

ALLMERICA SECURITIES TRUST

Form N-CSR

March 01, 2005

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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 811-02338

Allmerica Securities Trust

(Name of Registrant)

440 Lincoln Street

Worcester, Massachusetts 01653

(Address of Principal Executive Offices)

George M. Boyd, Trust Secretary

Allmerica Financial

440 Lincoln Street

Worcester, MA 01653

(Name and Address of Agent for Service)

Registrant's Telephone Number, including Area Code:

(508) 855-1000

Date of Fiscal Year End: December 31

Date of Reporting Period: December 31, 2004

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Item 1. Reports to Stockholders

The following is a copy of the report transmitted to stockholders pursuant to Rule 30e-1 under the Investment Company Act of 1940:

Allmerica Securities Trust

Annual Report

December 31, 2004

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Trust Information

Board of Trustees

John P. Kavanaugh, Chairman

P. Kevin Condron*

Jocelyn S. Davis*

Cynthia A. Hargadon*

Gordon Holmes*

Attiat F. Ott*

Edward J. Parry III

Ranne P. Warner*

Officers

John P. Kavanaugh, President

Richard J. Litchfield, Vice President

Ann K. Tripp, Vice President

Donald P. Wayman, Vice President

Paul T. Kane, Treasurer

George M. Boyd, Secretary

Investment Manager

Opus Investment Management, Inc.

440 Lincoln Street, Worcester, MA 01653

Registrar and Transfer, Dividend Disbursing and Reinvestment Agent

The Bank of New York

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P.O. Box 11258

Church Street Station, New York, NY 10286

Administrator and Custodian

Investors Bank & Trust Company

200 Clarendon Street, Boston, MA 02116

**Independent Trustees*

Independent Accountants

PricewaterhouseCoopers LLP

125 High Street, Boston, MA 02110

Legal Counsel

Ropes & Gray LLP

One International Place, Boston, MA 02110

Shareholder Inquiries May Be Directed To:

The Bank of New York Shareholder Relations Dept. 11E

P.O. Box 11258

Church Street Station, New York, NY 10286

1-800-432-8224

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A Letter from the Chairman

Dear Client:

Economic growth was mixed throughout the world in 2004, while the weakening U.S. dollar proved to be a boon to many foreign stock markets. The economies of the twelve euro zone countries grew by less than 2%, but many European stock markets still produced solid returns. In the United Kingdom, a relatively robust economy helped the FTSE 100 Index gain over 11%, despite four interest rate hikes by the Bank of England. Investors in mainland Europe ignored anemic economic growth rates, pushing up both Germany's DAX Index and France's CAC 40 Index by more than 7%. Many Asian stock markets posted substantial increases, due to inflows of foreign capital and healthy economic growth. Stock markets in Australia, Singapore and Hong Kong enjoyed the largest percentage gains, although markets in Japan also ended higher, despite a sluggish economy. Hong Kong's Hang Seng Index rose over 17%, while Japan's Nikkei Average finished the period up more than 8%. In Latin America, Mexico's recovering economy drove stock market gains of over 40%, while Chinese demand for metals and other commodities helped spur growth in Argentina, Brazil and Chile.

The United States economy turned in a strong performance in 2004. Gross domestic product, which grew steadily throughout the year, ended higher by about 4%. The consumer remained the mainstay of economic activity, as relatively low interest rates drove continued spending on housing, goods and services. Business investment returned, as firms spent more on equipment and software. Beginning with its June meeting, the Federal Reserve Board raised its target for the federal funds rate five times, moving from 1.00% to 2.25%, in 0.25% increments. As these short-term interest rate increases trickled through the economy, long-term interest rates were largely unaffected, ending the year slightly lower than where they began. Low mortgage rates helped the real estate industry turn in a stronger-than-expected performance. Rising energy costs, which had threatened to derail economic growth, subsided as oil prices declined late in the year. The U.S. stock market, as measured by the S&P 500® Index, produced returns of over 10%, better than many analysts had expected. The Nasdaq Composite Index rose more than 9%, despite declines in some large technology stocks. With interest rates remaining low, the bond market surprised many analysts, registering another year of solid returns.

For the year, the Allmerica Securities Trust portfolio returned 5.36%, based on net asset value, and generated income supporting aggregate dividends of 54.75 cents per share.

On behalf of the Board of Trustees,

John P. Kavanaugh

Chairman of the Board

Allmerica Securities Trust

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Allmerica Securities Trust

The Allmerica Securities Trust returned 5.36% for 2004, outperforming its benchmark, the Lehman Brothers U.S. Credit Index, which returned 5.24%.

The bond market absorbed a lot of bad news in 2004, yet displayed an amazing resilience, as intermediate and long-term interest rates ended the year lower than where they started. Five short-term interest rate hikes by the Federal Reserve Board, increasing deficits, a declining U.S. dollar, rising commodity prices and increases in core inflation did not halt the bond market rally. The trust benefited from an overweight position in BBB-rated securities, the top performers in the Corporate sector, as improved fundamentals, investor demand for yield and a stabilization in downgrades pushed lower-rated securities ahead of higher-rated securities. The trust's significant exposure to the Below Investment Grade sector provided a boost to returns during the period, as did the trust's overweight to the Energy sector and to cyclical companies. The trust's performance was negatively impacted as a result of maintaining a duration slightly shorter than the benchmark, in anticipation of an increase in interest rates that only materialized in the short end of the yield curve.

The Investment Manager's outlook for the economy in 2005 is for somewhat slower growth than that achieved in 2004 and for a fixed income market that is not terribly constructive. The risks to the markets appear formidable, with the threat of a currency crisis among the most worrisome, followed by the possibility of a large spike in inflation. The Investment Manager remains committed to finding value for clients in all market settings, but also believes in setting realistic expectations.

The comments above are based on information provided by the Trust Investment Manager for the period indicated.

Investment Manager

Opus Investment Management, Inc.

About the Trust

Seeks to generate a high rate of current income for distribution to shareholders.

Average Annual Total Returns

| | 1 Year | 5 Year | 10 Year |
|---|--------|--------|---------|
| Allmerica Securities Trust | 5.36% | 6.10% | 7.57% |
| Lehman Brothers U.S. Credit Index | 5.24% | 8.63% | 8.41% |
| Lipper Corporate Debt Funds BBB-Rated Average | 5.11% | 7.53% | 7.75% |

Historical Performance

| | Total Return on Net Asset Value | Total Return on Market Value |
|------|------------------------------------|---------------------------------|
| 2000 | 7.58% | 23.76% |

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| | | |
|------|-------|-------|
| 2001 | 4.96% | 6.00% |
| 2002 | 5.91% | 2.11% |
| 2003 | 6.70% | 9.38% |
| 2004 | 5.36% | 5.93% |

The Lehman Brothers U.S. Credit Index is an unmanaged index of all publicly issued, fixed-rate, non-convertible investment grade corporate debt. The Lipper Corporate Debt Funds BBB-Rated Average is a non-weighted index of funds within the Corporate Debt Funds BBB-Rated category.

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ALLMERICA SECURITIES TRUST

EXPENSE EXAMPLE 12/31/04 (Unaudited)

As a shareholder of Allmerica Securities Trust (Trust), you incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of fund shares; and (2) ongoing costs, including management fees and other fund expenses. The following example is intended to help you understand your ongoing expenses (in dollars and cents) of investing in the Trust and to compare these expenses with the ongoing expenses 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 from July 1, 2004 to December 31, 2004.

ACTUAL EXPENSES

The first line in the table below 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 in the table below provides information about hypothetical account values and hypothetical expenses based on the Trust's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Trust'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 expenses of investing in the Trust 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 expenses only and do not reflect any transaction costs, such as brokerage commissions paid on purchases and sales of fund shares. Therefore, the second line in the table is useful in comparing ongoing expenses only, and will not help you determine the relative total costs of owning different funds. In addition, if these transaction costs were included, your costs would have been higher.

| | Beginning Account Value July 1, 2004 | Ending Account Value December 31, 2004 | Annualized Expense Ratio | Expenses Paid During Period* (July 1 to December 31, 2004) |
|-----------------------------------|---|---|-------------------------------------|---|
| Allmerica Securities Trust | | | | |

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| | | | | |
|--|-------------|-------------|-------|---------|
| Actual | \$ 1,000.00 | \$ 1,054.20 | 0.76% | \$ 3.92 |
| Hypothetical (5% return before expenses) | 1,000.00 | 1,021.32 | 0.76% | 3.86 |

* Expenses are calculated using the Trust's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (184 days), and divided by the number of days in the year (366 days).

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ALLMERICA SECURITIES TRUST

PORTFOLIO OF INVESTMENTS December 31, 2004

| Par Value | | Moody's Ratings (Unaudited) | Value (Note 2) |
|--|--|-----------------------------------|-------------------|
| U.S. GOVERNMENT AGENCY MORTGAGE-BACKED OBLIGATIONS (h) - 0.3% | | | |
| Freddie Mac - 0.3% | | | |
| \$ 86,852 | 5.00%, 05/15/21 | NR | \$ 87,817 |
| 143,410 | 6.00%, 10/15/07 | NR | 146,837 |
| | | | <u>234,654</u> |
| Total U.S. Government Agency Mortgage-Backed Obligations | | | <u>234,654</u> |
| (Cost \$240,084) | | | |
| U.S. GOVERNMENT OBLIGATION - 0.6% | | | |
| U.S. Treasury Bond - 0.6% | | | |
| 500,000 | 5.38%, 02/15/31 (a) | NR | 540,664 |
| Total U.S. Government Obligation | | | <u>540,664</u> |
| (Cost \$490,104) | | | |
| CORPORATE NOTES AND BONDS - 79.9% | | | |
| Auto Manufacturers - 1.3% | | | |
| 500,000 | DaimlerChrysler North America Holding Corp. 8.50%, 01/18/31 | A3 | 624,726 |
| 500,000 | General Motors Corp. (a) 7.20%, 01/15/11 | Baa1 | 512,821 |
| | | | <u>1,137,547</u> |
| Auto Parts & Equipment - 0.6% | | | |
| 460,000 | Lear Corp. 8.11%, 05/15/09 | Baa3 | 521,709 |
| Banks - 10.5% | | | |
| 880,000 | Bank of America Corp. 4.88%, 09/15/12 | Aa2 | 898,706 |
| 500,000 | Bank of America Corp. 5.25%, 12/01/15 | Aa3 | 510,774 |
| 450,000 | Bank of New York Co., Inc. 3.75%, 02/15/08 | Aa3 | 450,642 |
| 1,000,000 | Bank of New York Co., Inc. 6.38%, 04/01/12 | A1 | 1,103,748 |
| 450,000 | BB&T Corp. (b) 6.38%, 06/30/05 | A2 | 457,853 |
| 655,000 | Fifth Third Bank | | |

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| | | | |
|-----------|---|------|------------|
| | 4.50%, 06/01/18 | Aa3 | 611,284 |
| 500,000 | Firststar Corp. | | |
| | 7.13%, 12/01/09 | Aa3 | 567,603 |
| 450,000 | HSBC Bank USA, Inc. | | |
| | 4.63%, 04/01/14 | A1 | 441,278 |
| 450,000 | Marshall & Ilsley Corp. | | |
| | 4.38%, 08/01/09 | A1 | 453,836 |
| 420,000 | National City Bank of Indiana | | |
| | 4.88%, 07/20/07 | Aa3 | 432,644 |
| 350,000 | PNC Funding Corp. | | |
| | 6.13%, 02/15/09 | A3 | 374,482 |
| 200,000 | Suntrust Banks, Inc. | | |
| | 6.38%, 04/01/11 | Aa3 | 221,596 |
| \$125,000 | Suntrust Banks, Inc. | | |
| | 7.75%, 05/01/10 | A1 | \$ 145,178 |
| 500,000 | U.S. Bancorp, MTN | | |
| | 5.10%, 07/15/07 | Aa3 | 517,141 |
| 455,000 | US Bank National Cincinnati | | |
| | 6.50%, 02/01/08 | Aa3 | 490,613 |
| 475,000 | Wachovia Bank N.A. | | |
| | 4.85%, 07/30/07 | Aa2 | 492,538 |
| 450,000 | Wachovia Corp. | | |
| | 4.95%, 11/01/06 | Aa3 | 462,530 |
| 450,000 | Wells Fargo & Co. | | |
| | 5.13%, 09/01/12 | Aa2 | 465,354 |
| 440,000 | Zions Bancorporation | | |
| | 5.65%, 05/15/14 | Baa1 | 456,072 |
| | | | <hr/> |
| | | | 9,553,872 |
| | | | <hr/> |
| | Beverages - 1.1% | | |
| 450,000 | Anheuser-Busch Cos., Inc. | | |
| | 4.63%, 02/01/15 | A1 | 446,946 |
| 500,000 | Bottling Group LLC | | |
| | 4.63%, 11/15/12 | Aa3 | 507,807 |
| | | | <hr/> |
| | | | 954,753 |
| | | | <hr/> |
| | Chemicals - 0.8% | | |
| 200,000 | Du Pont (E.I.) De Nemours and Co. | | |
| | 8.25%, 09/15/06 | Aa3 | 215,773 |
| 500,000 | Praxair, Inc. | | |
| | 6.63%, 10/15/07 | A3 | 537,494 |
| | | | <hr/> |
| | | | 753,267 |
| | | | <hr/> |
| | Cosmetics & Personal Care - 2.2% | | |
| 500,000 | Kimberly-Clark Corp. | | |
| | 7.10%, 08/01/07 | Aa2 | 545,091 |
| 300,000 | Procter & Gamble Co. | | |
| | 4.75%, 06/15/07 | Aa3 | 308,693 |
| 1,000,000 | Procter & Gamble Co. | | |
| | 8.50%, 08/10/09 | Aa3 | 1,181,820 |
| | | | <hr/> |
| | | | 2,035,604 |
| | | | <hr/> |
| | Diversified Financial Services - 14.4% | | |
| 500,000 | American Express Co. | | |
| | 3.75%, 11/20/07 | A1 | 502,467 |
| 580,000 | Bear Stearns Cos., Inc. | | |

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|---------|-----------------------|------|---------|
| | 4.00%, 01/31/08 | A1 | 584,318 |
| 725,000 | Capital One Bank | | |
| | 4.88%, 05/15/08 | Baa2 | 744,588 |
| 920,000 | Capital One Bank | | |
| | 5.75%, 09/15/10 | Baa2 | 975,942 |
| 900,000 | CIT Group, Inc., MTN | | |
| | 5.13%, 09/30/14 | A2 | 901,302 |
| 500,000 | Citifinancial | | |
| | 6.75%, 07/01/07 | Aa1 | 538,246 |
| 460,000 | Ford Motor Credit Co. | | |
| | 6.50%, 01/25/07 | A3 | 478,330 |

See Notes to Financial Statements.

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ALLMERICA SECURITIES TRUST

PORTFOLIO OF INVESTMENTS, Continued December 31, 2004

| Par Value | | Moody s Ratings (Unaudited) | Value (Note 2) |
|---|--|-----------------------------------|-------------------|
| Diversified Financial Services (continued) | | | |
| \$ 400,000 | Ford Motor Credit Co. 6.88%, 02/01/06 | A3 | \$ 412,080 |
| 825,000 | Ford Motor Credit Co. 7.25%, 10/25/11 | A3 | 884,751 |
| 10,000 | Ford Motor Credit Co. 7.38%, 10/28/09 | A3 | 10,787 |
| 500,000 | General Electric Capital Corp. 8.75%, 05/21/07 | Aaa | 560,160 |
| 500,000 | General Electric Capital Corp., MTN 4.25%, 01/15/08 | Aaa | 507,917 |
| 350,000 | Goldman Sachs Group, Inc. 3.88%, 01/15/09 | Aa3 | 349,207 |
| 450,000 | Goldman Sachs Group, Inc. 5.70%, 09/01/12 | Aa3 | 477,009 |
| 500,000 | Household Finance Corp. 8.00%, 07/15/10 | A1 | 588,469 |
| 425,000 | J. Paul Getty Trust 5.88%, 10/01/33 | Aaa | 443,586 |
| 222,011 | Jones (Edward D.) & Co., LP (c) (d) 7.95%, 04/15/06 | NR | 233,970 |
| 500,000 | Lehman Brothers Holdings, Inc. 4.00%, 01/22/08 | A1 | 503,451 |
| 605,000 | MBNA Corp., MTN 4.63%, 08/03/09 | Baa2 | 615,998 |
| 350,000 | MBNA Corp., MTN 6.25%, 01/17/07 | Baa2 | 368,282 |
| 85,000 | MBNA Corp., MTN 7.50%, 03/15/12 | Baa2 | 98,200 |
| 630,000 | Morgan Stanley 4.75%, 04/01/14 | A1 | 613,877 |
| 495,000 | Morgan Stanley 6.60%, 04/01/12 | Aa3 | 552,082 |
| 550,000 | Pitney Bowes Credit Corp. 8.55%, 09/15/09 | Aa3 | 646,235 |
| 500,000 | Toyota Motor Credit Corp. 5.50%, 12/15/08 | Aaa | 529,649 |
| | | | 13,120,903 |
| Electric - 5.6% | | | |
| 550,000 | AmerenEnergy Generating 7.75%, 11/01/05 | A3 | 569,909 |
| 505,000 | Centerpoint Energy, Inc. (a) 5.88%, 06/01/08 | Ba2 | 528,426 |
| 375,000 | Consolidated Edison Co. of New York | | |

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|-----------|---|------|------------|
| | 4.70%, 06/15/09 | A1 | 385,476 |
| 425,000 | Detroit Edison Co. | | |
| | 6.13%, 10/01/10 | A3 | 463,613 |
| 563,466 | East Coast Power LLC | | |
| | 7.07%, 03/31/12 | Baa3 | 603,602 |
| 250,000 | Entergy Gulf States, Inc. | | |
| | 3.60%, 06/01/08 | Baa3 | 245,951 |
| 450,000 | FirstEnergy Corp. | | |
| | 6.45%, 11/15/11 | Baa3 | 488,912 |
| 500,000 | FirstEnergy Corp. | | |
| | 7.38%, 11/15/31 | Baa3 | 570,992 |
| 225,000 | Florida Power & Light | | |
| | 6.88%, 12/01/05 | Aa3 | 232,596 |
| \$450,000 | Pacific Gas & Electric Co. | | |
| | 6.05%, 03/01/34 | Baa2 | \$ 467,377 |
| 450,000 | TXU Energy Co. | | |
| | 7.00%, 03/15/13 | Baa2 | 502,583 |
| | | | <hr/> |
| | | | 5,059,437 |
| | | | <hr/> |
| | Environmental Control - 1.1% | | |
| 450,000 | Allied Waste North America (e) | | |
| | 6.50%, 11/15/10 | Ba3 | 441,000 |
| 500,000 | Allied Waste North America | | |
| | 8.50%, 12/01/08 | Ba3 | 530,000 |
| | | | <hr/> |
| | | | 971,000 |
| | | | <hr/> |
| | Food - 4.8% | | |
| 1,000,000 | Delhaize America, Inc. | | |
| | 8.13%, 04/15/11 | Ba1 | 1,165,724 |
| 460,000 | General Mills, Inc. | | |
| | 6.00%, 02/15/12 | Baa2 | 499,164 |
| 470,000 | Kroger Co. | | |
| | 5.50%, 02/01/13 | Baa2 | 492,741 |
| 350,000 | Kroger Co. | | |
| | 6.38%, 03/01/08 | Baa3 | 376,777 |
| 445,000 | Kroger Co. | | |
| | 6.75%, 04/15/12 | Baa2 | 502,433 |
| 450,000 | Safeway, Inc. | | |
| | 6.50%, 03/01/11 | Baa2 | 492,833 |
| 830,000 | Unilever Capital Corp. | | |
| | 5.90%, 11/15/32 | A1 | 877,721 |
| | | | <hr/> |
| | | | 4,407,393 |
| | | | <hr/> |
| | Forest Products & Paper - 3.1% | | |
| 1,000,000 | Georgia-Pacific Group | | |
| | 7.25%, 06/01/28 | Ba3 | 1,070,000 |
| 500,000 | International Paper Co. | | |
| | 5.30%, 04/01/15 | Baa2 | 505,867 |
| 500,000 | International Paper Co. | | |
| | 5.50%, 01/15/14 | Baa2 | 516,506 |
| 750,000 | Rock-Tenn Co. | | |
| | 5.63%, 03/15/13 | Baa3 | 759,996 |
| | | | <hr/> |
| | | | 2,852,369 |
| | | | <hr/> |
| | Health Care - Products - 0.2% | | |
| 120,000 | Johnson & Johnson | | |

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|--------------------------------------|--------------------------|------|------------------|
| | 6.73%, 11/15/23 | Aaa | 140,928 |
| Health Care - Services - 0.5% | | | |
| 450,000 | UnitedHealth Group, Inc. | | |
| | 7.50%, 11/15/05 | A3 | 464,445 |
| Home Builders - 1.7% | | | |
| 920,000 | D.R. Horton, Inc. | | |
| | 5.00%, 01/15/09 | Ba1 | 926,900 |
| 500,000 | Pulte Homes, Inc. | | |
| | 8.13%, 03/01/11 | Baa3 | 594,575 |
| | | | <u>1,521,475</u> |

See Notes to Financial Statements.

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ALLMERICA SECURITIES TRUST

PORTFOLIO OF INVESTMENTS, Continued December 31, 2004

| Par Value | | Moody's Ratings (Unaudited) | Value (Note 2) |
|---|---|-----------------------------------|-------------------|
| Lodging - 1.0% | | | |
| \$ 500,000 | Harrah's Operating Co., Inc. 7.13%, 06/01/07 | Baa3 | \$ 535,613 |
| 350,000 | Park Place Entertainment Corp. 8.13%, 05/15/11 | Ba2 | 404,250 |
| | | | 939,863 |
| Media - 5.9% | | | |
| 550,000 | AOL Time Warner, Inc. 6.88%, 05/01/12 | Baa1 | 626,371 |
| 270,000 | Belo Corp. 8.00%, 11/01/08 | Baa3 | 305,109 |
| 110,000 | Comcast Corp. 5.85%, 01/15/10 | Baa3 | 117,916 |
| 450,000 | Continental Cablevision, Inc. 8.30%, 05/15/06 | Baa3 | 478,039 |
| 200,000 | Cox Communications, Inc. 4.63%, 06/01/13 | Baa3 | 191,323 |
| 505,000 | Cox Communications, Inc. 7.13%, 10/01/12 | Baa2 | 566,035 |
| 225,000 | Cox Enterprises, Inc. (e) 4.38%, 05/01/08 | Baa1 | 224,796 |
| 700,000 | Echostar DBS Corp. 5.75%, 10/01/08 | Ba3 | 708,750 |
| 500,000 | News America Holdings, Inc. 7.38%, 10/17/08 | Baa3 | 558,794 |
| 300,000 | Time Warner Cos., Inc. 7.57%, 02/01/24 | Baa1 | 352,906 |
| 450,000 | Time Warner Entertainment Co. 7.25%, 09/01/08 | Baa1 | 499,942 |
| 180,000 | Viacom, Inc. 5.50%, 05/15/33 | A3 | 176,941 |
| 450,000 | Viacom, Inc. 7.88%, 07/30/30 | A3 | 577,964 |
| | | | 5,384,886 |
| Metal Fabricate & Hardware - 1.1% | | | |
| 1,000,000 | Precision Castparts Corp. 5.60%, 12/15/13 | Baa3 | 1,019,682 |
| Office & Business Equipment - 0.8% | | | |
| 750,000 | Pitney Bowes, Inc. 4.75%, 05/15/18 | Aa3 | 727,577 |

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| | | | |
|--|---|------|------------|
| Oil & Gas - 7.3% | | | |
| 900,000 | Atmos Energy Corp. 4.00%, 10/15/09 | Baa3 | 889,665 |
| 375,000 | Burlington Resources, Inc. 7.40%, 12/01/31 | Baa1 | 457,974 |
| 580,000 | Conoco Funding Co. 5.45%, 10/15/06 | A3 | 600,680 |
| 500,000 | Conoco Funding Co. 7.25%, 10/15/31 | A3 | 609,677 |
| 450,000 | Devon Financing Corp. 6.88%, 09/30/11 | Baa2 | 509,651 |
| 450,000 | Devon Financing Corp. 7.88%, 09/30/31 | Baa2 | 566,586 |
| \$350,000 | Enterprise Products 8.25%, 03/15/05 | Baa3 | \$ 353,078 |
| 690,000 | Pioneer Natural Resources Co. 5.88%, 07/15/16 | Baa3 | 720,851 |
| 600,000 | Texaco Capital, Inc. 8.25%, 10/01/06 | Aa3 | 649,717 |
| 780,000 | Valero Energy Corp. 4.75%, 06/15/13 | Baa3 | 770,521 |
| 400,000 | XTO Energy, Inc. 7.50%, 04/15/12 | Baa3 | 468,082 |
| | | | 6,596,482 |
| Packaging & Containers - 3.1% | | | |
| 750,000 | Illinois Tool Works, Inc. 6.88%, 11/15/08 | Aa3 | 829,671 |
| 1,000,000 | Packaging Corp. of America 5.75%, 08/01/13 | Ba1 | 1,031,323 |
| 970,000 | Sealed Air Corp. (e) 5.63%, 07/15/13 | Baa3 | 1,003,482 |
| | | | 2,864,476 |
| Pharmaceuticals - 3.1% | | | |
| 700,000 | Bergen Brunswig Corp. (f) 7.25%, 06/01/05 | BB | 710,500 |
| 750,000 | Lilly (Eli) & Co. 7.13%, 06/01/25 | Aa3 | 906,464 |
| 710,000 | Medco Health Solutions, Inc. 7.25%, 08/15/13 | Ba1 | 794,241 |
| 330,000 | Zeneca Wilmington 7.00%, 11/15/23 | Aa2 | 394,581 |
| | | | 2,805,786 |
| Pipelines - 1.1% | | | |
| 500,000 | Duke Energy Field Services Corp. 7.50%, 08/16/05 | Baa2 | 513,211 |
| 500,000 | Magellan Midstream Partners 5.65%, 10/05/16 | Ba1 | 505,526 |
| | | | 1,018,737 |
| Retail - 3.1% | | | |
| 595,000 | Home Depot, Inc. (e) | | |

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| | | | |
|---------|-----------------------------------|-----|-----------|
| | 3.75%, 09/15/09 | Aa3 | 589,672 |
| 500,000 | J.C. Penney Co., Inc. | | |
| | 7.38%, 08/15/08 | Ba3 | 548,750 |
| 900,000 | J.C. Penney Co., Inc. | | |
| | 7.95%, 04/01/17 | Ba3 | 1,053,000 |
| 450,000 | Wal-Mart Stores, Inc. | | |
| | 7.55%, 02/15/30 | Aa2 | 585,854 |
| | | | <hr/> |
| | | | 2,777,276 |
| | | | <hr/> |
| | Savings & Loans - 1.0% | | |
| 455,000 | Washington Mutual Bank FA | | |
| | 5.50%, 01/15/13 | A3 | 469,880 |
| 450,000 | Washington Mutual, Inc. | | |
| | 4.38%, 01/15/08 | A3 | 457,017 |
| | | | <hr/> |
| | | | 926,897 |
| | | | <hr/> |

See Notes to Financial Statements.

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ALLMERICA SECURITIES TRUST

PORTFOLIO OF INVESTMENTS, Continued December 31, 2004

| Par Value | | Moody's Ratings (Unaudited) | Value (Note 2) |
|---|--|-----------------------------------|-------------------|
| Telecommunications - 2.2% | | | |
| \$ 500,000 | BellSouth Corp. 6.88%, 10/15/31 | A1 | \$ 567,065 |
| 680,000 | Sprint Capital Corp. 6.13%, 11/15/08 | Baa3 | 729,248 |
| 120,000 | Sprint Capital Corp. 6.88%, 11/15/28 | Baa3 | 131,374 |
| 120,000 | Sprint Capital Corp. 7.90%, 03/15/05 | Baa3 | 121,299 |
| 450,000 | Verizon Florida, Inc. 6.13%, 01/15/13 | A1 | 478,939 |
| | | | 2,027,925 |
| Transportation - 2.3% | | | |
| 900,000 | CSX Corp. 6.30%, 03/15/12 | Baa2 | 988,718 |
| 189,000 | CSX Corp. 9.75%, 06/15/20 | Baa2 | 263,656 |
| 261,000 | Norfolk Southern Corp. 9.75%, 06/15/20 | Baa2 | 369,123 |
| 255,000 | Union Pacific Corp. 5.38%, 06/01/33 | Baa2 | 240,320 |
| 250,000 | Union Pacific Corp. 6.63%, 02/01/08 | Baa2 | 271,611 |
| | | | 2,133,428 |
| Total Corporate Notes and Bonds | | | 72,717,717 |
| | (Cost \$ 70,398,051) | | |
| ASSET-BACKED AND MORTGAGE-BACKED SECURITIES (h) - 4.7% | | | |
| 1,000,000 | American Airlines, Inc., Pass-Through Trust, Series 1991 - C2 9.73%, 09/29/14 | Caa2 | 657,480 |
| 570,000 | Bear Stearns Commercial Mortgage Securities, Inc., Series 2002-PBW1, Class A2 4.72%, 11/11/35 | Aaa | 574,657 |
| 250,000 | Bear Stearns Mortgage Securities, Inc., Series 1999-WF2, Class A2, CMO 7.08%, 06/15/09 | Aaa | 279,134 |

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| | | | |
|--|--|------|------------------|
| 300,000 | Citibank Credit Card Issuance Trust, Series 2000-CI, CMO 6.88%, 11/16/09 | Aaa | 326,494 |
| 500,000 | General Electric Capital Commercial Mortgage Corp., Series 2002-1A, Class A3 6.27%, 12/10/35 | Aaa | 551,282 |
| 500,000 | GS Mortgage Securities Corp. II, Series 1997-GL, Class A2D 6.94%, 07/13/30 | Aaa | 534,577 |
| \$250,000 | MBNA Master Credit Card Trust, Series 1995-C, Class A 6.45%, 02/15/08 | Aaa | \$ 254,105 |
| 250,000 | Morgan Stanley Dean Witter Capital I, Series 2002-TOP7, Class B, CMO 6.08%, 01/15/39 | Aa2 | 270,830 |
| 750,000 | Morgan Stanley Dean Witter Capital I, Series 2003-TOP9, Class A2, CMO (f) 4.74%, 11/13/36 | AAA | 756,069 |
| 25,234 | Toyota Auto Receivables Owner Trust, Series 2002-B, Class A3 3.76%, 06/15/06 | Aaa | 25,254 |
| Total Asset-Backed and Mortgage-Backed Securities | | | 4,229,882 |
| (Cost \$ 4,549,021) | | | |
| FOREIGN GOVERNMENT OBLIGATIONS (i) - 2.3% | | | |
| 450,000 | Province of British Columbia 5.38%, 10/29/08 | Aa2 | 475,967 |
| 550,000 | Province of Manitoba 4.25%, 11/20/06 | Aa2 | 560,875 |
| 500,000 | Province of Quebec 6.13%, 01/22/11 | A1 | 550,443 |
| 450,000 | Province of Quebec 7.00%, 01/30/07 | A1 | 481,693 |
| Total Foreign Government Obligations | | | 2,068,978 |
| (Cost \$ 1,967,951) | | | |
| FOREIGN BONDS (i) - 10.8% | | | |
| 500,000 | Alberta Energy Co., Ltd. 7.38%, 11/01/31 | Baa1 | 602,213 |
| 700,000 | British Sky Broadcasting Group, Plc 7.30%, 10/15/06 | Baa3 | 743,613 |
| 450,000 | British Telecom, Plc (g) 8.13%, 12/15/10 | Baa1 | 540,387 |
| 300,000 | Calpine Canada Energy Finance (a) 8.50%, 05/01/08 | Caa1 | 246,000 |
| 355,000 | Canadian Pacific Ltd. 9.45%, 08/01/21 | Baa2 | 501,601 |
| 450,000 | Canadian Pacific Railroad 5.75%, 03/15/33 | Baa2 | 454,740 |
| 450,000 | Diageo Capital, Plc 3.50%, 11/19/07 | A2 | 448,504 |
| 890,000 | Domtar, Inc. 5.38%, 12/01/13 | Baa3 | 881,152 |
| 100,000 | KFW International Finance, Inc. 4.25%, 04/18/05 | Aaa | 100,469 |
| 450,000 | Norske Skog Canada, Ltd. (e) 7.38%, 03/01/14 | Ba3 | 469,125 |

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| | | | |
|-----------|---|-----|-----------|
| 790,000 | Royal Bank of Scotland Group, Plc 4.70%, 07/03/18 | Aa3 | 749,080 |
| 1,000,000 | St. George Bank, Ltd., Yankee Debenture (e) 7.15%, 10/15/05 | A3 | 1,027,413 |

See Notes to Financial Statements.

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ALLMERICA SECURITIES TRUST

PORTFOLIO OF INVESTMENTS, Continued December 31, 2004

| Par Value | | Moody's Ratings (Unaudited) | Value (Note 2) |
|--|--|-----------------------------------|----------------------|
| FOREIGN BONDS (i) (continued) | | | |
| \$ 435,000 | Stora Enso Oyj 7.38%, 05/15/11 | Baa1 | \$ 499,156 |
| 500,000 | Telus Corp. 7.50%, 06/01/07 | Baa3 | 543,250 |
| 460,000 | Tembec Industries, Inc. 8.50%, 02/01/11 | Ba3 | 462,300 |
| 490,000 | Tyco International Group S.A. 6.38%, 10/15/11 | Baa3 | 540,987 |
| 450,000 | Tyco International Group S.A. 6.88%, 01/15/29 | Ba2 | 515,480 |
| 500,000 | Vodafone Group, Plc 6.25%, 11/30/32 | A2 | 544,526 |
| Total Foreign Bonds | | | 9,869,996 |
| (Cost \$ 9,472,043) | | | |
| Shares | | | |
| INVESTMENT COMPANY - 0.1% | | | |
| 113,579 | Marshall Money Market Fund | NR | 113,579 |
| Total Investment Company | | | 113,579 |
| (Cost \$ 113,579) | | | |
| Total Investments - 98.7% | | | 89,775,470 |
| (Cost \$ 87,230,833) | | | |
| Net Other Assets and Liabilities - 1.3% | | | 1,214,504 |
| Total Net Assets - 100.0% | | | \$ 90,989,974 |

(a) All or a portion of this security is out on loan at December 31, 2004; the value of the securities loaned amounted to \$1,827,911. The value of collateral amounted to \$1,900,900 which consisted of cash equivalents.

(b) Variable rate security. The rate shown reflects rate in effect at period end.

(c) Security is valued by management (Note 2).

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- (d) Restricted Security - Represents ownership in a private placement investment which has not been registered with the Securities and Exchange Commission under the Securities Act of 1933. At December 31, 2004, these securities amounted to \$233,970 or 0.3% of net assets.
- (e) Security exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions exempt from registration, to qualified institutional buyers. At December 31, 2004, these securities amounted to \$3,755,488 or 4.1% of net assets.
- (f) Standard & Poor's (S&P) credit ratings are used in the absence of a rating by Moody's Investors, Inc.
- (g) Debt obligation initially issued in coupon form which converts to a higher coupon form at a specified date and rate. The rate shown is the rate at period end. The maturity date shown is the ultimate maturity.
- (h) Pass Through Certificates.
- (i) U.S. currency denominated.
CMO Collateralized Mortgage Obligation (Pay Through Certificate)
MTN Medium Term Note
NR Not Rated

FEDERAL INCOME TAX INFORMATION (SEE NOTE 2)

At December 31, 2004, the aggregate cost of investment securities for tax purposes was \$88,064,894. Net unrealized appreciation (depreciation) aggregated \$1,710,576, of which \$2,517,412 related to appreciated investment securities and \$(806,836) related to depreciated investment securities.

As of December 31, 2004, the components of distributable earnings (excluding unrealized appreciation disclosed above) on a tax basis consisted of \$71,538 and \$7,473,831 of undistributed ordinary income and capital loss carryforwards, respectively.

For the year ended December 31, 2004, the Portfolio has elected to defer \$5,686 of capital losses attributable to Post-October capital losses.

During the year ended December 31, 2004, the tax character of distributions paid for ordinary income was \$4,704,287.

At December 31, 2004, the Portfolio had capital loss carryforwards which expire as follows: \$1,365,128 in 2008; \$2,362,884 in 2009; \$2,513,063 in 2010; \$1,232,756 in 2012.

OTHER INFORMATION

For the year ended December 31, 2004, the aggregate cost of purchases and the proceeds of sales, other than from short-term investments, included \$24,244,322 and \$21,640,717 of non-governmental issuers, respectively, and \$5,097,175 and \$7,391,982 of U.S. Government and

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Agency issuers, respectively.

The composition of ratings of both long-term and short-term debt holdings as a percentage of total value of investments in securities is as follows:

| | Moody's Ratings* | S&P Ratings* |
|--|-------------------------|-------------------------|
| Aaa | 5.4% | AAA 0.8% |
| Aa | 20.5% | BB 0.8% |
| <hr style="width: 20%; margin-left: auto;"/> | | |
| A | 22.1% | 1.6% |
| <hr style="width: 20%; margin-left: auto;"/> | | |
| Baa | 35.7% | |
| Ba | 12.4% | |
| Caa | 1.0% | |
| NR (Not Rated) | 1.3% | |
| <hr style="width: 20%; margin-left: auto;"/> | | |
| | 98.4% | |
| <hr style="width: 20%; margin-left: auto;"/> | | |

Major Class Concentration of Investments

as a Percentage of Net Assets*:

| | |
|---|---------------|
| Corporate Notes and Bonds | 79.9% |
| Foreign Bonds | 10.8 |
| Asset-Backed and Mortgage-Backed Securities | 4.7 |
| Foreign Government Obligations | 2.3 |
| U.S. Government Obligation | 0.6 |
| U.S. Government Agency Mortgage-Backed Obligation | 0.3 |
| Investment Companies | 0.1 |
| Net Other Assets and Liabilities | 1.3 |
| <hr style="width: 20%; margin-left: auto;"/> | |
| Total | 100.0% |
| <hr style="width: 20%; margin-left: auto;"/> | |

* Not part of the financial statements; therefore not covered by the Report of Independent Registered Public Accounting Firm.

See Notes to Financial Statements.

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ALLMERICA SECURITIES TRUST

STATEMENT OF ASSETS AND LIABILITIES December 31, 2004

ASSETS:

| | |
|---|---------------|
| Investments: | |
| Investments at cost | \$ 87,230,833 |
| Net unrealized appreciation | 2,544,637 |
| | <hr/> |
| Total investments at value | 89,775,470 |
| Cash | 17,145 |
| Short-term investments held as collateral for securities loaned | 1,900,900 |
| Interest receivable | 1,325,938 |
| | <hr/> |
| Total Assets | 93,019,453 |

LIABILITIES:

| | |
|-------------------------------------|-----------|
| Collateral for securities loaned | 1,900,900 |
| Management fee payable | 35,385 |
| Trustees' fees and expenses payable | 5,297 |
| Accrued expenses and other payables | 87,897 |
| | <hr/> |
| Total Liabilities | 2,029,479 |

NET ASSETS **\$ 90,989,974**

NET ASSETS consist of:

| | |
|---|--------------|
| Par Value | \$ 8,592,306 |
| Paid-in capital | 88,089,385 |
| Distribution in excess of net investment income | (756,837) |
| Accumulated net realized loss | (7,479,517) |
| Net unrealized appreciation | 2,544,637 |
| | <hr/> |

TOTAL NET ASSETS **\$ 90,989,974**

Shares of beneficial interest outstanding (10,000,000 authorized shares with par value of \$1.00) 8,592,306

NET ASSET VALUE

Per share \$ 10.590

MARKET VALUE (closing price on New York Stock Exchange)

Per share \$ 9.74

Total value of securities on loan \$ 1,827,911

See Notes to Financial Statements.

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ALLMERICA SECURITIES TRUST

STATEMENT OF OPERATIONS For the Year Ended December 31, 2004**INVESTMENT INCOME**

| | |
|---------------------------|--------------|
| Interest | \$ 4,960,262 |
| Securities lending income | 6,492 |
| | <hr/> |
| Total investment income | 4,966,754 |
| | <hr/> |

EXPENSES

| | |
|------------------------------------|---------|
| Management fees | 408,983 |
| Custodian and Fund accounting fees | 70,336 |
| Transfer agent fees | 62,914 |
| Legal fees | 5,892 |
| Audit fees | 30,600 |
| Trustees' fees and expenses | 22,177 |
| Reports to shareholders | 47,398 |
| New York Stock Exchange fees | 25,000 |
| Miscellaneous | 17,716 |
| | <hr/> |
| Total expenses | 691,016 |
| | <hr/> |

| | |
|------------------------------|------------------|
| NET INVESTMENT INCOME | 4,275,738 |
| | <hr/> |

NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:

| | |
|---|----------|
| Net realized loss on investments sold | (65,308) |
| Net change in unrealized appreciation (depreciation) of investments | 25,606 |
| | <hr/> |

| | |
|---|-----------------|
| NET REALIZED LOSS ON INVESTMENTS | (39,702) |
| | <hr/> |

| | |
|---|---------------------|
| NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS | \$ 4,236,036 |
| | <hr/> |

STATEMENTS OF CHANGES IN NET ASSETS

| | Years Ended | |
|--|---------------|---------------|
| | December 31, | |
| | 2004 | 2003 |
| | <hr/> | <hr/> |
| NET ASSETS at beginning of year | \$ 91,458,225 | \$ 90,834,171 |
| | <hr/> | <hr/> |

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| INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS: | | |
|---|-----------------------------|-----------------------------|
| Net investment income | 4,275,738 | 4,179,375 |
| Net realized gain (loss) on investments sold | (65,308) | 863,113 |
| Net change in unrealized appreciation (depreciation) of investments | 25,606 | 436,219 |
| | <u> </u> | <u> </u> |
| Net increase in net assets resulting from operations | 4,236,036 | 5,478,707 |
| | <u> </u> | <u> </u> |
| Distributions To Shareholders From Net Investment Income | (4,704,287) | (4,854,653) |
| | <u> </u> | <u> </u> |
| Total increase (decrease) in net assets | (468,251) | 624,054 |
| | <u> </u> | <u> </u> |
| NET ASSETS at end of year | \$ 90,989,974 | \$ 91,458,225 |
| | <u> </u> | <u> </u> |
| Distribution in excess of net investment income | \$ (756,837) | \$ (629,300) |
| | <u> </u> | <u> </u> |

See Notes to Financial Statements.

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ALLMERICA SECURITIES TRUST

FINANCIAL HIGHLIGHTS - For a Share Outstanding Throughout Each Year

| | Year ended December 31, | | | | |
|--|-------------------------|-----------|-----------|-----------|-----------|
| | 2004 | 2003 | 2002 | 2001(1) | 2000 |
| Net Asset Value, beginning of year | \$ 10.644 | \$ 10.572 | \$ 10.565 | \$ 10.866 | \$ 10.958 |
| Income from Investment Operations: | | | | | |
| Net investment income | 0.498 | 0.486 | 0.565 | 0.673(2) | 0.802 |
| Net realized and unrealized gain (loss) on investments | (0.004) | 0.151 | 0.027 | (0.209) | (0.084) |
| Total from investment operations | 0.494 | 0.637 | 0.592 | 0.464 | 0.718 |
| Less Distributions: | | | | | |
| Dividends from net investment income | (0.548) | (0.565) | (0.585) | (0.729) | (0.800) |
| Distributions from net realized capital gains | | | | | (0.010) |
| Return of capital | | | | (0.036) | |
| Total distributions | (0.548) | (0.565) | (0.585) | (0.765) | (0.810) |
| Net increase (decrease) in net asset value | (0.054) | 0.072 | 0.007 | (0.301) | (0.092) |
| Net Asset Value, end of year | \$ 10.590 | \$ 10.644 | \$ 10.572 | \$ 10.565 | \$ 10.866 |
| Market Value, end of year | \$ 9.74 | \$ 9.75 | \$ 9.45 | \$ 9.83 | \$ 10.00 |
| Total Return on Market Value, end of year | \$ 5.93% | 9.38% | 2.11% | 6.00% | 23.76% |
| Ratios/Supplemental Data | | | | | |
| Net assets, end of year (000 s) | \$ 90,990 | \$ 91,458 | \$ 90,834 | \$ 90,774 | \$ 93,362 |
| Ratios to average net assets: | | | | | |
| Net investment income | 4.70% | 4.56% | 5.38% | 6.23% | 7.38% |
| Operating expenses | 0.76% | 0.68% | 0.86% | 0.79% | 0.74% |
| Management fee | 0.45% | 0.44% | 0.45% | 0.50% | 0.50% |
| Portfolio turnover rate | 32% | 98% | 79% | 128% | 58% |

- (1) Effective January 1, 2001, the Trust adopted the provisions of the AICPA Audit and Accounting Guide for Investment Companies and is amortizing premium and market discount on debt securities using the daily effective yield method. The effect of this change for the year ended December 31, 2001 was a decrease in net investment income per share of \$0.022, an increase in net realized and unrealized gains and losses per share of \$0.022 and a decrease in the ratio of net investment income to average net assets from 6.36% to 6.23%. Per share data and ratio/supplemental data for periods prior to January 1, 2001 have not been restated to reflect this change in presentation.
- (2) Computed using average shares throughout the period.

See Notes to Financial Statements.

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ALLMERICA SECURITIES TRUST

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION

Allmerica Securities Trust (the Trust) was organized as a Massachusetts business trust on June 30, 1986, and is registered under the Investment Company Act of 1940, as amended, as a diversified, closed-end management investment company.

2. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates.

The following is a summary of significant accounting policies followed by the Trust in the preparation of its financial statements:

Security Valuation: Corporate debt securities and debt securities of the U.S. Government and its agencies (other than short-term investments) are valued using an independent pricing service approved by the Board of Trustees which utilizes market quotations and transactions, quotations from dealers and various relationships among securities in determining value. If not valued by a pricing service, such securities are valued at prices obtained from independent brokers. If prices are not readily available or do not accurately reflect fair value for a security, or if a security's value has been materially affected by events occurring after the close of the exchange or market on which the security is principally traded, that security may be valued by another method that the Board of Trustees believes accurately reflects fair value. A security's valuation may differ depending on the method used for determining value. Price movements in futures contracts, market and trading trends, the bid/ask quotes of brokers and off-exchange institutional trading may be reviewed in the course of making a good faith determination of a security's fair value. Short-term investments that mature in 60 days or less are valued at amortized cost. This method involves valuing a portfolio security initially at its cost and thereafter assuming a constant amortization to maturity of any discount or premium.

At December 31, 2004, one security with a value of \$233,970 or 0.3% of net assets was valued by management under the direction of the Board of Trustees.

Security Transactions and Investment Income: Security transactions are recorded as of the trade date. Realized gains and losses from security transactions are determined on the basis of identified cost. Interest income, including amortization of premium and accretion of discount on securities, is accrued daily. Income distributions earned by the Trust from investments in certain investment companies are recorded as interest income in the accompanying financial statements.

Federal Taxes: The Trust intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended. By so qualifying, the Trust will not be subject to Federal income taxes to the extent it distributes all of its taxable income

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and net realized gains, if any, for its fiscal year. In addition, by distributing during each calendar year substantially all of its net investment income, capital gains and certain other amounts, if any, the Trust will not be subject to Federal excise tax. Therefore, no Federal income tax provision is required.

Distributions to Shareholders: Dividends to shareholders resulting from net investment income are recorded on the ex-dividend date and paid quarterly. Net realized capital gains, if any, are distributed at least annually. Income and capital gains distributions are determined in accordance with income tax regulations. Differences between book basis and tax basis amounts are primarily due to differing book and tax treatments in both the timing of the recognition of gains or losses, including Post-October Losses, paydown gains/losses on certain securities, capital loss carryforwards and differing treatments for the amortization of premium and market discount. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications to paid in capital. Permanent book-tax differences, if any, are not included in ending undistributed net investment income for the purpose of calculating net investment income per share in the Financial Highlights.

Securities Lending: The Trust, using Investors Bank & Trust Company (IBT) as its lending agent, may loan securities to brokers and dealers in exchange for negotiated lenders' fees. These fees are disclosed as Securities lending income in

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ALLMERICA SECURITIES TRUST

NOTES TO FINANCIAL STATEMENTS (Continued)

the Statement of Operations. The Trust receives collateral against the loaned securities which must be maintained at not less than 102% of the market value of the loaned securities during the period of the loan. Collateral received is generally cash, and is invested in short-term investments. Lending portfolio securities involves possible delays in receiving additional collateral or in the recovery of the securities or possible loss of rights in the collateral should the counterparty (borrower) not meet its obligations under the terms of the loan. Information regarding the value of the securities loaned and the value of the collateral at period end is included in a footnote at the end of the Trust's portfolio of investments.

Expenses: Most expenses of the Trust can be directly attributable to the Trust. Expenses which cannot be directly attributable to the Trust are allocated based upon relative net assets among the Trust and one other affiliated registered investment company, Allmerica Investment Trust (comprised of nine separate portfolios).

3. INVESTMENT MANAGEMENT AND OTHER RELATED PARTY TRANSACTIONS

Opus Investment Management, Inc. (Opus), a direct, wholly-owned subsidiary of Allmerica Financial Corporation (Allmerica Financial) serves as Investment Manager to the Trust. For these services, the Trust pays Opus an aggregate monthly compensation at the annual rate of (a) 3/10 of 1% of average net assets plus (b) 2 1/2% of the amount of interest income excluding amortization of premium and accretion of discount.

To the extent that normal operating expenses of the Trust, excluding taxes, interest, brokerage commissions and extraordinary expenses, but including the investment management fee, exceed 1.50% of the first \$30,000,000 of the Trust's average weekly net assets, and 1.00% of any excess of such value over \$30,000,000, Opus will bear such excess expenses.

IBT performs fund administration, custodian and fund accounting services for the Trust. IBT is entitled to receive a fee for these services, in addition to certain out-of-pocket expenses. Opus is solely responsible for the payment of the administration fee and the Trust pays the fees for the fund accounting and custodian services to IBT.

The Trust pays no salaries or compensation to any of its officers. Trustees who are not directors, officers or employees of the Trust or the Investment Manager are reimbursed for their travel expenses in attending meetings of the Trustees and receive fees for their services. Such amounts are paid by the Trust.

4. SHARES OF BENEFICIAL INTEREST

There are 10,000,000 shares of \$1.00 par value common stock authorized. At December 31, 2004, First Allmerica Financial Life Insurance Company, an indirect, wholly-owned subsidiary of Allmerica Financial, the Trustees and the officers of the Trust owned in the aggregate

129,052 shares of beneficial interest.

5. RESTRICTED SECURITIES

At December 31, 2004, the Trust owned the following restricted security constituting 0.3% of net assets, which may not be publicly sold without registration under the Securities Act of 1933. The Trust would bear the registration costs in connection with the disposition of restricted securities held in the portfolio. The Trust does not have the right to demand that such securities be registered. The disposal of restricted securities may involve time-consuming negotiations and expense; a prompt sale at an acceptable price may be difficult. The value of restricted securities is determined by valuations supplied by a pricing service or brokers or, if not available, in good faith by or at the direction of the Board of Trustees. Additional information on the restricted security is as follows:

| <u>Issuer</u> | <u>Date of Acquisition</u> | <u>Par Amount</u> | <u>Cost at Acquisition</u> | <u>Value</u> |
|-----------------------------|--------------------------------|-----------------------|--------------------------------|--------------|
| Jones (Edward D.) & Co., LP | 05/06/94 | \$ 222,011 | \$ 222,011 | \$ 233,970 |

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ALLMERICA SECURITIES TRUST

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees and Shareholders of Allmerica Securities Trust

In our opinion, the accompanying statement of assets and liabilities, including the portfolio of investments (except for Moody's and S&P Ratings and Major Class Concentration of Investments table), and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of the Allmerica Securities Trust (hereafter referred to as the "Trust") at December 31, 2004, the results of its operations, the changes in its net assets, and the financial highlights for each of the periods indicated, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Trust's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2004 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

Boston, Massachusetts

February 15, 2005

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ALLMERICA SECURITIES TRUST

BOARD OF TRUSTEES (Unaudited)

| Name, Address and Age(1) | Position(s) Held with Trust | Term of Office and Length of Time Served | Principal Occupation(s) During Past 5 Years(2) | Number of Portfolios in Fund Complex Overseen by Trustee | Other Directorships Held by Trustee |
|---------------------------------|--|---|--|---|--|
| P. Kevin Condron (59) | Trustee, Member of the Audit Committee, Fund Operations Committee, Investment Operations Committee and Governance Committee | 1 Year Term Served Since 1998 | President and Chief Executive Officer, The Granite Group (wholesale plumbing and heating), 1997-present. | 11 | Director, Banknorth Group. |
| Jocelyn S. Davis (51) | Trustee, Member of the Audit Committee, Fund Operations Committee, Investment Operations Committee and Governance Committee | 1 Year Term Served Since 2001 | President, Nelson Hart, LLC (consulting), 2002-present; Beers & Cutler (professional services), 2001-2002; Chief Financial Officer, AARP (non-profit), 1996-2001. | 11 | None |
| Cynthia A. Hargadon (50) | Trustee, Member of the Audit Committee, Fund Operations Committee, Investment Operations Committee and Governance Committee | 1 Year Term Served Since 1997 | Chief Investment Officer, North Point Advisors LLC (consulting), 2003-present; President, Hargadon Associates (asset management consulting), 2002-2003; President, Potomac Asset Management, Inc., 2000-2002; Director of Investments, National Automobile Dealers Association, 1999-2000. | 11 | Director, Wilshire Target Funds, 2001-present. |
| Gordon Holmes (66) | Trustee, Chairman of the Audit Committee and Member of the Fund Operations Committee, Investment Operations Committee and Governance Committee | 1 Year Term Served Since 1991 | Instructor at Bentley College, 1998- present; Certified Public Accountant; Retired Partner, Tofias, Fleishman, Shapiro & Co., P.C. (Accountants). | 11 | None |
| Attiat F. Ott (69) | Trustee, Chairman of the Fund Operations Committee and Member of the Audit Committee, Investment Operations Committee and Governance Committee | 1 Year Term Served Since 1982 | Professor of Economics and Director of the Institute for Economic Studies, Clark University, 950 Main Street, Worcester, MA 01910. | 11 | None |
| Ranne P. Warner (60) | Trustee, Chairman of the Governance Committee and Member of the Audit | 1 Year Term | President, Centros Properties, USA; Owner, Ranne P. Warner and Company; | 11 | Director, Wainwright Bank & Trust Co. (commercial bank). |

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| | | |
|--|----------------------|--|
| Committee, Fund Operations Committee and Investment Operations Committee | Served Since 1991 | Blackstone Exchange LLC (real estate) 2001-present. |
|--|----------------------|--|

| | | | | | |
|----------------------------|---|----------------------|---|----|------|
| *John P. Kavanaugh (50) | Chairman, Trustee and President, Chairman of the Investment Operations Committee | 1 Year Term | President, Opus Investment Management, Inc. (OIM); Vice President, Director, Chief Investment Officer, First Allmerica Financial Life Insurance Company (First Allmerica) and Allmerica Financial Life Insurance and Annuity Company (Allmerica Financial Life). | 11 | None |
| | | Served Since 1995 | | | |
| *Edward J. Parry, III (45) | Trustee, Member of the Investment Operations Committee | 1 Year Term | Executive Vice President, Director, Chief Financial Officer, Allmerica Financial Corporation, First Allmerica and Allmerica Financial Life. | 11 | None |
| | | Served Since 2004 | | | |

* Messrs. Kavanaugh and Parry are interested persons , as defined in the Investment Company Act of 1940 as amended, of the Trust and of Allmerica Financial Corporation (AFC) because of their affiliations with AFC.

(1) The business address of each person is 440 Lincoln Street, Worcester, Massachusetts 01653.

(2) Except as otherwise noted, each individual has held the office indicated or other offices in the same organization for the last five years.

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ALLMERICA SECURITIES TRUST

REGULATORY DISCLOSURES (Unaudited)

The performance data quoted represents past performance and the investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

This report is authorized for distribution to existing shareholders of Allmerica Securities Trust (the "Trust").

The Trust files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Trust's Forms N-Q are available on the SEC's website at <http://www.sec.gov>. The Trust's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330.

During the most recent 12-month period ended June 30, the Trust did not vote proxies relating to its portfolio securities because the Trust invests exclusively in non-voting securities.

The Trust has submitted a CEO annual certification to the New York Stock Exchange ("NYSE") on which the Trust's principal executive officer certified that he was not aware of any violation by the Trust of the NYSE's Corporate Governance listing standards. In addition, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and related SEC rules, the Trust's principal executive and principal financial officers have made quarterly certifications, included in filings with the SEC on Forms N-CSR and N-Q, relating to, among other things, the Trust's disclosure controls and procedures and internal control over financial reporting, as applicable.

SHAREHOLDER TAX INFORMATION (Unaudited)

The portion of the Trust dividends that was derived from U.S. Government obligations in 2004 and may be exempt from state income taxation is 2.19%. The states of California, Connecticut, New York, and New Jersey have exclusionary provisions; however, each of these states has a threshold requirement that must be met before the exclusion applies. During 2004, the level of exempt income did not meet these thresholds and the exclusion did not apply.

Certain states also require, for intangible tax reporting purposes, the reporting of the percentage of assets invested in either state specific or state specific and federal obligations. The percentage applicable to the states of Florida and Kansas is 0.83%. The percentage applicable to the state of West Virginia, which is only for amounts invested in West Virginia obligations, is 0%.

SHAREHOLDER INFORMATION (Unaudited)

Automatic Dividend Investment Plan: As a shareholder, you may participate in the Trust's Automatic Dividend Investment Plan. Under the plan, dividends and other distributions are automatically invested in additional full and fractional shares of the Trust to be held on deposit in your account. Such dividends and other distributions are invested at the net asset value if lower than market price plus brokerage commission or, if higher, at the market price plus brokerage commission. You will receive a statement after each payment date for a dividend or other distribution that will show the details of the transaction and the status of your account. You may terminate or rejoin at any time.

Cash Investment Plan: The cash investment plan provides a systematic, convenient and inexpensive means to increase your investment in the Trust by putting your cash to work. The plan permits you to invest amounts ranging from \$25 to \$1,000 in any one month to purchase additional shares of the Trust. Regular monthly investment is not required.

Your funds are consolidated with funds of other participants to purchase shares. Shares are purchased in bulk and you realize the commission savings. You pay only a service charge of \$1.00 per transaction and your proportionate share of the brokerage commission.

Your account will be credited with full and fractional shares purchased. Following each investment, you will receive a statement showing the details of the transaction and the current status of the account. The plan is voluntary and you may terminate at any time.

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ALLMERICA SECURITIES TRUST

SHAREHOLDER INFORMATION (Unaudited) (Continued)

Investment Manager: Opus Investment Management, Inc.

Portfolio Management: All investment decisions for the Trust are made by an investment management team.

Investment Objectives: The Trust's primary investment objective is to provide a high rate of current income, with capital appreciation as a secondary objective.

(There is no guarantee that the Trust will achieve its investment objectives and an investor in the Trust could lose money.)

Principal Investment Policies: The Trust seeks to achieve its objectives by investing in various types of fixed income securities with an emphasis on corporate debt obligations. Examples of the types of securities in which the Trust invests are corporate bonds, notes and debentures; mortgage-backed and asset-backed securities; obligations issued or guaranteed by the U.S. Government, its agencies and instrumentalities; and money market instruments. The Trust may invest up to 30% of its assets in high yield securities or junk bonds rated below investment grade but at least B- or higher by Moody's Investors Services or Standard & Poor's Rating Services or similar rating organizations, and in unrated securities determined by the Investment Manager to be of comparable quality. The Trust may invest up to 25% of its assets in U.S. dollar denominated foreign debt securities. The Trust may invest in securities with relatively long maturities as well as securities with shorter maturities.

Securities issued by some U.S. Government-sponsored entities, such as the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (Fannie Mae), are not backed by the full faith and credit of the U.S. Government. No assurances can be given that the U.S. Government would provide financial support to a U.S. Government-sponsored instrumentality if not obligated to do so.

Principal Risks of investing in the Trust:

Company Risk means that investments in a company often fluctuate based on factors such as earnings, changes in management or products or potential for takeovers or acquisition.

Credit Risk is the risk that a fixed income security will not be able to pay interest and principal. Junk bonds, for example, have a high level of credit risk.

Foreign Investment Risk involve risks relating to political, social and economic developments abroad.

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Interest Rate Risk means that, when interest rates rise, the prices of fixed income securities will generally fall and, when interest rates fall, the prices of fixed income securities will generally rise.

Investment Management Risk is the risk that a fund does not achieve its investment objective despite the investment strategies used by the investment managers.

Liquidity Risk is the risk that a fund will not be able to sell a security at a reasonable price because the security is not traded on a regular basis.

Market Risk is the risk that the price of a security will fall due to changes in economic, political or market conditions.

Prepayment Risk means that a fund may lose future interest income when a decline in interest rates causes homeowners to prepay their mortgage loans.

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THE ALLMERICA FINANCIAL COMPANIES

The Hanover Insurance Company Citizens Insurance Company of America Citizens Management Inc.

Allmerica Financial Alliance Insurance Company Allmerica Financial Benefit Insurance Company AMGRO, Inc.

Financial Profiles, Inc. VeraVest Investments, Inc. VeraVest Investment Advisors, Inc. Opus Investment Management, Inc.

First Allmerica Financial Life Insurance Company Allmerica Financial Life Insurance and Annuity Company (all states except NY)

440 Lincoln Street, Worcester, Massachusetts 01653

www.allmerica.com

AR-AST (12/04)

05-0119

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Item 2. Code of Ethics

As of the end of the period covered by this report, the registrant has adopted a code of ethics that applies to the registrant's principal executive officer and principal financial/principal accounting officer.

Item 3. Audit Committee Financial Expert

The registrant's Board of Trustees has determined that Gordon Holmes, who is an independent Trustee (as such term is defined by the Securities and Exchange Commission (SEC) in regulations implementing Section 407 of the Sarbanes-Oxley Act of 2002 (the Regulations)), qualifies as an audit committee financial expert (as such term has been defined in the SEC Regulations).

The SEC has stated that the designation or identification of a person as an audit financial expert pursuant to this Item 3 of Form N-CSR does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Audit Committee and the Board of Trustees in the absence of such designation or identification.

Item 4. Principal Accountant Fees and Services

| | <u>Audit Fees</u> | <u>Types of Services</u> | <u>Percentage of Services Approved by the Audit Committee under the De Minimus Exception (defined below)</u> |
|----------------------------------|-------------------|--------------------------|--|
| 2004 | \$ 27,000 | | |
| 2003 | \$ 25,850 | | |
| <u>Audit-Related Fees</u> | | | |
| 2004 | \$ 0 | | 0% |
| 2003 | \$ 0 | | 0% |
| <u>Tax Fees</u> | | | |
| 2004 | \$ 3,500 | Tax return review | 0% |
| 2003 | \$ 3,300 | Tax return review | 0% |
| <u>All Other Fees</u> | | | |
| 2004 | \$ 0 | | 0% |
| 2003 | \$ 0 | | 0% |

All fees disclosed above under the captions Audit-Related Fees, Tax Fees, and All Other Fees represent fees billed for services that were required to be pre-approved, and which were so pre-approved, by the registrant's Audit Committee in accordance with the Audit Committee's Policy for Pre-Approval of Services Provided by Independent Auditors.

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For the last two fiscal years of the registrant, the independent accountants billed aggregate non-audit fees in the following amounts to the registrant and Opus Investment Management, Inc. (Opus), the Trust's investment adviser:

| | |
|------|----------|
| 2004 | \$ 3,500 |
| 2003 | \$ 3,300 |

The registrant's Audit Committee has determined that the provision by the registrant's independent accountants of non-audit services that were rendered to Opus and that were not pre-approved by the Audit Committee were compatible with maintaining the independence of such accountants.

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The following table presents fees billed by the registrant's independent accountants for services required to be approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X.

| | Audit-Related Fees | Tax Fees | All Other Fees | Total Non- Audit Fees | Percentages of services approved by Audit Committee |
|------|-------------------------------|-----------------|-----------------------|--------------------------------------|--|
| 2004 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |
| 2003 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |

The Audit Committee has adopted certain policies and procedures for pre-approval of services provided by the independent accountants. On an annual basis, certain types of recurring audit, audit-related and other services are pre-approved by the Committee, including, among other things, the list of required audits and projects presented by the independent accountants; consultation and advisory services related to accounting/reporting and risk management/control matters provided in the normal course of business; and assistance with SEC and other regulatory filings and tax services incurred in the normal course of business. This pre-approval will occur concurrently with the approval of the annual audit fees and will apply to all individual projects meeting the criteria discussed above and which are expected to result in total fees less than \$400,000. For individual projects outside the scope of the fiscal year audits and tax return filings expected to be \$25,000 or greater, specific pre-approval will be necessary.

Pre-approvals for all other services will occur if and when the need for any such services arises. This pre-approval will be initiated by AFIMS and will be requested from the Chairman or, in the event the Chairman is unavailable, any other member of the Audit Committee. Any services approved by the Chairman, or other Audit Committee member, at any time other than during an Audit Committee meeting will be reported to the full Audit Committee at the next regularly scheduled meeting. Expenses permitted under Rule 2-01(c)(7)(i)(C) of Regulation S-X (the "De Minimis Exception") will not require pre-approval.

Item 5. Audit Committee of Listed Registrants

The registrant has a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. The members of the Audit Committee are Gordon Holmes (Chairman), P. Kevin Condrón, Jocelyn S. Davis, Attiat F. Ott, Cynthia A. Hargadon and Ranne P. Warner.

Item 6. Schedule of Investments

The schedule referenced in this Item 6 of Form N-CSR is included as part of the report to shareholders filed under Item 1 of Form N-CSR.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies

Not Applicable. (The registrant invests exclusively in non-voting securities.)

Item 8. Portfolio Managers of Closed-End Management Investment Companies

Not Applicable

Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers

Not Applicable

Item 10. Submission of Matters to a Vote of Security Holdings

Not Applicable

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Item 11. Controls and Procedures

- (a) The registrant's principal executive and principal financial officers have concluded that, based on 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) as of a date within 90 days of the filing date of this report on Form N-CSR, such disclosure controls and procedures provide reasonable assurances that material information relating to the registrant is made known to them by the appropriate persons.
- (b) Changes to internal control over financial reporting: Not Applicable

Item 12. Exhibits

- (a) (1) Code of Ethics that applies to the registrant's principal executive officer and principal financial/principal accounting officer is attached as Exhibit 99.CODE.
- (2) Separate certifications by the registrant's principal executive officer and principal financial officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 and as required by Rule 30a-2(a) under the Investment Company Act of 1940, are attached hereto as Exhibit 99.CERT.
- (b) A certification by the registrant's principal executive officer and principal financial officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and as required by Rule 30a-2(b) under the Investment Company Act of 1940 is attached hereto as Exhibit 99.906CERT.

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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.

Allmerica Securities Trust

By: /s/ John P. Kavanaugh
John P. Kavanaugh
President and Chairman

Date: February 24, 2005

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: /s/ John P. Kavanaugh
John P. Kavanaugh
President and Chairman

Date: February 24, 2005

By: /s/ Paul T. Kane
Paul T. Kane
Assistant Vice President and Treasurer
(Principal Accounting Officer and

Principal Financial Officer)

Date: February 24, 2005