities Loaned - 18.6%		
Morgan Stanley Repurchase Agreement, 5.08%, dated 5/31/06, due 6/01/06, total to be received \$19,940,341 (secured by various U.S. Treasury and Federal Agency obligations in an individually traded account)	\$ 19,937,526	\$ 19,937,526
Navigator Securities Lending Prime Portfolio, at Net Asset Value	224,948,676	224,948,676
-----		
TOTAL COLLATERAL FOR SECURITIES LOANED, AT AMORTIZED COST AND VALUE		\$244,886,202
-----		
TOTAL INVESTMENTS (IDENTIFIED COST, \$1,539,398,513)		\$ 1,561,357,009
-----		
Other Assets, Less Liabilities - (18.8)%		(247,124,517)
-----		
NET ASSETS - 100.0%		\$ 1,314,232,492

(1) All or a portion of this security is on loan.

(n) Non-income producing security.

(y) The rate shown represents an annualized yield at time of purchase.

The following abbreviations are used in the Portfolio of Investments and are defined:

ADR American Depository Receipt  
GDR Global Depository Receipt

SEE NOTES TO FINANCIAL STATEMENTS  
</TABLE>

<TABLE>  
FINANCIAL STATEMENTS Statement of Assets and Liabilities (unaudited)

This statement represents your fund's balance sheet, which details the assets and liabilities comprising the total value of the fund.

AT 5/31/06

<S> <C> <C>  
ASSETS

Investments, at value, including \$239,155,165 of securities  
on loan (identified cost, \$1,539,398,513) \$1,561,357,009

Cash	741	
Receivable for investments sold	10,185,339	
Receivable for fund shares sold	436,101	
Interest and dividends receivable	1,735,534	
<hr/>		
Total assets		\$1,573,714,724
<hr/>		
LIABILITIES		
<hr/>		
Payable for investments purchased	\$6,956,800	
Payable for fund shares reacquired	6,545,942	
Collateral for securities loaned, at value	244,886,202	
Payable to affiliates		
Management fee	23,633	
Shareholder servicing costs	513,892	
Distribution and service fees	19,489	
Administrative services fee	578	
Program manager fees	4	
Retirement plan administration and services fees	19	
Payable for independent trustees' compensation	209,936	
Accrued expenses and other liabilities	325,737	
<hr/>		
Total liabilities		\$259,482,232
<hr/>		
Net assets		\$1,314,232,492
<hr/>		
NET ASSETS CONSIST OF:		
<hr/>		
Paid-in capital	\$3,760,705,092	
Unrealized appreciation (depreciation) on investments and translation of assets and liabilities in foreign currencies	21,957,904	
Accumulated net realized gain (loss) on investments and foreign currency transactions	(2,466,056,921)	
Accumulated net investment loss	(2,373,583)	
<hr/>		
Net assets		\$1,314,232,492
<hr/>		
Shares of beneficial interest outstanding		98,818,410
<hr/>		

</TABLE>

<TABLE>

Statement of Assets and Liabilities (unaudited) - continued

<S>

<C>

<C>

Class A shares

Net assets	\$761,912,831	
Shares outstanding	55,219,253	
<hr/>		
Net asset value per share		\$13.80
<hr/>		
Offering price per share (100/94.25Xnet asset value per share)		\$14.64
<hr/>		

Class B shares

Net assets	\$413,399,117	
Shares outstanding	32,766,619	
<hr/>		
Net asset value and offering price per share		\$12.62
<hr/>		

Class C shares

Net assets	\$107,074,588	
Shares outstanding	8,531,456	
<hr/>		
Net asset value and offering price per share		\$12.55
<hr/>		

Class I shares

Net assets	\$21,351,682	
Shares outstanding	1,526,829	
<hr/>		
Net asset value, offering price, and redemption price per share		\$13.98
<hr/>		

Class R shares

Net assets	\$6,658,679	
Shares outstanding	486,540	
<hr/>		

Net asset value, offering price, and redemption price per share		\$13.69
-----		
Class R1 shares		
-----		
Net assets	\$795,764	
Shares outstanding	63,158	
-----		
Net asset value, offering price, and redemption price per share		\$12.60
-----		
Class R2 shares		
-----		
Net assets	\$56,627	
Shares outstanding	4,479	
-----		
Net asset value, offering price, and redemption price per share		\$12.64
-----		
Class R3 shares		
-----		
Net assets	\$1,885,413	
Shares outstanding	138,620	
-----		
Net asset value, offering price, and redemption price per share		\$13.60
-----		
Class R4 shares		
-----		
Net assets	\$605,925	
Shares outstanding	43,949	
-----		
Net asset value, offering price, and redemption price per share		\$13.79
-----		
Class R5 shares		
-----		
Net assets	\$53,935	
Shares outstanding	3,900	
-----		
Net asset value, offering price, and redemption price per share		\$13.83
-----		

</TABLE>

<TABLE>

Statement of Assets and Liabilities (unaudited) - continued

<S>

<C>

<C>

Class 529A shares		
-----		
Net assets	\$214,683	
Shares outstanding	15,729	
-----		
Net asset value per share		\$13.65
-----		
Offering price per share (100/94.25Xnet asset value per share)		\$14.48
-----		
Class 529B shares		
-----		
Net assets	\$165,475	
Shares outstanding	13,231	
-----		
Net asset value and offering price per share		\$12.51
-----		
Class 529C shares		
-----		
Net assets	\$57,773	
Shares outstanding	4,647	
-----		
Net asset value and offering price per share		\$12.43
-----		

On sales of \$50,000 or more, the offering price of Class A and Class 529A shares are reduced. A contingent deferred sales charge may be imposed on redemptions of Class A, Class B, Class C, Class 529B and Class 529C shares.

SEE NOTES TO FINANCIAL STATEMENTS

</TABLE>

<TABLE>

This statement describes how much your fund earned in investment income and accrued in expenses. It also describes any gains and/or losses generated by fund operations.

SIX MONTHS ENDED 5/31/06

&lt;S&gt;

&lt;C&gt;

&lt;C&gt;

## NET INVESTMENT LOSS

Income		
Dividends	\$8,443,030	
Interest	838,013	
Foreign taxes withheld	(147,424)	
Total investment income		\$9,133,619
Expenses		
Management fee	\$5,552,283	
Distribution and service fees	4,036,559	
Program manager fees	548	
Shareholder servicing costs	1,781,997	
Administrative services fee	95,981	
Retirement plan administration and services fees	4,890	
Independent trustees' compensation	38,859	
Custodian fee	204,763	
Shareholder communications	73,501	
Auditing fees	20,545	
Legal fees	11,507	
Registration fees	94,180	
Miscellaneous	126,128	
Total expenses		\$12,041,741
Fees paid indirectly	(71,316)	
Reduction of expenses by investment adviser	(673,231)	
Net expenses		\$11,297,194
Net investment loss		\$ (2,163,575)
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS		
Realized gain (loss) (identified cost basis)		
Investment transactions	\$142,975,556	
Foreign currency transactions	(65,923)	
Net realized gain (loss) on investments and foreign currency transactions		\$142,909,633
Change in unrealized appreciation (depreciation)		
Investments	\$ (88,455,211)	
Translation of assets and liabilities in foreign currencies	(592)	
Net unrealized gain (loss) on investments and foreign currency translation		\$ (88,455,803)
Net realized and unrealized gain (loss) on investments and foreign currency		\$54,453,830
Change in net assets from operations		\$52,290,255

SEE NOTES TO FINANCIAL STATEMENTS

&lt;/TABLE&gt;

&lt;TABLE&gt;

## FINANCIAL STATEMENTS

## Statements of Changes in Net Assets

This statement describes the increases and/or decreases in net assets resulting from operations, any distributions, and any shareholder transactions.

&lt;CAPTION&gt;

	SIX MONTHS ENDED 5/31/06 (UNAUDITED)	YEAR ENDED 11/30/05
<S>	<C>	<C>

## CHANGE IN NET ASSETS

## FROM OPERATIONS

Net investment loss	\$ (2,163,575)	\$ (3,158,681)
Net realized gain (loss) on investments and foreign currency transactions	142,909,633	285,918,225
Net unrealized gain (loss) on investments and foreign currency translation	(88,455,803)	(203,288,877)
Change in net assets from operations	\$52,290,255	\$79,470,667

## DISTRIBUTIONS DECLARED TO SHAREHOLDERS

From net investment income		
Class A	\$--	\$ (5,154,455)
Class I	--	(237,102)
Class R	--	(22,955)
Class R3	--	(2,211)
Class 529A	--	(413)

Total distributions declared to shareholders	\$--	\$ (5,417,136)
--	------	----------------

Change in net assets from fund share transactions	\$ (367,303,390)	\$ (654,120,838)
---	------------------	------------------

Redemption fees	\$--	\$1,085
-----------------	------	---------

Total change in net assets	\$ (315,013,135)	\$ (580,066,222)
----------------------------	------------------	------------------

## NET ASSETS

At beginning of period	1,629,245,627	2,209,311,849
------------------------	---------------	---------------

At end of period (including accumulated net investment loss of \$2,373,583 and accumulated distributions in excess of net investment income of \$210,008, respectively)	\$1,314,232,492	\$1,629,245,627
---	-----------------	-----------------

SEE NOTES TO FINANCIAL STATEMENTS

&lt;/TABLE&gt;

&lt;TABLE&gt;

## FINANCIAL STATEMENTS

## Financial Highlights

The financial highlights table is intended to help you understand the fund's financial performance for the semiannual period and the past 5 fiscal years (or life of a particular share class, if shorter). Certain information reflects financial results for a single fund share. The total returns in the table represent the rate by which an investor would have earned (or lost) on an investment in the fund share class (assuming reinvestment of all distributions) held for the entire period.

&lt;CAPTION&gt;

CLASS A	SIX MONTHS ENDED 5/31/06 (UNAUDITED)	YEARS ENDED 11/30				
		2005	2004	2003	2002	2001
Net asset value, beginning of period	\$13.36	\$12.83	\$11.36	\$10.08	\$13.08	\$18.67

INCOME (LOSS) FROM  
INVESTMENT OPERATIONS

Net investment income (loss) (d)	\$0.00 (w)	\$0.02	\$0.06	\$0.01	\$ (0.02)	\$ (0.05)
Net realized and unrealized gain (loss) on investments and foreign currency	0.44	0.56	1.41	1.27	(2.98)	(3.52)
Total from investment operations	\$0.44	\$0.58	\$1.47	\$1.28	\$ (3.00)	\$ (3.57)

LESS DISTRIBUTIONS DECLARED  
TO SHAREHOLDERS

From net investment income	\$--	\$ (0.05)	\$--	\$--	\$--	\$--
From net realized gain on investments and foreign currency transactions	--	--	--	--	--	(2.02)
Total distributions declared to shareholders	\$--	\$ (0.05)	\$--	\$--	\$--	\$ (2.02)

Net asset value,

end of period	\$13.80	\$13.36	\$12.83	\$11.36	\$10.08	\$13.08
Total return (%) (r) (s) (t)	3.29(n)	4.54	12.94(b)	12.70	(22.94)	(22.08)

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	1.33(a)	1.30	1.28	1.29	1.30	1.27
Expenses after expense reductions (f)	1.24(a)	1.21	1.20	1.25	1.23	1.18
Net investment income (loss)	0.00(a) (w)	0.12	0.53	0.14	(0.18)	(0.35)
Portfolio turnover	77	62	73	63	95	111
Net assets at end of period (000 Omitted)	\$761,913	\$961,213	\$1,294,118	\$1,481,073	\$1,678,738	\$2,604,397

SEE NOTES TO FINANCIAL STATEMENTS  
</TABLE>

<TABLE>

Financial Highlights - continued

<CAPTION>

CLASS B	SIX MONTHS	YEARS ENDED 11/30				
	ENDED 5/31/06 (UNAUDITED)	2005	2004	2003	2002	2001
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net asset value, beginning of period	\$12.26	\$11.82	\$10.54	\$9.42	\$12.32	\$17.71

INCOME (LOSS) FROM  
INVESTMENT OPERATIONS

Net investment loss (d)	\$ (0.05)	\$ (0.08)	\$ (0.03)	\$ (0.06)	\$ (0.10)	\$ (0.16)
Net realized and unrealized gain (loss) on investments and foreign currency	0.41	0.52	1.31	1.18	(2.80)	(3.34)
Total from investment operations	\$0.36	\$0.44	\$1.28	\$1.12	\$ (2.90)	\$ (3.50)

LESS DISTRIBUTIONS DECLARED  
TO SHAREHOLDERS

From net realized gain on investments and foreign currency transactions	\$--	\$--	\$--	\$--	\$--	\$ (1.89)
Net asset value, end of period	\$12.62	\$12.26	\$11.82	\$10.54	\$9.42	\$12.32
Total return (%) (r) (s) (t)	2.94(n)	3.72	12.14(b)	11.89	(23.54)	(22.67)

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	2.08(a)	2.05	2.02	2.04	2.05	2.02
Expenses after expense reductions (f)	1.99(a)	1.96	1.94	2.00	1.98	1.93
Net investment loss	(0.75) (a)	(0.63)	(0.23)	(0.61)	(0.94)	(1.10)
Portfolio turnover	77	62	73	63	95	111
Net assets at end of period (000 Omitted)	\$413,399	\$496,824	\$696,034	\$853,669	\$936,956	\$1,606,753

SEE NOTES TO FINANCIAL STATEMENTS  
</TABLE>

<TABLE>

Financial Highlights - continued

<CAPTION>

CLASS C	SIX MONTHS	YEARS ENDED 11/30				
	ENDED 5/31/06 (UNAUDITED)	2005	2004	2003	2002	2001
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net asset value,						

beginning of period	\$12.20	\$11.76	\$10.48	\$9.37	\$12.25	\$17.64
INCOME (LOSS) FROM INVESTMENT OPERATIONS						
Net investment loss (d)	\$(0.05)	\$(0.08)	\$(0.03)	\$(0.06)	\$(0.10)	\$(0.16)
Net realized and unrealized gain (loss) on investments and foreign currency	0.40	0.52	1.31	1.17	(2.78)	(3.32)
Total from investment operations	\$0.35	\$0.44	\$1.28	\$1.11	\$(2.88)	\$(3.48)
LESS DISTRIBUTIONS DECLARED TO SHAREHOLDERS						
From net realized gain on investments and foreign currency transactions	\$--	\$--	\$--	\$--	\$--	\$(1.91)
Net asset value, end of period	\$12.55	\$12.20	\$11.76	\$10.48	\$9.37	\$12.25
Total return (%) (r) (s) (t)	2.87 (n)	3.74	12.21 (b)	11.85	(23.51)	(22.72)
RATIOS (%) (TO AVERAGE NET ASSETS) AND SUPPLEMENTAL DATA:						
Expenses before expense reductions (f)	2.08 (a)	2.05	2.02	2.05	2.05	2.02
Expenses after expense reductions (f)	1.99 (a)	1.96	1.94	2.01	1.98	1.93
Net investment loss	(0.74) (a)	(0.63)	(0.24)	(0.61)	(0.95)	(1.10)
Portfolio turnover	77	62	73	63	95	111
Net assets at end of period (000 Omitted)	\$107,075	\$128,510	\$177,553	\$228,101	\$275,361	\$550,351

SEE NOTES TO FINANCIAL STATEMENTS  
</TABLE>

<TABLE>

Financial Highlights - continued

<CAPTION>

CLASS I	SIX MONTHS	YEARS ENDED 11/30				
	ENDED 5/31/06 (UNAUDITED)	2005	2004	2003	2002	2001
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net asset value, beginning of period	\$13.52	\$12.99	\$11.46	\$10.14	\$13.13	\$18.74
INCOME (LOSS) FROM INVESTMENT OPERATIONS						
Net investment income (loss) (d)	\$0.02	\$0.05	\$0.08	\$0.04	\$0.01	\$(0.01)
Net realized and unrealized gain (loss) on investments and foreign currency	0.44	0.57	1.45	1.28	(3.00)	(3.54)
Total from investment operations	\$0.46	\$0.62	\$1.53	\$1.32	\$(2.99)	\$(3.55)
LESS DISTRIBUTIONS DECLARED TO SHAREHOLDERS						
From net investment income	\$--	\$(0.09)	\$--	\$--	\$--	\$--
From net realized gain on investments and foreign currency transactions	--	--	--	--	--	(2.06)
Total distributions declared to shareholders	\$--	\$(0.09)	\$--	\$--	\$--	\$(2.06)
Net asset value, end of period	\$13.98	\$13.52	\$12.99	\$11.46	\$10.14	\$13.13
Total return (%) (r) (s)	3.40 (n)	4.76	13.35 (b)	13.02	(22.77)	(21.88)

RATIOS (%) (TO AVERAGE NET ASSETS) AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	1.08 (a)	1.05	1.07	1.04	1.05	1.02
Expenses after expense reductions (f)	0.99 (a)	0.96	0.99	1.00	0.98	0.93
Net investment income (loss)	0.25 (a)	0.38	0.59	0.37	0.07	(0.10)
Portfolio turnover	77	62	73	63	95	111

Net assets at end of period (000 Omitted)	\$21,352	\$30,034	\$35,836	\$80,341	\$77,534	\$118,595
--	----------	----------	----------	----------	----------	-----------

SEE NOTES TO FINANCIAL STATEMENTS  
</TABLE>

<TABLE>  
Financial Highlights - continued  
<CAPTION>

CLASS R	SIX MONTHS	YEARS ENDED 11/30		
	ENDED 5/31/06 (UNAUDITED)	2005	2004	2003 (i)
<S>	<C>	<C>	<C>	<C>
Net asset value, beginning of period	\$13.27	\$12.78	\$11.34	\$9.32
INCOME (LOSS) FROM INVESTMENT OPERATIONS				
Net investment income (loss) (d)	\$ (0.02)	\$ (0.01)	\$0.09	\$0.00 (w)
Net realized and unrealized gain (loss) on investments and foreign currency	0.44	0.56	1.35	2.02
Total from investment operations	\$0.42	\$0.55	\$1.44	\$2.02
LESS DISTRIBUTIONS DECLARED TO SHAREHOLDERS				
From net investment income	\$--	\$ (0.06)	\$--	\$--
Net asset value, end of period	\$13.69	\$13.27	\$12.78	\$11.34
Total return (%) (r) (s)	3.17 (n)	4.28	12.70 (b)	21.67 (n)

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	1.58 (a)	1.54	1.45	1.53 (a)
Expenses after expense reductions (f)	1.49 (a)	1.45	1.37	1.49 (a)
Net investment income (loss)	(0.26) (a)	(0.11)	0.77	(0.04) (a)
Portfolio turnover	77	62	73	63
Net assets at end of period (000 Omitted)	\$6,659	\$9,221	\$4,902	\$638

<CAPTION>

CLASS R1	SIX MONTHS ENDED 5/31/06 (UNAUDITED)	YEAR ENDED 11/30/05 (i)
<S>	<C>	<C>
Net asset value, beginning of period	\$12.25	\$11.82
INCOME (LOSS) FROM INVESTMENT OPERATIONS		
Net investment loss (d)	\$ (0.05)	\$ (0.07)
Net realized and unrealized gain (loss) on investments and foreign currency	0.40	0.50
Total from investment operations	\$0.35	\$0.43
Net asset value, end of period	\$12.60	\$12.25
Total return (%) (r) (s)	2.86 (n)	3.64 (n)

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	2.28 (a)	2.30 (a)
Expenses after expense reductions (f)	2.09 (a)	2.16 (a)
Net investment loss	(0.83) (a)	(0.78) (a)
Portfolio turnover	77	62
Net assets at end of period (000 Omitted)	\$796	\$649

SEE NOTES TO FINANCIAL STATEMENTS  
</TABLE>

<TABLE>  
Financial Highlights - continued  
<CAPTION>

CLASS R2	SIX MONTHS ENDED 5/31/06 (UNAUDITED)	YEAR ENDED 11/30/05 (i)
----------	--	----------------------------

<S>	<C>	<C>
Net asset value, beginning of period	\$12.27	\$11.82
-----		
INCOME (LOSS) FROM INVESTMENT OPERATIONS		
-----		
Net investment loss (d)	\$ (0.03)	\$ (0.04)
Net realized and unrealized gain (loss) on investments and foreign currency	0.40	0.49
-----		
Total from investment operations	\$0.37	\$0.45
-----		
Net asset value, end of period	\$12.64	\$12.27
-----		
Total return (%) (r) (s)	3.02 (n)	3.81 (n)
-----		

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	1.99 (a)	1.97 (a)
Expenses after expense reductions (f)	1.75 (a)	1.82 (a)
Net investment loss	(0.51) (a)	(0.47) (a)
Portfolio turnover	77	62
Net assets at end of period (000 Omitted)	\$57	\$263
-----		

<CAPTION>

CLASS R3	SIX MONTHS	YEARS ENDED 11/30		
	ENDED 5/31/06 (UNAUDITED)	2005	2004	2003 (i)
<S>	<C>	<C>	<C>	<C>
Net asset value, beginning of period	\$13.20	\$12.75	\$11.34	\$11.22
-----				
INCOME (LOSS) FROM INVESTMENT OPERATIONS				
-----				
Net investment income (loss) (d)	\$ (0.03)	\$ (0.04)	\$0.09	\$0.00 (w)
Net realized and unrealized gain (loss) on investments and foreign currency	0.43	0.55	1.32	0.12
-----				
Total from investment operations	\$0.40	\$0.51	\$1.41	\$0.12
-----				
LESS DISTRIBUTIONS DECLARED TO SHAREHOLDERS				
-----				
From net investment income	\$--	\$ (0.06)	\$--	\$--
-----				
Net asset value, end of period	\$13.60	\$13.20	\$12.75	\$11.34
-----				
Total return (%) (r) (s)	3.03 (n)	4.04	12.43 (b)	1.07 (n)
-----				

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	1.83 (a)	1.78	1.55	1.33 (a)
Expenses after expense reductions (f)	1.64 (a)	1.67	1.47	1.29 (a)
Net investment income (loss)	(0.39) (a)	(0.29)	0.86	0.24 (a)
Portfolio turnover	77	62	73	63
Net assets at end of period (000 Omitted)	\$1,885	\$1,932	\$435	\$5
-----				

SEE NOTES TO FINANCIAL STATEMENTS

</TABLE>

<TABLE>

Financial Highlights - continued

<CAPTION>

CLASS R4	SIX MONTHS	YEAR ENDED
	ENDED 5/31/06 (UNAUDITED)	11/30/05 (i)
<S>	<C>	<C>
Net asset value, beginning of period	\$13.35	\$12.82
-----		
INCOME (LOSS) FROM INVESTMENT OPERATIONS		
-----		
Net investment income (loss) (d)	\$ (0.01)	\$0.01
Net realized and unrealized gain (loss) on investments and foreign currency	0.45	0.52
-----		
Total from investment operations	\$0.44	\$0.53
-----		

Net asset value, end of period	\$13.79	\$13.35
Total return (%) (r) (s)	3.30 (n)	4.13 (n)

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	1.49 (a)	1.40 (a)
Expenses after expense reductions (f)	1.40 (a)	1.31 (a)
Net investment income (loss)	(0.16) (a)	0.12 (a)
Portfolio turnover	77	62
Net assets at end of period (000 Omitted)	\$606	\$105

<CAPTION>

CLASS R5	SIX MONTHS ENDED 5/31/06 (UNAUDITED)	YEAR ENDED 11/30/05 (i)
<S>	<C>	<C>
Net asset value, beginning of period	\$13.38	\$12.82
INCOME (LOSS) FROM INVESTMENT OPERATIONS		
Net investment income (d)	\$0.01	\$0.04
Net realized and unrealized gain (loss) on investments and foreign currency	0.44	0.52
Total from investment operations	\$0.45	\$0.56
Net asset value, end of period	\$13.83	\$13.38
Total return (%) (r) (s)	3.36 (n)	4.37 (n)

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	1.17 (a)	1.06 (a)
Expenses after expense reductions (f)	1.08 (a)	0.97 (a)
Net investment income	0.17 (a)	0.43 (a)
Portfolio turnover	77	62
Net assets at end of period (000 Omitted)	\$54	\$52

SEE NOTES TO FINANCIAL STATEMENTS  
</TABLE>

<TABLE>

Financial Highlights - continued

<CAPTION>

CLASS 529A	SIX MONTHS ENDED 5/31/06 (UNAUDITED)	YEARS ENDED 11/30			
<S>	<C>	2005	2004	2003	2002 (i)
Net asset value, beginning of period	\$13.24	\$12.74	\$11.31	\$10.07	\$9.65
INCOME (LOSS) FROM INVESTMENT OPERATIONS					
Net investment income (loss) (d)	\$ (0.02)	\$ (0.03)	\$ 0.04	\$ (0.02)	\$ 0.00 (w)
Net realized and unrealized gain (loss) on investments and foreign currency	0.43	0.56	1.39	1.26	0.42
Total from investment operations	\$0.41	\$0.53	\$1.43	\$1.24	\$0.42
LESS DISTRIBUTIONS DECLARED TO SHAREHOLDERS					
From net investment income	\$--	\$ (0.03)	\$--	\$--	\$--
Net asset value, end of period	\$13.65	\$13.24	\$12.74	\$11.31	\$10.07
Total return (%) (r) (s) (t)	3.10 (n)	4.16	12.64 (b)	12.31	4.35 (n)

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	1.68 (a)	1.65	1.60	1.61	1.65 (a)
Expenses after expense reductions (f)	1.59 (a)	1.56	1.52	1.57	1.58 (a)
Net investment income (loss)	(0.34) (a)	(0.21)	0.35	(0.19)	0.03 (a)

Portfolio turnover	77	62	73	63	95
Net assets at end of period (000 Omitted)	\$215	\$218	\$171	\$106	\$25

</TABLE>

<TABLE>

Financial Highlights - continued

<CAPTION>

CLASS 529B	SIX MONTHS	YEARS ENDED 11/30			
	ENDED 5/31/06 (UNAUDITED)	2005	2004	2003	2002 (i)
<S>	<C>	<C>	<C>	<C>	<C>
Net asset value, beginning of period	\$12.17	\$11.76	\$10.51	\$9.42	\$9.04
INCOME (LOSS) FROM INVESTMENT OPERATIONS					
Net investment loss (d)	\$ (0.06)	\$ (0.10)	\$ (0.03)	\$ (0.08)	\$ (0.02)
Net realized and unrealized gain (loss) on investments and foreign currency	0.40	0.51	1.28	1.17	0.40
Total from investment operations	\$0.34	\$0.41	\$1.25	\$1.09	\$0.38
Net asset value, end of period	\$12.51	\$12.17	\$11.76	\$10.51	\$9.42
Total return (%) (r) (s) (t)	2.79 (n)	3.49	11.89 (b)	11.57	4.20 (n)

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	2.33 (a)	2.30	2.24	2.28	2.30 (a)
Expenses after expense reductions (f)	2.24 (a)	2.21	2.16	2.24	2.23 (a)
Net investment loss	(0.98) (a)	(0.87)	(0.27)	(0.84)	(0.74) (a)
Portfolio turnover	77	62	73	63	95
Net assets at end of period (000 Omitted)	\$165	\$163	\$164	\$75	\$14

SEE NOTES TO FINANCIAL STATEMENTS

</TABLE>

<TABLE>

Financial Highlights - continued

<CAPTION>

CLASS 529C	SIX MONTHS	YEARS ENDED 11/30			
	ENDED 5/31/06 (UNAUDITED)	2005	2004	2003	2002 (i)
<S>	<C>	<C>	<C>	<C>	<C>
Net asset value, beginning of period	\$12.10	\$11.69	\$10.45	\$9.37	\$9.00
INCOME (LOSS) FROM INVESTMENT OPERATIONS					
Net investment loss (d)	\$ (0.06)	\$ (0.11)	\$ (0.04)	\$ (0.08)	\$ (0.02)
Net realized and unrealized gain (loss) on investments and foreign currency	0.39	0.52	1.28	1.16	0.39
Total from investment operations	\$0.33	\$0.41	\$1.24	\$1.08	\$0.37
Net asset value, end of period	\$12.43	\$12.10	\$11.69	\$10.45	\$9.37
Total return (%) (r) (s) (t)	2.73 (n)	3.51	11.87 (b)	11.53	4.11 (n)

RATIOS (%) (TO AVERAGE NET ASSETS)  
AND SUPPLEMENTAL DATA:

Expenses before expense reductions (f)	2.32 (a)	2.31	2.25	2.29	2.30 (a)
Expenses after expense reductions (f)	2.23 (a)	2.22	2.17	2.25	2.23 (a)
Net investment loss	(0.99) (a)	(0.90)	(0.34)	(0.86)	(0.71) (a)
Portfolio turnover	77	62	73	63	95
Net assets at end of period (000 Omitted)	\$58	\$61	\$98	\$74	\$15

Any redemption fees charged by the fund during the 2004 and 2005 fiscal years resulted in a per share impact of less than \$0.01.

(a) Annualized.

(b) The fund's net asset value and total return calculation include a non-recurring accrual recorded as a result of an

administrative proceeding regarding disclosure of brokerage allocation practices in connection with fund sales. The non-recurring accrual resulted in an increase in the net asset value of \$0.01 per share based on the shares outstanding on the day the proceeds were recorded. Excluding the effect of this accrual from the ending net asset value per share, Class A, Class B, Class C, Class I, Class R, Class R3, Class 529A, Class 529B, and Class 529C total returns for the year ended November 30, 2004 would have been lower by 0.12%.

- (d) Per share data are based on average shares outstanding.
- (f) Ratios do not reflect reductions from fees paid indirectly.
- (i) For the period from the class' inception, December 31, 2002 (Class R), July 31, 2002 (Classes 529A, 529B, and 529C), October 31, 2003 (Class R3) and April 1, 2005 (Classes R1, R2, R4, and R5) through the stated period end.
- (n) Not annualized.
- (r) Certain expenses have been reduced without which performance would have been lower.
- (s) From time to time the fund may receive proceeds from litigation settlements, without which performance would be lower.
- (t) Total returns do not include any applicable sales charges.
- (w) Per share amount was less than \$0.01, and/or ratio was less than 0.01%.

SEE NOTES TO FINANCIAL STATEMENTS

</TABLE>

#### NOTES TO FINANCIAL STATEMENTS (unaudited)

##### (1) BUSINESS AND ORGANIZATION

MFS Capital Opportunities Fund (the fund) is a series of MFS Series Trust VII (the trust). The trust is organized as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended, as an open-end management investment company.

##### (2) SIGNIFICANT ACCOUNTING POLICIES

**GENERAL** - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The fund can invest in foreign securities. Investments in foreign securities are vulnerable to the effects of changes in the relative values of the local currency and the U.S. dollar and to the effects of changes in each country's legal, political, and economic environment.

**INVESTMENT VALUATIONS** - Equity securities, including restricted equity securities, are generally valued at the last sale or official closing price as reported by an independent pricing service on the market or exchange on which they are primarily traded. For securities for which there were no sales reported that day, equity securities are generally valued at the last quoted daily bid quotation as reported by an independent pricing service on the market or exchange on which they are primarily traded. Short-term instruments with a maturity at issuance of 397 days or less are generally valued at amortized cost, which approximates market value. Open-end investment companies are generally valued at their net asset value per share. Securities and other assets generally valued on the basis of information from an independent pricing service may also be valued at a broker-dealer bid quotation. The values of foreign securities and other assets and liabilities expressed in foreign currencies are converted to U.S. dollars using the mean of bid and asked prices for rates reported by an independent pricing service. The Board of Trustees has delegated primary responsibility for determining or causing to be determined the value of the fund's investments (including any fair valuation) to the adviser pursuant to valuation policies and procedures approved by the Board. If the adviser determines that reliable market quotations are not readily available, investments are valued at fair value as determined in good faith by the adviser in accordance with such procedures under the oversight of the Board of Trustees. Under the fund's valuation policies and procedures, market quotations are not considered to be readily available for many types of debt instruments. These investments are generally valued at fair value based on information from independent pricing services. The adviser may rely on independent pricing services or other information (such as the correlation with price movements of similar securities in the same or other markets; the type, cost and investment characteristics of the security; the business and financial condition of the issuer; and trading and other market data) to assist in determining whether to fair value and at what value to fair value an investment. The value of an investment for purposes of calculating the fund's net asset value can differ depending on the source and method used to determine value. When fair valuation is used, the value of investments used to determine the fund's net asset value may differ from quoted or published prices for the same investments. In addition, investments may be valued at fair value if the adviser determines that an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded (such as foreign exchange or market) and prior to the determination of the fund's net asset value, or after the halting of trading of a specific security where trading does not resume prior to the close of the exchange or market on which the security is principally traded. Events that occur on a frequent basis

after foreign markets close (such as developments in foreign markets and significant movements in the U.S. markets) and prior to the determination of the fund's net asset value may be deemed to have a material effect on the value of securities traded in foreign markets. Accordingly, the fund's foreign equity securities may often be valued at fair value.

**REPURCHASE AGREEMENTS** - The fund may enter into repurchase agreements with institutions that the fund's investment adviser has determined are creditworthy. Each repurchase agreement is recorded at cost. The fund requires that the securities collateral 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. The fund monitors, on a daily basis, the value of the collateral to ensure that its value, including accrued interest, is greater than amounts owed to the fund under each such repurchase agreement. The fund, along with other affiliated entities of Massachusetts Financial Services Company (MFS), may utilize a joint trading account for the purpose of entering into one or more repurchase agreements.

**FOREIGN CURRENCY TRANSLATION** - Purchases and sales of foreign investments, income, and expenses are converted into U.S. dollars based upon currency exchange rates prevailing on the respective dates of such transactions. Gains and losses attributable to foreign currency exchange rates on sales of securities are recorded for financial statement purposes as net realized gains and losses on investments. Gains and losses attributable to foreign exchange rate movements on income and expenses are recorded for financial statement purposes as foreign currency transaction gains and losses. That portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed.

**SECURITY LOANS** - State Street Bank and Trust Company ("State Street") and J.P. Morgan Chase and Co. ("Chase"), as lending agents, may loan the securities of the fund to certain qualified institutions (the "Borrowers") approved by the fund. The loans are collateralized at all times by cash and/or U.S. Treasury securities in an amount at least equal to the market value of the securities loaned. State Street and Chase provide the fund with indemnification against Borrower default. The fund bears the risk of loss with respect to the investment of cash collateral. On loans collateralized by cash, the cash collateral is invested in a money market fund or short-term securities. A portion of the income generated upon investment of the collateral is remitted to the Borrowers, and the remainder is allocated between the fund and the lending agents. On loans collateralized by U.S. Treasury securities, a fee is received from the Borrower, and is allocated between the fund and the lending agents. The dividend and interest income earned on the securities loaned is accounted for in the same manner as other dividend and interest income.

**SHORT TERM FEES** - For purchases made on or after July 1, 2004 and before April 1, 2005, the fund charged a 2% redemption fee (which was retained by the fund) on proceeds from Class A, Class B, Class C, and Class I shares redeemed or exchanged within 5 business days following their acquisition (either by purchase or exchange). Effective April 1, 2005, the fund no longer charges a redemption fee. See the fund's prospectus for details. Any redemption fees charged are accounted for as an addition to paid-in-capital.

**INVESTMENT TRANSACTIONS AND INCOME** - Investment transactions are recorded on the trade date. Interest income is recorded on the accrual basis. All premium and discount is amortized or accreted for financial statement purposes in accordance with U.S. generally accepted accounting principles. All discount is accreted for tax reporting purposes as required by federal income tax regulations. Dividends received in cash are recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded when the fund is informed of the dividend if such information is obtained subsequent to the ex-dividend date. Dividend and interest payments received in additional securities are recorded on the ex-dividend or ex-interest date in an amount equal to the value of the security on such date.

The fund may receive proceeds from litigation settlements involving its portfolio holdings. Any proceeds received are reflected in realized gain/loss in the Statement of Operations, or in unrealized gain/loss if the security is still held by the fund.

**FEES PAID INDIRECTLY** - The fund's custody fee is reduced according to an arrangement that measures the value of cash deposited with the custodian by the fund. This amount, for the six months ended May 31, 2006, is shown as a reduction of total expenses on the Statement of Operations.

**TAX MATTERS AND DISTRIBUTIONS** - The fund intends to continue to qualify as a regulated investment company, as defined under Subchapter M of the Internal Revenue Code, and to distribute all of its taxable income, including realized capital gains. Accordingly, no provision for federal income tax is required in the financial statements. Foreign taxes, if any, have been accrued by the fund in the accompanying financial statements.

Distributions to shareholders are recorded on the ex-dividend date. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. Certain capital accounts in the financial statements are periodically adjusted for permanent differences in order to reflect their tax character. These adjustments have no impact on net assets or net asset value per share. Temporary differences which arise from recognizing certain items of income, expense, gain or loss in different periods for financial statement and tax purposes will reverse at some time in the future. Distributions in excess of net investment income or net realized gains are temporary overdistributions for financial statement purposes resulting from differences in the recognition or classification of income or distributions for financial statement and tax purposes.

Book/tax differences primarily relate to net operating losses, wash sales, and foreign currency transactions.

The tax character of distributions declared to shareholders is as follows:

	NOVEMBER 30, 2005	NOVEMBER 30, 2004
Ordinary income (including any short-term capital gains) (a)	\$5,417,136	\$--

(a) Included in the fund's distributions from ordinary income for the year ended November 30, 2005 is \$1,759 in excess of investment company taxable income, which in accordance with applicable U.S. tax law, is taxable to shareholders as ordinary income distributions.

The federal tax cost and the tax basis components of distributable earnings were as follows:

AS OF MAY 31, 2006	
Cost of investments	\$1,556,458,595
-----	
Gross appreciation	\$73,578,213
Gross depreciation	(68,679,799)
-----	
Net unrealized appreciation (depreciation)	\$4,898,414
AS OF NOVEMBER 30, 2005	
Capital loss carryforwards	\$ (2,591,512,886)
Post-October capital loss deferral	(393,586)
Other temporary differences	(210,008)
Net unrealized appreciation (depreciation)	93,353,625

The aggregate cost above includes prior fiscal year end tax adjustments.

As of November 30, 2005, the fund had available capital loss carryforwards to offset future realized gains. Such losses expire as follows:

November 30, 2009	\$ (920,886,832)
November 30, 2010	(1,596,472,098)
November 30, 2011	(74,153,956)
-----	
	\$ (2,591,512,886)

**MULTIPLE CLASSES OF SHARES OF BENEFICIAL INTEREST** - The fund offers multiple classes of shares, which differ in their respective distribution and service fees. All shareholders bear the common expenses of the fund based on daily net assets of each class, without distinction between share classes. Dividends are declared separately for each class. Differences in per share dividend rates are generally due to differences in separate class expenses. Class B and Class 529B shares will convert to Class A and Class 529A shares, respectively, approximately eight years after purchase.

### (3) TRANSACTIONS WITH AFFILIATES

**INVESTMENT ADVISER** - The fund has an investment advisory agreement with Massachusetts Financial Services Company (MFS) to provide overall investment advisory and administrative services, and general office facilities.

The management fee is computed daily and paid monthly at an annual rate of 0.75% of the fund's average daily net assets.

As part of a settlement agreement with the New York Attorney General concerning market timing and related matters, MFS has agreed to reduce the management fee to 0.66% of the fund's first \$3 billion of average daily net assets, 0.625% on the next \$2 billion of the fund's average daily net assets, 0.60% on the next \$5 billion and 0.575% in excess of \$10 billion of the fund's average daily net assets for the period March 1, 2004 through February 28,

2009. For the six months ended May 31, 2006, this waiver amounted to \$666,274 and is reflected as a reduction of total expenses in the Statement of Operations. The management fee incurred for the six months ended May 31, 2006 was equivalent to an annual effective rate of 0.66% of the fund's average daily net assets.

DISTRIBUTOR - MFS Fund Distributors, Inc. (MFD), a wholly owned subsidiary of MFS, as distributor, received \$22,328 and \$152 for the six months ended May 31, 2006, as its portion of the initial sales charge on sales of Class A and Class 529A shares of the fund, respectively.

The Board of Trustees has adopted a distribution plan for certain class shares pursuant to Rule 12b-1 of the Investment Company Act of 1940.

The fund's distribution plan provides that the fund will pay MFD for services provided by MFD and financial intermediaries in connection with the distribution and servicing of certain share classes. One component of the plan is a distribution fee paid to MFD and another component of the plan is a service fee paid to MFD. MFD may subsequently pay all, or a portion, of the distribution and/or service fees to financial intermediaries.

<TABLE>  
Distribution Fee Plan Table:  
<CAPTION>

	DISTRIBUTION FEE RATE	SERVICE FEE RATE	TOTAL DISTRIBUTION PLAN (d)	ANNUAL EFFECTIVE RATE (e)	DISTRIBUTION AND SERVICE FEE
<S>	<C>	<C>	<C>	<C>	<C>
Class A	0.10%	0.25%	0.35%	0.25%	\$1,072,866
Class B	0.75%	0.25%	1.00%	1.00%	2,336,753
Class C	0.75%	0.25%	1.00%	1.00%	596,165
Class R	0.25%	0.25%	0.50%	0.50%	20,498
Class R1	0.50%	0.25%	0.75%	0.75%	2,688
Class R2	0.25%	0.25%	0.50%	0.50%	432
Class R3	0.25%	0.25%	0.50%	0.50%	4,896
Class R4	--	0.25%	0.25%	0.25%	761
Class 529A	0.25%	0.25%	0.50%	0.35%	372
Class 529B	0.75%	0.25%	1.00%	1.00%	835
Class 529C	0.75%	0.25%	1.00%	1.00%	293
-----					
Total Distribution and Service Fees					\$4,036,559

(d) In accordance with the distribution plan for certain classes, the fund pays distribution and/or service fees up to these annual percentage rates of each class' average daily net assets.

(e) The annual effective rates represent actual fees incurred under the distribution plan for the six months ended May 31, 2006 based on each class' average daily net assets. Assets attributable to Class A shares sold prior to October 1, 1989, are subject to a service fee of 0.15% annually. Payment of the 0.10% annual Class A distribution fee is not yet implemented and will commence on such date as the fund's Board of Trustees may determine. 0.10% of the Class 529A distribution fee is currently being paid by the fund. Payment of the remaining 0.15% of the Class 529A distribution fee is not yet implemented and will commence on such date as the fund's Board of Trustees may determine.

</TABLE>

Certain Class A, Class C and Class 529C shares are subject to a contingent deferred sales charge in the event of a shareholder redemption within 12 months of purchase. Class B and Class 529B shares are subject to a contingent deferred sales charge in the event of a shareholder redemption within six years of purchase. All contingent deferred sales charges are paid to MFD and during the six months ended May 31, 2006, were as follows:

	AMOUNT
Class A	\$13,071
Class B	\$445,523
Class C	\$3,787
Class 529B	\$--
Class 529C	\$--

The fund has entered into and may from time to time enter into contracts with program managers and other parties which administer the tuition programs through which an investment in the fund's 529 share classes is made. The fund has entered into an agreement with MFD pursuant to which MFD receives an annual fee of up to 0.35% from the fund based solely upon the value of the fund's 529 share classes attributable to tuition programs to which MFD, or a third party which contracts with MFD, provides administrative services. The current fee has been established at 0.25% annually of average net assets of the fund's 529 share classes. The fee may only be increased with the approval of the Board of Trustees who oversees the fund. The services provided by MFD, or a third party with which MFD contracts, include recordkeeping and tax reporting and account services, as well as services designed to maintain the program's compliance with the Internal Revenue Code and other regulatory requirements. Program manager fees for the six months ended May 31, 2006, were

as follows:

	AMOUNT
Class 529A	\$266
Class 529B	209
Class 529C	73
-----	
Total Program Manager Fees	\$548

SHAREHOLDER SERVICING AGENT - The fund pays a portion of shareholder servicing costs to MFS Service Center, Inc. (MFSC), a wholly-owned subsidiary of MFS. MFSC receives a fee from the fund, for its services as shareholder servicing agent, set periodically under the supervision of the fund's Board of Trustees. For the six months ended May 31, 2006, the fee was \$724,605, which equated to 0.0979% annually of the fund's average daily net assets. MFSC also receives payment from the fund for out-of-pocket and sub-accounting expenses paid by MFSC on behalf of the fund. For the six months ended May 31, 2006, these costs amounted to \$746,596.

ADMINISTRATOR - MFS provides certain financial, legal, shareholder communications, compliance, and other administrative services to certain funds for which MFS acts as investment adviser. Under an administrative services agreement, the funds may partially reimburse MFS the costs incurred to provide these services, subject to review and approval by the Board of Trustees. Each fund is charged a fixed amount plus a fee based on calendar year average net assets. From July 1, 2005 through March 31, 2006, the fund's annual fixed amount was \$10,000. Effective April 1, 2006, the fund's annual fixed amount is \$17,500. The administrative services fee incurred for the six months ended May 31, 2006 was equivalent to an annual effective rate of 0.0130% of the fund's average daily net assets.

In addition to the administrative services provided by MFS to the fund as described above, MFS is responsible for providing certain retirement plan administration and services with respect to certain shares. These services include various administrative, recordkeeping, and communication/educational services with respect to the retirement plans which invest in these shares, and may be provided directly by MFS or by a third party. MFS may subsequently pay all, or a portion, of the retirement plan administration and services fee to affiliated or unaffiliated third parties. For the six months ended May 31, 2006, the fund paid MFS an annual retirement plan administration and services fee up to the following annual percentage rates of each class' average daily net assets:

	FEE RATE	ANNUAL EFFECTIVE RATE (g)	TOTAL AMOUNT
Class R1	0.45%	0.35%	\$1,613
Class R2	0.40%	0.25%	346
Class R3	0.25%	0.15%	2,448
Class R4	0.15%	0.15%	456
Class R5	0.10%	0.10%	27
-----			
Total Retirement Plan Administration and Services Fees			\$4,890

(g) Effective October 1, 2005, MFS has contractually agreed to waive a portion of the retirement plan administration and services fee equal to 0.10% for Class R1 shares, 0.15% for Class R2 shares, and 0.10% for Class R3 shares. This agreement will continue until at least September 30, 2007. For the six months ended May 31, 2006, this waiver amounted to \$1,467 and is reflected as a reduction of total expenses in the Statement of Operations.

TRUSTEES' AND OFFICERS' COMPENSATION - The fund pays compensation to Independent Trustees in the form of a retainer, attendance fees, and additional compensation to Board and Committee chairpersons. The fund does not pay compensation directly to Trustees or officers of the fund who are also officers of the investment adviser, all of whom receive remuneration for their services to the fund from MFS. Certain officers and Trustees of the fund are officers or directors of MFS, MFD, and MFSC. The fund has an unfunded, defined benefit plan for certain retired Independent Trustees which resulted in a pension expense of \$5,356. The fund also has an unfunded retirement benefit deferral plan for certain Independent Trustees which resulted in an expense of \$12,407. Both amounts are included in Independent trustees' compensation for the six months ended May 31, 2006. The deferred liability for retirement benefits payable to certain Trustees under both plans amounted to \$204,391 at May 31, 2006, and is included in payable for independent trustees' compensation.

OTHER - This fund and certain other MFS funds (the funds) have entered into a services agreement (the Agreement) which provides for payment of fees by the funds to Tarantino LLC in return for the provision of services of an

Independent Chief Compliance Officer (ICCO) for the funds. The ICCO is an officer of the funds and the sole member of Tarantino LLC. The funds can terminate the Agreement with Tarantino LLC at any time under the terms of the Agreement. For the six months ended May 31, 2006, the fee paid to Tarantino LLC was \$6,706. MFS has agreed to reimburse the fund for a portion of the payments made by the funds to Tarantino LLC in the amount of \$5,490, which is shown as a reduction of total expenses in the Statement of Operations. Additionally, MFS has agreed to bear all expenses associated with office space, other administrative support, and supplies provided to the ICCO.

(4) PORTFOLIO SECURITIES

Purchases and sales of investments, other than U.S. government securities, purchased option transactions, and short-term obligations, aggregated \$1,111,859,759 and \$1,448,725,295, respectively.

(5) SHARES OF BENEFICIAL INTEREST

The fund's Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest. Transactions in fund shares were as follows:

<TABLE>

<CAPTION>

	SIX MONTHS ENDED MAY 31, 2006		YEAR ENDED NOVEMBER 30, 2005 (i)	
	SHARES	AMOUNT	SHARES	AMOUNT
Shares sold				
<S>	<C>	<C>	<C>	<C>
Class A	3,684,833	\$51,094,249	11,425,895	\$149,185,970
Class B	759,271	9,640,957	2,010,322	24,183,383
Class C	155,803	1,969,189	482,230	5,766,252
Class I	88,412	1,233,472	265,052	3,482,953
Class R	52,595	721,128	601,774	7,816,668
Class R1	23,444	300,293	54,283	658,791
Class R2	1,558	19,377	36,237	446,340
Class R3	18,286	251,780	164,281	2,127,662
Class R4	44,339	607,100	7,861	102,788
Class R5	--	--	3,900	50,000
Class 529A	2,113	28,942	4,406	57,179
Class 529B	287	3,598	876	10,456
Class 529C	127	1,600	495	5,900
	4,831,068	\$65,871,685	15,057,612	\$193,894,342
Shares issued to shareholders in reinvestment of distributions				
Class A	--	\$--	352,920	\$4,647,955
Class I	--	--	17,649	234,726
Class R	--	--	1,745	22,885
Class R3	--	--	169	2,211
Class 529A	--	--	32	413
	--	\$--	372,515	\$4,908,190
Shares reacquired				
Class A	(20,424,085)	\$(282,271,451)	(40,661,773)	\$(531,964,533)
Class B	(8,517,651)	(108,293,205)	(20,369,694)	(244,894,701)
Class C	(2,161,635)	(27,310,385)	(5,044,709)	(60,383,001)
Class I	(783,082)	(10,772,372)	(820,074)	(10,920,198)
Class R	(261,189)	(3,596,909)	(291,936)	(3,811,773)
Class R1	(13,304)	(169,867)	(1,265)	(15,197)
Class R2	(18,502)	(237,276)	(14,814)	(175,255)
Class R3	(26,112)	(358,016)	(52,161)	(676,844)
Class R4	(8,251)	(114,773)	--	--
Class 529A	(2,828)	(38,513)	(1,454)	(19,261)
Class 529B	(442)	(5,523)	(1,468)	(17,337)
Class 529C	(553)	(6,785)	(3,797)	(45,270)
	(32,217,634)	\$(433,175,075)	(67,263,145)	\$(852,923,370)
Net change				
Class A	(16,739,252)	\$(231,177,202)	(28,882,958)	\$(378,130,608)
Class B	(7,758,380)	(98,652,248)	(18,359,372)	(220,711,318)
Class C	(2,005,832)	(25,341,196)	(4,562,479)	(54,616,749)
Class I	(694,670)	(9,538,900)	(537,373)	(7,202,519)
Class R	(208,594)	(2,875,781)	311,583	4,027,780
Class R1	10,140	130,426	53,018	643,594
Class R2	(16,944)	(217,899)	21,423	271,085
Class R3	(7,826)	(106,236)	112,289	1,453,029

Class R4	36,088	492,327	7,861	102,788
Class R5	--	--	3,900	50,000
Class 529A	(715)	(9,571)	2,984	38,331
Class 529B	(155)	(1,925)	(592)	(6,881)
Class 529C	(426)	(5,185)	(3,302)	(39,370)
-----				
	(27,386,566)	\$(367,303,390)	(51,833,018)	\$(654,120,838)

(i) For the period from the class' inception, April 1, 2005 (Classes R1, R2, R4, and R5) through the stated period end.

</TABLE>

(6) LINE OF CREDIT

The fund and other affiliated funds participate in a \$1 billion unsecured committed line of credit provided by a syndication of banks under a credit agreement. In addition, the fund and other affiliated funds have established uncommitted borrowing arrangements with certain banks. Borrowings may be made for temporary financing needs. Interest is charged to each fund, based on its borrowings, at a rate equal to the Federal Reserve funds rate plus 0.35%. In addition, a commitment fee, based on the average daily, unused portion of the committed line of credit, is allocated among the participating funds at the end of each calendar quarter. The commitment fee allocated to the fund for the six months ended May 31, 2006 was \$6,285 and is included in miscellaneous expense on the Statement of Operations. The fund had no significant borrowings during the six months ended May 31, 2006.

BOARD REVIEW OF INVESTMENT ADVISORY AGREEMENT

A discussion regarding the Board's most recent review and renewal of the Fund's investment advisory agreement is available by clicking on the fund's name under "Select a fund" on the MFS Web site (mfs.com).

PROXY VOTING POLICIES AND INFORMATION

A general description of the MFS funds' proxy voting policies and procedures is available without charge, upon request, by calling 1-800-225-2606, by visiting the Proxy Voting section of mfs.com or by visiting the SEC's Web site at <http://www.sec.gov>.

Information regarding how the fund voted proxies relating to portfolio securities during the most recent twelve-month period ended June 30 is available without charge by visiting the Proxy Voting section of mfs.com or by visiting the SEC's Web site at <http://www.sec.gov>.

QUARTERLY PORTFOLIO DISCLOSURE

The trust will file a complete schedule of portfolio holdings with the Securities and Exchange Commission (the Commission) for the first and third quarters of each fiscal year on Form N-Q. The trust's Form N-Q may be reviewed and copied at the:

Public Reference Room  
Securities and Exchange Commission  
100 F Street, NE, Room 1580  
Washington, D.C. 20549

Information on the operation of the Public Reference Room may be obtained by calling the Commission at 1-202-551-5850. The trust's Form N-Q is available on the EDGAR database on the Commission's Internet Web site at <http://www.sec.gov>, and copies of this information may be obtained, upon payment of a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing the Public Reference Section at the above address.

A shareholder can also obtain the quarterly portfolio holdings report at [mfs.com](http://mfs.com).

CONTACT INFORMATION

INVESTOR SERVICE

Write to us at: MFS Service Center, Inc.  
P.O. Box 55824  
Boston, MA 02205-5824

Type of Information	Phone number	Hours, Eastern Time
General information	1-800-225-2606	8 a.m. to 8 p.m., any business day
Speech- or hearing-impaired	1-800-637-6576	9 a.m. to 5 p.m., any

-----  
 Shares prices, account 1-800-MFS-TALK  
 balances exchanges (1-800-637-8255) 24 hours a day, 365 days a  
 or stock and bond outlooks touch-tone required year  
 -----

M F S(SM)  
 INVESTMENT MANAGEMENT(R)

MFS Investment Management(R)  
 MFS(R) investment products are offered through MFS Fund Distributors, Inc.,  
 500 Boylston Street, Boston, MA 02116.

MVF-SEM-07/06 143M

ITEM 2. CODE OF ETHICS.

The Registrant has not amended any provision in its Code of Ethics (the "Code") that relates to any element of the Code's definition enumerated in paragraph (b) of Item 2 of this Form N-CSR.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable for semi-annual reports.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable for semi-annual reports.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable to the Registrant.

ITEM 6. SCHEDULE OF INVESTMENTS

A schedule of investments for each series of the Registrant is included as part of the report to shareholders of such series under Item 1 of this Form N-CSR.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable to the Registrant.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable to the Registrant.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable to the Registrant.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There were no material changes to the procedures by which shareholders may send recommendations to the Board for nominees to the Registrant's Board since the Registrant last provided disclosure as to such procedures in response to the requirements of Item 7(d)(2)(ii)(G) of Schedule 14A or this Item.

ITEM 11. CONTROLS AND PROCEDURES.

(a) Based upon their evaluation of the effectiveness of the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) as conducted within 90 days of the filing date of this Form N-CSR, the registrant's principal financial officer and principal executive officer have concluded that those disclosure controls and procedures provide reasonable assurance that the material information required to be disclosed by the registrant on this report is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

(b) There were no changes in the registrant's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the second fiscal quarter of the period covered by the report that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

(a) File the exhibits listed below as part of this Form. Letter or number the

exhibits in the sequence indicated.

- (1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit.
- (2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2 under the Act (17 CFR 270.30a-2): Attached hereto.

(b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the Act (17 CFR 270.30a-2(b)), Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed "filed" for the purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference: Attached hereto.

NOTICE

A copy of the Amended and Restated Declaration of Trust of the Registrant is on file with the Secretary of State of the Commonwealth of Massachusetts and notice is hereby given that this instrument is executed on behalf of the Registrant by an officer of the Registrant as an officer and not individually and the obligations of or arising out of this instrument are not binding upon any of the Trustees or shareholders individually, but are binding only upon the assets and property of the respective constituent series of the Registrant.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) MFS SERIES TRUST VII  
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By (Signature and Title)\* MARIA F. DWYER  
 -----

Maria F. Dwyer, President

Date: July 21, 2006  
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Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)\* MARIA F. DWYER  
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Maria F. Dwyer, President (Principal Executive Officer)

Date: July 21, 2006  
 -----

By (Signature and Title)\* TRACY ATKINSON  
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Tracy Atkinson, Treasurer (Principal Financial Officer and Accounting Officer)

Date: July 21, 2006  
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\* Print name and title of each signing officer under his or her signature.

## MFS SERIES TRUST VII

## CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Tracy Atkinson, certify that:

1. I have reviewed this report on Form N-CSR of MFS Series Trust VII;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of a date within 90 days prior to the filing date of this report based on such evaluation; and

- d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the second fiscal quarter of the period covered by the report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
    - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 21, 2006  
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TRACY ATKINSON  
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Tracy Atkinson  
Treasurer (Principal Financial Officer  
and Accounting Officer)

EX-99.CERT

MFS SERIES TRUST VII

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Maria F. Dwyer, certify that:

1. I have reviewed this report on Form N-CSR of MFS Series Trust VII;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
- a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of a date within 90 days prior to the filing date of this report based on such evaluation; and
  - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the second fiscal quarter of the period covered by the report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
- a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 21, 2006

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MARIA F. DWYER

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Maria F. Dwyer

President (Principal Executive Officer)

MFS SERIES TRUST VII

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT

I, Tracy Atkinson, certify that, to my knowledge:

1. The Form N-CSR (the "Report") of MFS Series Trust VII (the "Registrant") fully complies for the period covered by the Report with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: July 21, 2006

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TRACY ATKINSON

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Tracy Atkinson  
Treasurer (Principal Financial Officer  
and Accounting Officer)

A SIGNED ORIGINAL OF THIS WRITTEN STATEMENT REQUIRED BY SECTION 906 HAS BEEN PROVIDED TO THE REGISTRANT AND WILL BE RETAINED BY THE REGISTRANT AND FURNISHED TO THE SECURITIES AND EXCHANGE COMMISSION OR ITS STAFF UPON REQUEST.

MFS SERIES TRUST VII

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT

I, Maria F. Dwyer, certify that, to my knowledge:

1. The Form N-CSR (the "Report") of MFS Series Trust VII (the "Registrant") fully complies for the period covered by the Report with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: July 21, 2006

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MARIA F. DWYER

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Maria F. Dwyer  
President (Principal Executive Officer)

A SIGNED ORIGINAL OF THIS WRITTEN STATEMENT REQUIRED BY SECTION 906 HAS BEEN PROVIDED TO THE REGISTRANT AND WILL BE RETAINED BY THE REGISTRANT AND FURNISHED TO THE SECURITIES AND EXCHANGE COMMISSION OR ITS STAFF UPON REQUEST.