

Aberdeen Australia Equity Fund, Inc.

April 2013 Performance Data and Portfolio Composition



Investment objective and policies

The Fund's principal investment objective is long-term capital appreciation through investment primarily in equity securities of Australian companies listed on the Australian Stock Exchange Limited ("ASX"). The Fund's secondary investment objective is current income.

Performance

The latest available performance figures have been calculated net-of-fees in U.S. dollars for the period ending April 30, 2013:

Total return as of April 30, 2013^A (%)

	1 Month	3 Month	YTD	Annualized	1 Year	3 Years	5 Years	10 Years	Since Inception
NAV	1.9	2.6	6.5	NAV	16.4	7.5	3.1	14.2	8.7
Market Price	-4.7	2.3	5.8	Market Price	7.9	6.9	2.7	16.5	8.8
S&P/ASX 200	4.1	7.2	13.0	S&P/ASX 200	23.3	11.3	5.1	16.0	12.3

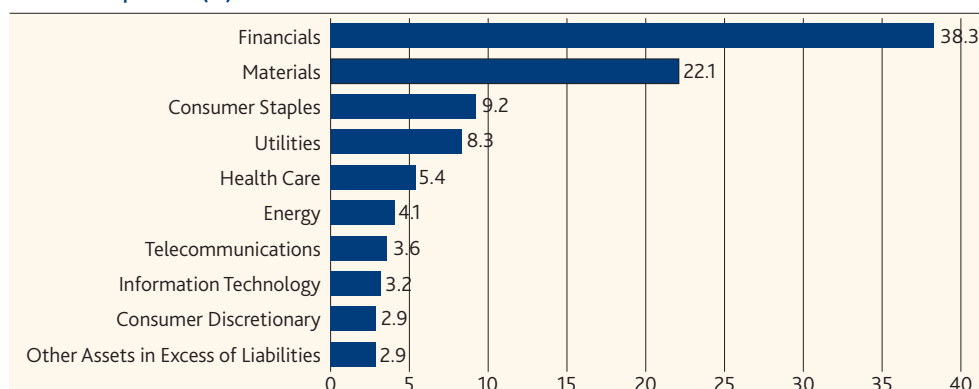
^A Past performance is no guarantee of future results. Investment returns and principal value will fluctuate and shares, when sold, may be worth more or less than original cost. Current performance may be lower or higher than the performance data quoted. All return data includes investment management fees, administrative and custodial charges, bank loan expenses and assumes the reinvestment of all distributions. The Fund is subject to investment risk, including the possible loss of principal. Returns for periods less than one year are not annualized.

Top ten equity holdings^B (based on total assets)

	%
BHP Billiton PLC	9.9
Australia & New Zealand Banking Group Ltd.	7.6
Rio Tinto PLC	6.9
Commonwealth Bank of Australia	6.7
QBE Insurance Group Ltd.	6.0
Woolworths Ltd.	5.5
AMP Ltd.	4.9
Westfield Group	4.7
Westpac Banking Corporation	4.6
SP AusNet	4.4
Total	61.2

^B Holdings are subject to change and are provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities shown. The top ten holdings are reported by share class. Certain companies listed may be held in additional share classes not listed above.

Portfolio composition^C (%)



^C Compositions are subject to change. Figures may not appear to sum due to rounding.

Comparative data^D (%)

	Aberdeen Australia Equity Fund, Inc.	S&P/ASX 200-2013
Price/Earnings Ratio	17.71	19.07

^D Figures are as of April 30, 2013. P/E data is prospective. P/E ratio (price-to-earnings ratio) of a stock is a measure of the price paid for a share relative to the annual earnings per share.

As of April 30, 2013

NAV (unaudited) and market price

Net Asset Value per share	\$10.54
Market price	\$10.80
Premium to Net Asset Value	2.47%

12 Month Range of Prices

NAV	
High on 03/15/2013	\$10.89
Low on 06/01/2012	\$8.65

Market price (based on closing price)

High on 03/15/2013	\$11.93
Low on 06/04/2012	\$9.38

Market price data source: Fund's accounting agent

Key facts (unaudited)

Portfolio
80.5% of assets are invested in stocks which are included in the Australian Stock Exchange's 200 Leaders Index.

Distributions
For distribution information on the Fund please visit www.aberdeeniaf.com.

Ticker symbol: IAF (NYSE MKT)
Net assets \$238.0 Million

Expense ratio
Fiscal Year ended October 31, 2012 1.33%

Inception date December 12, 1985
Shares outstanding 22,574,121

The amount of distributions may vary due to market conditions and other factors.

Portfolio management

Managed by:
• Team based in Sydney

Investment Management Philosophy:
• Proprietary research driven
• Combines top-down strategic fundamental analysis with bottom-up security selection

For further information on this Fund please call Aberdeen Asset Management Inc. Investor Relations (866)839-5205

All sources (unless indicated): Aberdeen Asset Management Inc. April 30, 2013

Aberdeen Australia Equity Fund, Inc.

Fund managers' report

- Australian equities rebounded in April amid signs that economic recovery was gaining momentum.
- The central bank kept interest rates unchanged, noting that consumer spending was improving.
- Retail sales rose by a better-than-expected 1.3% month-over-month in February, led by household goods. However, the unemployment rate increased to 5.6% in March.
- In Fund-related corporate news, miner BHP Billiton's new chief Andrew MacKenzie announced a major shake-up of top management in which heads of divisions will report directly to him. Three other executives have left the company. Separately, the company's third-quarter production met expectations despite weather-related disruptions in its coal and iron ore operations. Rio Tinto's first-quarter review showed a 6% increase in iron ore output. The miner reaffirmed its full-year 2013 production guidance. Retailer Woolworths' sharpened focus on its core businesses boosted third-quarter sales. Australia & New Zealand Banking's half-year profits were driven by the growth in international and institutional banking, notably in Asia. The bank declared an 11% increase in interim dividend payout to A\$0.73 per share.
- There were no major Fund changes in April.

Important information

Under U.S. tax rules applicable to the Fund, the amount and character of distributable income for each fiscal year can be finally determined only as of the end of the Fund's fiscal year. The Fund anticipates that sources of distributions to shareholders may include net investment income, net realized short-term capital gains, net realized long-term capital gains and return of capital. The estimated composition of the distributions may vary from time to time because the estimated composition may be impacted by future income, expenses and realized gains and losses on securities. For more detailed information related to the composition of the Fund's distributions, see www.aberdeenAF.com.

Aberdeen Asset Management Inc., the Fund's Administrator, has prepared this report based on information sources believed to be accurate and reliable. However, the figures are unaudited and neither the Fund, the Administrator, Aberdeen Asset Management Asia Limited (the Investment Manager), Aberdeen Asset Management Limited (the Investment Adviser), Aberdeen Asset Managers Limited (the Sub-Adviser), nor any other person guarantees their accuracy. Investors should seek their own professional advice and should consider the investment objectives, risks, charges and expenses before acting on this information.

The S&P/ASX 200 index is a market-capitalization weighted and float-adjusted stock market index of Australian stocks listed on the Australian Securities Exchange from Standard & Poor's. Indexes are unmanaged and have been provided for comparison purposes only. No fees or expenses are reflected. You cannot invest directly in an index.

Past performance does not guarantee future results.

Aberdeen is a U.S. registered service mark of Aberdeen Asset Management PLC.

Important risk disclosure

All performance shown is historical, assumes reinvestment of all dividends and capital gain distributions and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so when sold, shares may be worth more or less than that of the original cost. Total return based on market price reflects changes in market value. Total return based on net asset value reflects changes in the fund's net asset value during each period. Current performance may be lower or higher than the performance data quoted. This commentary is for informational purposes only, and is not intended as an offer or recommendation with respect to the purchase or sale of any security, option, future or other derivatives in such securities.

Closed-end funds are traded on the secondary market through one of the stock exchanges. The Fund's investment return and principal value will fluctuate so that an investor's shares may be worth more or less than the original cost. Shares of closed-end funds may trade above (a premium) or below (a discount) the net asset value (NAV) of the fund's portfolio. The Net Asset Value (NAV) is the value of an entity's assets less the value of its liabilities. The Market Price is the current price at which an asset can be bought or sold. There is no assurance that the Fund will achieve its investment objective. Past performance does not guarantee future results.

The information presented, was prepared and issued by the Fund based on publicly available information, internally developed data and other sources believed to be reliable. All reasonable care has been taken to ensure accuracy.

International investing entails special risk considerations, including currency fluctuations, lower liquidity, economic and political risks, and differences in accounting methods; these risks are generally heightened for emerging market investments. There are also risks associated with investing in Australia, including the risk of investing in a single-country fund. Concentrating investments in the Australia region subjects the Fund to more volatility and greater risk of loss than geographically diverse funds. Equity stocks of small and mid-cap companies carry greater risk, and more volatility than equity stocks of larger, more established companies.

To participate in the Dividend Reinvestment and Cash Purchase Plan please contact Computershare (800)647-0584

www.aberdeen-asset.us