HANSA TRUST PLC

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COMPANIES HOUSE

ANNUAL REPORT Year Ended 31 March 2012

Contents

THIS DOCUMENT IS IMPORTANT and if you are a holder of Ordinary shares it requires your immediate attention If you are in doubt as to the action you should take or the contents of this document, you should seek advice from an independent financial advisor, authorised if in the UK under the Financial Services and Markets Act 2000, or other appropriately authorised financial advisor if outside of the UK If you have sold or transferred your Ordinary shares in the Company, you should send this document and any accompanying Form of Proxy, immediately to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission as soon as practicable

Key Information

SUMMARY INVESTMENT POLICY AND BENCHMARK

To achieve growth of shareholder value, Hansa Trust PLC invests in a portfolio of special situations, where individual holdings or specific sectors may constitute a significant proportion of the portfolio or that of the equity of the companies concerned This investment approach may produce returns which are not replicated by movements in any market index Performance is measured against an absolute benchmark derived from the three year average rolling rate of return of a five year UK government bond, plus 2% with interest being reinvested semi-annually Investments are intended to add value over the medium to longer term through a non-market correlated, conviction based investment style

STATISTICS

	31-Mar-12	31-Mar-11	% change
Shareholders' Funds	**£268 2m**	**£264.1m**	**1.6**
Dividends (see Note 7)	**14 0p**	3 5p	**300.0**
Net Asset Value (NAV) per share			
Opening NAV	**1,100.5p**	895 9p	–
Dividends paid (see Note 7)	**(3 5p)**	(3 5p)	–
Revenue and capital return	**20 5p**	208 1p	–
Closing NAV	**1,117.5p**	1,100 5p	**1.6**
Performance Benchmark	**4.4%**	5 3%	–
Ordinary share Price	**920 0p**	951 0p	**(3.3)**
'A' non-voting Ordinary share Price	**873 0p**	930 0p	**(6 1)**
FTSE All-Share Index	**3,003**	3,068	**(2.1)**
Discount			
Ordinary shares	**17 7%**	13 6%	–
'A' non-voting Ordinary shares	**21.9%**	15 5%	–
Total Return (Dividends Reinvested)			
Ordinary shares	**(2.8)%**	25 6%	–
'A' non-voting Ordinary shares	**(5.7)%**	24 4%	–
FTSE All-Share Index – Total Return	**1 9%**	9 4%	–

COMPANY REGISTRATION AND NUMBER

The Company is registered in England & Wales under company number 126107

Ten Year Performance Statistics

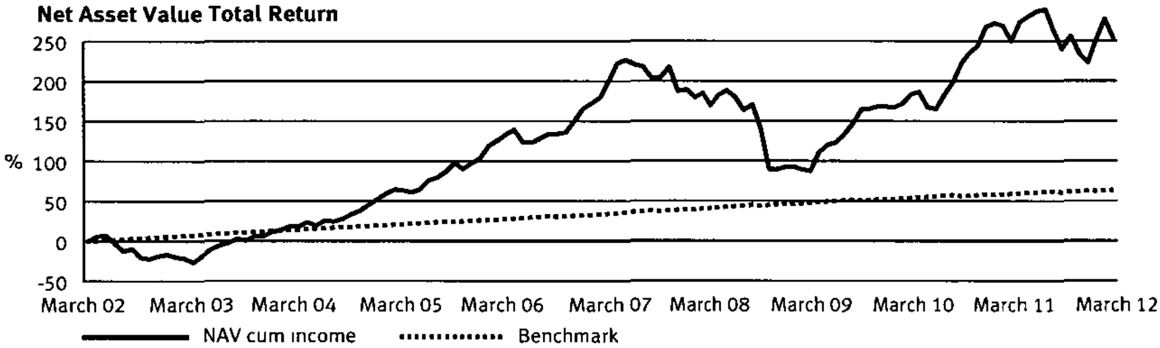
TEN YEAR RECORD

Year ended	Shareholders' Funds	Net Asset Ordinary and 'A' Ordinary	Annual Dividends	Share Price Ordinary	Share Price 'A' Ordinary	FTSE All-Share Index	Discount/(Premium) Ordinary	Discount/(Premium) 'A' Ordinary
2012	£268 2m	1,117 5p	14 0p	920 0p	873 0p	3,003	17 7%	21 9%
2011	£264 1m	1,100 5p	3 5p	951 0p	930 0p	3,068	13 6%	15 5%
2010	£215 0m	895 9p	25 0p	760 0p	750 0p	2,910	15 2%	16 3%
2009	£152 4m	635 0p	18 0p	510 0p	490 0p	1,984	19 7%	22 8%
2008	£221 9m	924 5p	13 0p	820 0p	815 0p	2,927	11 3%	11 8%
2007	£249 5m	1,039 4p	12 5p	1,123 0p	1,022 5p	3,283	(8 0%)	1 6%
2006	£196 4m	818 2p	9 75p	847 5p	818 0p	3,048	(3 6%)	0 0%
#2005	£140 1m	583 5p	9 25p	566 0p	546 5p	2,458	3 0%	6 3%
2004	£102 4m	426 8p	6 0p	350 0p	346 5p	2,197	18 0%	18 8%
2003	£64 9m	270 4p	4 0p	215 0p	218 0p	1,736	20 5%	19 4%
2002	£89 2m	371 5p	5 0p	307 5p	305 0p	2,557	17 2%	17 9%

Restated to comply with IFRS, which was adopted in 2006 No information before this date has been restated

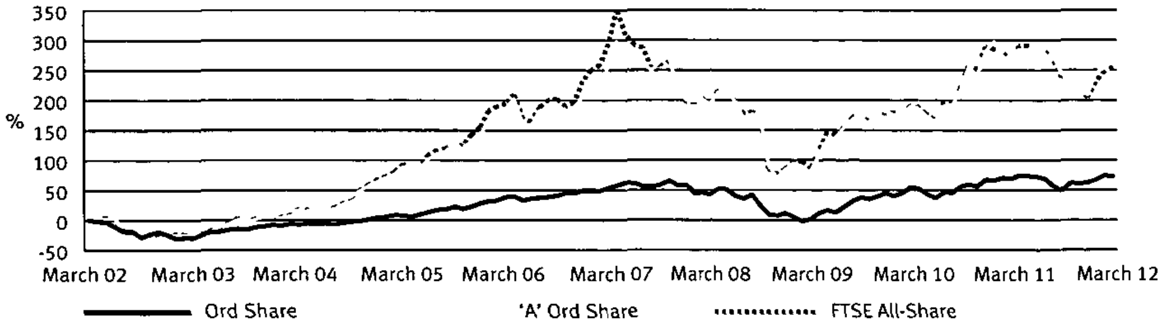
TEN YEAR SHAREHOLDERS' TOTAL RETURN RECORD

Net Asset Value Total Return



	1 year	3 years	5 years	10 years
Net Asset Value	1 8%	85 7%	16 6%	249 2%
Benchmark	4 4%	15 9%	29 4%	63 4%

Share Price Total Return



	1 year	3 years	5 years	10 years
Ordinary share	(2 8)%	92 0%	(10 1)%	254 5%
'A' non-voting Ordinary share	(5 7)%	89 9%	(6 1)%	240 4%
FTSE All-Share	1 9%	70 4%	12 0%	72 6%

Past performance is not a guide to future performance Source Internal unaudited management information

Chairman's Statement

2011–2012: MORE STOCK MARKET UNCERTAINTY

Our year to 31 March 2012 was not a good year for most stock markets around the world, albeit the UK's stock markets were better than many, falling rather less than others around the world The plight of the Euro and the Eurozone's banks and the inflationary concerns of emerging market economies meant that European and BRIC stock markets performed poorly (France –14%, Germany –1%, China –23% and Brazil –6%), led by the stock markets of the United States (USA +6% and Japan +3%) other markets performed rather better It was a mixed bag The UK's FTSE All-Share Index (the Index for the biggest companies) fell 2% but the AIM Index (the smallest companies) fell 12% By and large the perceived safety of large companies meant broad based indices fared better Whether or not individual markets made positive progress, there remained an undertone of concern everywhere

THE YEAR'S RESULTS

NAV +1.6% to 1,117.5p per share
Benchmark: +4.4%

In a difficult year for the stock market, the net asset value ("NAV") rose by 17p (having paid an interim dividend of 3 5p) or 1 6% over the course of the year, ending up at 1,117 5p per Ordinary and "A" Ordinary share Our absolute return benchmark (see page 2), returned 4 4% but the FTSE All-Share Index fell by 2 1% It is the nature of having an absolute benchmark for comparative purposes that it will grind out steady returns each and every year whereas an equity benchmark, being volatile, won't But it is our primary purpose to make money (i e an absolute return) for shareholders so that an absolute return benchmark is appropriate to the Company's objective, this year we underperformed our benchmark even if we outperformed the market itself

As has been the case in many years past, the greatest contribution came from our holding in Ocean Wilsons It should be noted however that the balance of the portfolio also made a positive contribution with particularly good ones coming from NCC Group and Hargreaves Services John Alexander's report (page 25) goes into some detail about the portfolio and I will not seek to repeat it here Suffice it to say that the Hansa Capital team, William Salomon, John Alexander, Peter Gardner and their colleagues continue to serve the Company well and on behalf of shareholders I would once again like to thank them for their efforts Thank you

OCEAN WILSONS

Value of Holding. +3.5% at £109.9m

In November 2011, the Board, accompanied by John Alexander, spent a week in Brazil visiting the facilities of Ocean Wilsons' 58% owned subsidiary, Wilson Sons Given that our holding accounts for circa 40% (41% at the year end) of our NAV, it is encumbered upon the Directors to have a thorough understanding of Ocean Wilsons' business We visited facilities in or near Rio de Janeiro, Sao Paulo, Porte Allegro and Rio Grande involved in container terminals, shipyards, towage and offshore oil drilling services We added to our knowledge of the different businesses in Wilson Sons and of Brazil itself Most important of all we met a lot of senior management by whom we were impressed, indeed Wilson Sons has a reputation within its industry for good management While we will not be going to Brazil every year, we will make periodic visits so we can continue to keep pace with developments and, as Directors, we will have our own independent views of the company

Our journey to Brazil served not only to enlighten us about Wilsons Sons but also and importantly about Brazil itself There is no doubt that it is an exciting place to visit and there was a positive and optimistic feeling about the country's future wherever we went Brazil is the 5th largest country by land mass and by population, enjoys the benefits of quite low population density, has a relatively young population but has an emerging middle class with spending power and has an economy that is roughly the same size as that of the UK It is blessed with an abundance of raw materials, particularly iron ore and is one of the most important producers of food in the world It has a lot going for it

There are, as with all countries, a number of negatives and Brazil has them too Its savings rate (less than 20%) is too low for an emerging market economy, its education is poor, its infrastructure is awful and its bureaucracy and corruption suffocate enterprise As a consequence whenever the economy's growth rate picks up, inflation kicks in quite quickly But these problems are recognised – to a greater or lesser extent – and they themselves create an opportunity for improvement With the football World Cup (2014) and the Olympics (2016) coming along and the emergence of Brazil as one of the largest producers of oil and gas in the world, there are plenty of opportunities for the country to develop itself, its economy and its people

Quite separately the Board meets annually with Ocean Wilsons' investment managers and reviews the progress of the investment portfolio, it stood at circa US$235 5 million at the end of April 2012 It is essentially a long-term portfolio with some exciting long-term prospects so we are not looking for and don't expect rich short-term rewards

John's report goes into some detail about Ocean Wilsons past year and prospects so I won't duplicate that, suffice it to say that it continues to make progress What I would point out is that, with a market value at our year-end of circa £110m, representing 41% of our net asset value, the size of the holding confers quite a large single investment risk (which includes that of Brazil itself and of a major long-term decline in the price of oil) However with the underlying net asset value of Ocean Wilsons being £14 85 per share at our year end and its share price being £11 75, there was a discount to the underlying value of 21%, providing some offset to the risks involved

DIVIDEND

14.0p per share (2011: 3.5p)

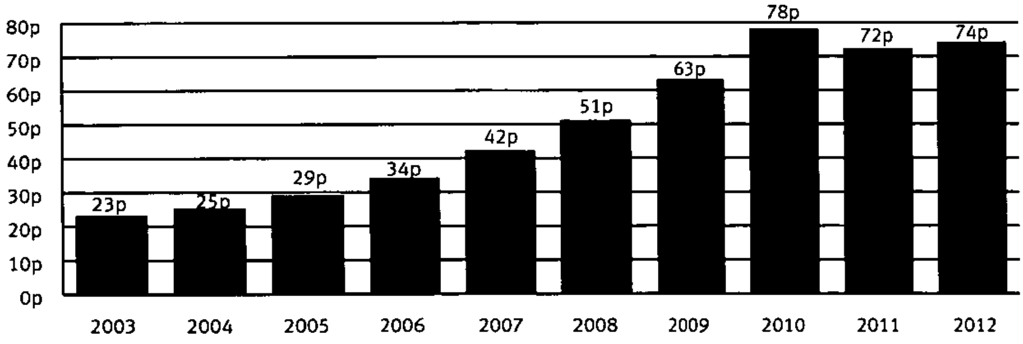
The Board of Directors is recommending to shareholders the payment of a final dividend of 10 5p per Ordinary and "A" Ordinary share If approved at the Annual General Meeting, it will be paid to shareholders on 10 August 2012 who are on the register on 22 June 2012 An interim dividend was paid to shareholders on 2 December 2011 so that the total in respect of the year will amount to 14p per share, which compares with that of 3 5p per share paid last year

The payment of our dividends in respect of the last three years has been affected by the timings of the dividends received from our portfolio holdings, with the result that two years ago (2010) we paid dividends totalling 25p per share, last year (2011) we paid one dividend of 3 5p per share and in respect of this year – assuming shareholders approve a final dividend of 10 5p per share – we will have paid two dividends totalling 14p per share

We have made the point in the past that we pay out what we earn but that the income that we earn is dependent on what is in the portfolio during the course of the year Some years we will earn more, other years less However over the long-term we would expect the level of dividends to grow as the underlying profits of our portfolio companies grow Using the same five year time span as we do to look at our long-term capital growth, we have constructed a chart (below) to show how the payments over five year periods have grown to demonstrate how our dividends tend to grow over the long-term

Although the last three years have been affected by the incidence of payments referred to above, dividend payments have grown in a satisfactory way over the years

Dividends Payments (total payments over five years to)



SHARE PRICE PERFORMANCE

Ordinary shares:	**−3.3% to 920p per share;**	**Discount to NAV: 17 7%**
'A' Ordinary shares.	**−6.1% to 873p per "A" share;**	**Discount to NAV: 21.9%**

After last year's excellent returns, the fall in our two share prices was disappointing particularly as the net asset value registered a small gain However the increase in the discount at which our shares sell to the underlying net asset value more than offset both the increase in the net asset value and the payment of the 3 5p dividend as the table below shows

Attribution of Shareholder Returns	**Ordinary Shares**		**'A' Ordinary Shares**	
Share price change due to change in NAV	+14 8p	+1 6%	+14 5p	+1 6%
Share price change due to change in discount	−45 8p	−4 8%	−70 5p	−7 7%
Dividends paid during the year	+14 0p	+1 5%	+14 0p	+1 5%
Shareholders' Total Return	**−17 0p**	**−1 8%**	**−43 0p**	**−4 6%**

There was a very short-term aberration in the difference between the two share prices, which normally trade much more closely than the 5% differential over the year end The difference narrowed shortly after the year end and is a more normal 2% as I write It did of course affect the numbers in the table above

As I have mentioned in the past, we do not seek to manage the discount believing that it is the gain in the net asset value and the payment of dividends that will drive long-term returns The better they are the more likely our shares are likely to be in demand and the discount is to be at a low level All the buybacks in the world are unlikely to protect a share price discount if our performance were to be poor

LONG-TERM NAV RETURNS

5 Years NAV	**+7.5%**	**Benchmark:**	**+29.4%**
Ordinary share price:	**+17 7%**	**FTSE All-Share Index.**	**−8 5%**
'A' Ordinary share price:	**−14 6%**		

We continue to stress that Hansa Trust and its portfolio are run on a long-term basis and that we regard five years as a reasonable accounting period for the "long-term" However in the table below we set out the record over three, five and ten years – in part because different shareholders will have different views about the duration of "long-term"

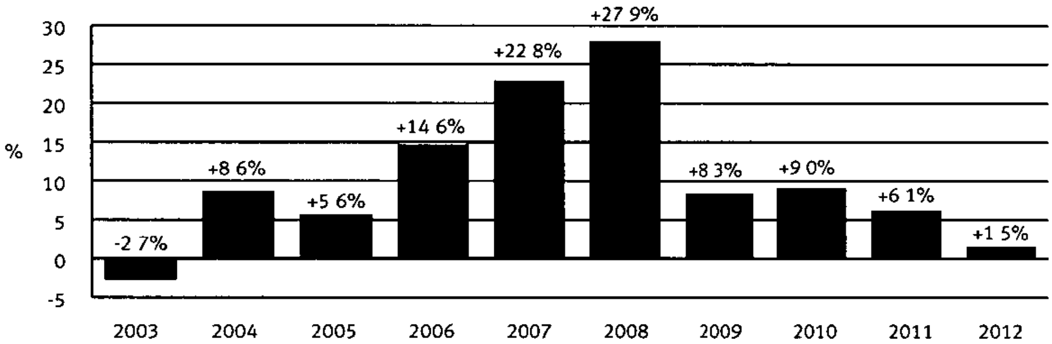
NAV Returns over.	**NAV**	**Benchmark**	**FTSE All-Share Index**
3 Years	+76 0%	+15 9%	+51 3%
5 Years	+7 5%	+29 4%	−8 5%
10 Years	+200 8%	+63 4%	+17 4%

In examining the attribution of our five year performance we look at what different sectors and what different holdings have contributed to the performance Shareholders will not be surprised to learn that the biggest contributor to our five year performance has been the holding in Ocean Wilsons, having added most of the return that we have achieved over what has proven to be a difficult period – starting as it did on 1 April 2007, shortly before the financial crisis erupted However other holdings have made good contributions including those in NCC Group, Hargreaves Services and Andor Technology Inevitably – it is the very nature of portfolio management – there were losses, the most severe being Leadcom Integrated Solutions, Ark Therapeutics and Lloyds Banking Group We do monitor the performance of the portfolio (ex the holding in Ocean Wilsons) and the table below shows how that has done

NAV (ex OW holding) over:	NAV	Benchmark	FTSE All-Share Index
3 Years	+52 6%	+15 9%	+51 3%
5 Years	−9 4%	+29 4%	−8 5%
10 Years	+91 6%	+63 4%	+17 4%

And finally, given the five year time scale, we look at the record of Hansa Trust over the past to see how we have done over successive five year periods and to see if we are fulfilling our primary goal – that of making money for shareholders over the long-term By and large we have been successful at that – as the chart below shows

Five Year NAV Returns (pa) 2003 to 2012



N B All of the above figures refer to the performance of the NAV without incorporating the payment of dividends

ANNUAL GENERAL MEETING

31 July 2012 at 11.30am at the Washington Hotel, Curzon Street, London

The Annual General Meeting ("AGM") will be held at the Washington Hotel, Curzon Street, London (Green Park tube station, see map on page 56) at 11 30 am on Tuesday 31 July 2012 We have always had a good turnout of shareholders, which is important to your Directors, giving us the chance to hear your views and to answer any questions you may have John Alexander will give his presentation on the past year and on the prospects for the present one (and beyond) Please come and join us for the occasion

Each and every year each Director submits himself for re-election at the AGM We are in the process of appointing a new director to the Board but we will not have made the appointment by the time of the meeting In anticipation of the appointment of a new director, Jamie Borwick, who has served as a director for 28 years, will not offer himself for re-election at the meeting He has been an excellent Director over these many years and his tenure as both Chairman and as a Director is ample evidence that time served can enhance independent performance On behalf of all of us shareholders I would like to thank him for his considerable contribution to the Company

CORPORATE GOVERNANCE, 20 YEARS ON:

Ever since 1992, when Sir Adrian Cadbury's report set out some guidelines on how boards should govern companies, corporate governance regulation has grown like weeds During the last 20 years the Stock Exchange and latterly the Financial Reporting Council, which is charged with the laying down the rules and regulations of corporate governance, has undertaken numerous reviews using different nomenclature (including Cadbury, Greenbury, Turnbull, Hampel, Higgs, Smith, Myners and Walker) Each report has introduced yet more governance regulation, bureaucratising business leadership along the way and yet in recent times and under this regulated regime we have experienced the most damaging corporate governance failures arguably ever perpetrated by our major banks It's time to ask the question why has such a catastrophic failure occured, given all the governance regulations that now exist?

There are two parts to the practice of corporate governance stewardship and development The former involves looking after the business and includes ensuring compliance with rules and regulations and the latter with developing the business on a long-term basis for the benefit of those involved (the stakeholders) on behalf of the owners and for their own ultimate benefit The UK Corporate Governance Code ("the Code") focuses its attention on the former, promoting a bureaucratic culture of box ticking at the expense of the latter, it needs to focus on both

There is clearly a lot that is good and sensible about our modern governance regime but the fact cannot be ducked that massive failure has occurred within it So I will set out some of the flaws that we, your Directors, think have contributed to the failure or will continue to do so in the future

- The separation of corporate governance responsibilities within many large institutional investors between the corporate governance department (which understand the rules) and the fund manager (who understands the business) leads to mixed messages and bad ownership practices
- Very sensibly the Code operates on a "comply-or-explain" basis, laying down principles to be followed In practice "comply-or-explain" is not working because institutional investors, trade bodies and consultants set out their own "must-be-obeyed" rules having neither the time nor the inclination to consider any explanations to the contrary That leads to bad stewardship
- The so-called "nine year rule" on the tenure of independence is nonsensical and dangerous It is based on the incorrect premise that a person of sound, independent character and behaviour will automatically "go native" and become dependent on the word of management after 8 years and 365 days In fact time served gaining experience of the business strengthens the confidence and resolve of an independent minded director, making him/her more independent The so-called rule leads good and experienced directors being arbitrarily forced to leave boards and to higher than desirable turnover of non-executives, leading in turn to a less experienced cadre of non-executive directors and greater control of boardroom affairs by management, quite the opposite effect to that which the "rule" intended
- Ideally the chairman should have had coalface experience of the business of his/her company If not, he/she should be appointed from the ranks of the longer serving non-executive directors Without this experience, it is rather more difficult for a board to monitor and to challenge management generally and the chief executive specifically Successful chief executives tend to be strong-minded, forceful and persuasive so that a chairman requires experience of the business to fulfil his/her role effectively
- It is, however, imperative that there is coalface experience amongst the cadre of independent directors It is worth noting that, as at 31 December 2007 (the year following which the banking crisis erupted) and as best I can tell, neither the chairman nor any of the independent directors of the Royal Bank of Scotland had ever made a bank loan in his or her life nor invested in a financial derivative, making it well-nigh impossible to stand up to a personality as strong as that of Fred Goodwin No wonder the Bank got into such trouble
- The role of an independent director should encompass spending as much time outside the boardroom as within it, getting to know the company and remaining on top of what's going on without depending on management's word for it If some of the independent directors of our banks had visited their operating offices and branches on a frequent basis (which I can only assume they didn't), they might have seen what was coming down the road Independence confers the obligation to find out for yourself

- The boards of large companies are far too large, contributing to group think (stifling proper discussion) and to a box ticking culture, creating an obstacle to non-executive directors performing their roles in an independent manner
- And finally the social engineering of boards is profoundly dangerous While women may be frustrated by the number of men on boards, the fact is that business experience (the most important requirement of any director) is, for historical reasons, dominated by men That will change as more and more women gain the necessary business experience Forcing inexperienced persons onto boards for political purpose results in lesser corporate governance experience and competence However, that is not the whole issue it also sets a dangerous precedent If women can be mandated onto boards for political reasons, then so can other persons with other political causes so that the integrity of corporate governance becomes politicised and corrupted

Addressing some of these issues would be easy, others wouldn't But, if the purpose of proper and effective corporate governance is to maintain effective companies that serve society, then these issues need to be addressed At the heart of good governance lies trust – trust that those in charge will fulfil their duties competently and selflessly No system of rules can mandate that, and unfortunately, with or without rules, there will always be corporate misadventure In fact I do believe that the vast majority of the UK's non-executive directors pass the trustworthy test The problems lie with our culture of distrust, by and large boards are not trusted by the authorities and by large institutional investors to perform their duties without prescribed rules and regulations telling them how to do so That distrust is a great weakness

And finally, as a footnote, there is the criticism that, driven by the selfish pursuit of short-term shareholder value, boards have lost control of moral values generally and management remuneration specifically While this is certainly true, I do not think that the modern regime of corporate governance can be held responsible for that Rather it has been brought about by a general culture of greed and selfishness that pervades most walks of society

PROSPECTS: THE CASE FOR EQUITIES

So much is written about our economic and financial prospects that it is hardly worth adding my two pence to the mountain of comment that emerges daily from the media and from the City Some of it is wise, a lot of it is self justification but the truth is that never in recent times, certainly not in my 40 plus years in the City, has the outlook been more uncertain, have the tea leaves been more difficult to read John Alexander's report sets out the important issues and speculates on possible outcomes But the truth is that none of us know what is in store for us, the current set of economic and financial policies are a huge gamble or to be rather more polite about it a huge experiment History does not suggest that printing money on a very large scale in order to avoid economic pain, to buy time and to promote growth is likely to succeed It is a political policy of expediency with highly questionable ethics

So how do we as investors, as savers, protect our wealth, our savings in these desperately uncertain times? Do we keep our money locked up in a tin? Do we convert it all into gold coins to try to protect it from the ravages of monetary debasement? Do we, if we can, convert it into tangible assets such as property or even jewellery or art? Or should we seek the safety of our government's bonds in the belief that it will honour its obligations? In truth it is possible to make a case for any of these investment havens depending on the view we take of the future But do any of the many asset classes available to us provide some sort of safe haven in most, if not all, of the economic and financial circumstances that may evolve out of the mess that our country is in? Arguably there is one, it is not a certain, yet alone a guaranteed safe haven but it does cover a lot of eventualities Investment in equities as an asset class does provide the investor with a chance of protecting his/her savings and wealth, of providing a reasonable income while doing so and finally of growing in real terms thereby enhancing those savings, that wealth

The many different prospects for our economic future would appear to fit into one of two categories, that of deflation as price levels weaken, even decline, as in turn the government and consumers seek to pay down debt and cut their own expenditures in doing so, in stark contrast there is the possibility that we experience a surge in price levels as governments print money to pay their bills In the former circumstances and as a generalisation, companies have the ability and indeed the flexibility to manage their affairs to protect balance sheets, their profits and dividends much as many have done so in the last four or so years of financial crisis balance sheets have strengthened, profits and dividends have grown If however inflation were to erupt – and it can do so quite suddenly – then companies have the ability and flexibility to increase prices to protect those profits and dividends Not all companies will enjoy either or both of these attributes but many will Choosing the right companies for investment will be the secret for success, it is the stock in trade of the fund manager

Perhaps the main attraction of equities as an investment for people's savings in this day and age of ludicrously low interest rates, is that companies pay dividends that can grow It means that the growing demand for income resulting from the financial needs of an ageing population, will create growing demand for those equities with reasonable yields with, in turn, dividend growth prospects The deflationary scenario means that interest rates will remain low, making equities with growing dividends particularly attractive However the inflationary scenario, in which profits can grow in line with or better than inflation rates, allows equities to protect their real values It may sound complacent to say so but it can be a win-win situation Given that the country's demographics will drive the demand for dividends, we may well return to the days when dividend yields were the valuation parameters of share prices

It would be wrong to be complacent about the attraction of equities as, I am afraid, many people in the City are It is not a given that they will do well First of all share prices will continue to be very volatile as investors' moods swing from bullish to bearish and back again Second business generally and the City specifically has a fat cat reputation for greed and for thriving at the expense of the public generally, that makes the corporate world vulnerable to political backlash And finally, with governments so strapped for cash, the corporate world with its strong, cash rich balance sheets is an obvious taxation target for finance ministers

Not all equities will prove to be the safe haven that I have suggested they can be But many will Indeed successful investment has always been about backing sound, honest and capable people It is our job to find those well managed (management is more important than ever) companies with good business franchises capable of generating the profits, cash flow and dividends that will attract investors to their shareholder lists William, John and their colleagues have done so in the past and I have every confidence that on a long-term basis they will continue to do so

Alex Hammond-Chambers
Chairman 22 June 2012

Report of the Directors

The Directors present their Report and Financial Statements for the year ended 31 March 2012

THE BOARD'S OBJECTIVES

The Board is charged by the shareholders with the responsibility for looking after the affairs of the Company It involves the '*STEWARDSHIP*' of the Company's assets and liabilities and '*THE PURSUIT OF GROWTH OF SHAREHOLDER VALUE*' These responsibilities are discharged in many ways and are detailed below

THE BOARD

The Directors who served in the year to 31 March 2012 are set out below Each of them brings certain individual and complementary skills and experience to the Board's workings, as summarised below and have dedicated their time to the Company to ensure its success All Directors resign at each AGM and offer themselves for re-election The Board endorses the re-appointment of each of the Directors based on their continuing contribution to the Company and its shareholders

The Company's Articles of Association include a general power for the Directors to authorise any matter which would or might constitute or give rise to a breach of the duty of a director under s 175 of the Companies Act 2006 Procedures have been established for the disclosure of any such conflicts and also for the consideration and authorisation of these conflicts by the Board, where relevant

Mr Hammond-Chambers (Chairman)

Alex joined the Board in 2002 His career has been involved with portfolio management and investment trusts, from which he brings – inter alia – experience and understanding of investment policies, strategies, stock selection and risk management He worked for Ivory & Sime for 27 years as an investment trust manager and then as executive chairman before retiring as chairman in 1991 He is chairman and a director of a number of other investment companies He has served as a chairman of the Association of Investment Companies and as a governor of the NASD (NASDAQ)

Lord Borwick

Appointed in 1984, Jamie's business life has been involved with the automotive industry particularly and manufacturing generally, as well as involvement with the property sector He brings his experience of Midlands industry and property to the Board's stewardship He is chairman of Music Software Ltd, which is developing teaching software, and a trustee of the British Lung Foundation and several other charities He is also a partner of Federated Investments LLP and an investor in property in the UK

Mr Salomon

William's career in investment banking and management has involved working on and understanding corporate strategies His own skills and experience are important to the Board in developing and monitoring investment in special investment themes and in strategic investments Both a German and British citizen, he joined the Board in 1999 He is the senior partner of Hansa Capital Partners LLP (the Investment Manager and Company Secretary), chairman of New India Investment Trust PLC, deputy chairman of Ocean Wilsons Holdings Limited and its listed subsidiary Wilson Sons Limited

Professor Wood

Geoffrey has great knowledge of economics generally and monetary and fiscal policy issues specifically His skills and experience are important to the Board, particularly in understanding the effect of such policy issues on the markets He was appointed to the Board in 1997 and is Professor Emeritus of Economics at Cass Business School, in the City of London, Professor Emeritus of Monetary Economics at the University of Buckingham, and a visiting Professorial Fellow at the Centre for Commercial Law at Queen Mary and Westfield College of London University He has been visiting Professor at the University of South Carolina and at the National Bureau for Economic Research at Harvard In addition he is and has been an adviser to a number of Central Banks and City of London financial firms

BUSINESS REVIEW

A review of the performance and development of the business, including an analysis using the KPIs listed below, is given in the Chairman's Statement on pages 4 to 10 There have been no important events since 31 March 2012, which the Board are aware of, which would have a material impact on the Company

Investment Policy

The investment policy adopted by the Board, which constitutes the Company's Business Model, is to invest in a portfolio of quoted and unquoted special situations, with the objective of achieving growth of shareholder value

By the very nature of special situation investments, the opportunity to invest in them will arise at any time and often not for long periods Sometimes a number of opportunities may arise at the same time, so any single investment may, on occasion, constitute a significant proportion of the portfolio or of that of the company concerned The Investment Manager is charged by the Board with implementing the investment policy under its supervision and guidance It is important for the Investment Manager to be able to vary any investment at any time in order either to protect shareholders' funds and/or to optimise shareholders' returns

Portfolio Limits

The Board of Directors has set a limit of 15% of the portfolio of the Company that can be invested in any one company, the limit applying at the time of the acquisition of the holding The Board has not set a limit on the market value of an investment held in any company, which can therefore rise above 15% The Board has not set a limit on the number or value of unquoted investments which can be held in the portfolio, nor has it set a limit on the number of companies it can invest in however it would usually invest in at least 30 companies

Likewise, the Board has set a limit of 30% of the value of the portfolio that can be invested into any one sector or theme at the time the investment is made, but has not set a formal limit on the market value that can be held in any one sector or theme For the avoidance of doubt the Board, working with the Manager and other advisers, determines what constitutes a sector or theme Again, although the Board has not set either a floor or a ceiling on the number of sectors invested in, it is expected that it would usually exceed four

The investment policy enables the Investment Manager to invest worldwide, in either UK or foreign quoted or unquoted companies The Board does not believe it is practical to impose limits on the geographical allocation of assets because, with the globalisation of businesses, it is an almost impossible task to monitor While fully aware of the impact of geopolitical influences on the outcome of investment returns the Board, in conjunction with the Investment Manager, regularly reviews each investment on its individual merits There is no geographical constraint on where and how much may be invested in any one country or currency

Borrowing Limits

The Board believes shareholders' returns will be enhanced if the Company borrows money at appropriate times for the purpose of investment While the Constitution allows the Company to borrow up to 3 5 times shareholders' funds, the amount that can be borrowed at any time is normally subject to a constraint imposed in the lender's borrowing covenants The Board will normally set an informal borrowing limit of approximately one half of the lender's covenanted constraint at the time the borrowings are made, allowing plenty of capacity for the value of the portfolio to fall without having to sell investments to conform with those covenants However, in extreme circumstances, such as when it is believed to be the bottom of a bear market, the Board may well borrow up to the full amount the lender's covenant allows

Hedging Limits

The Investment Manager, in consultation with the Board, may from time to time put in place a hedging strategy in order to mitigate some of the stock market risks of the portfolio It is not the intention of the Board to have in place a hedging strategy which would eliminate all adverse effects to shareholders' funds caused by a fall in general market prices, nor to protect the short-term value of the portfolio Rather the aim would be to realise, in circumstances of a severe and sudden fall in stock markets, a sum of money which can be used to take advantage of the fall and to purchase investments at prices which may add very good long-term value No limit has been set on the proportion of the portfolio that might be hedged

Results and Dividends

The results attributable to shareholders for the year and the transfer to reserves are shown on page 39

The dividends paid and proposed are as follows

	2012	2011
	£000	£000
Ordinary and 'A' non-voting Ordinary shares		
Interims paid of 3 5p (2011 3 5p) per share	**840**	840
Final proposed 10 5p (2011 nil) per share	**2,520**	–
Total dividends	**3,360**	840

The Board is proposing a final dividend of 10 5p per Ordinary and 'A' Ordinary non-voting share and if approved will be paid on 10 August 2012 to shareholders registered at the close of business on 22 June 2012

Key Performance Indicators

The Board reviewed the risks from the point of view of the long-term shareholder, the principal one being that over the long-term (which we determined was five years) they do not make a return from their investment in the Company The key performance indicator ("KPI"), against which the Board compared shareholders' share price and dividend returns, is the benchmark, which is in essence a proxy for the return from a five year investment, plus 2% Other KPIs include the NAV returns against those of the benchmark, against the Company's peer group average returns, against the market (the FTSE All-Share Index) and the total expense ratio in relation to the returns shareholders have received The numbers are computed on a one, three, five and ten year basis – five years being the better time period over which to judge the progress of the Company

i) Shareholder – Total Returns

A comparison is made between the 'Total Return' of each class of shares to that of the three-year average rolling rate of return of a five year UK Government bond, plus 2% with interest re-invested semi-annually (the Company's benchmark) This comparison illustrates how shareholders' returns compared with the returns of the benchmark

To 31 March 2012	1 year	3 years	5 years	10 years
Share Price				
Ordinary shares	**(2.8)%**	92 0%	(10 1)%	254 5%
'A' non-voting Ordinary shares	**(5.7)%**	89 9%	(6 1)%	240 4%
Company's benchmark	**4.4%**	15 9%	29 4%	63 4%

ii) Company – Total Returns

These comparisons are used to determine the effectiveness of the investment strategy and of the Investment Manager

To 31 March 2012	1 year	3 years	5 years	10 years
Net Asset Value	**1 8%**	85 7%	16 6%	249 2%
Absolute comparison				
Company's benchmark	**4.4%**	15 9%	29 4%	63 4%
Relative comparison				
FTSE All-Share Index	**1.9%**	70 4%	12 0%	72 6%
Peer Group Average	**10 1%**	18 3%	10 2%	21 1%

iii) Discount/(Premium)

A comparison is made between the discounts/(premiums) of the Company's two classes of shares and those of the Company's Peer Group and of the AIC Average

	2012	2009	2007	2002
Discount				
Ordinary shares	**17 7%**	19 7%	(8 0)%	17 2%
'A' non-voting Ordinary shares	**21.9%**	22 8%	1 6%	17 9%
Peer Group Average	**11.7%**	8 8%	6 5%	10 9%
AIC Average	**7.9%**	8 7%	7 2%	11 2%

iv) Expense ratios

A comparison is made between the level of expenses (administrative and management) of the Company and the net asset returns (both annualised) in order to assess the value for money shareholders receive

To 31 March 2012	1 year	3 years	5 years	10 years
Total expense ratio per annum	**0.9%**	0 9%	0 9%	1 0%
NAV Total Return	**4.4%**	15 9%	29 4%	63 4%

Risks

The Board considers the risks shareholders face can be divided into external and internal risks

External risks to shareholders and their returns are those that can severely influence the investment environment within which the Company operates including government policies, economic recession, declining corporate profitability, rising inflation and interest rates and excessive stock market speculation At the annual strategy meeting, the Directors and the Management highlighted certain risks that concerned them, including

- Currency instability, in particular the disintegration of the Euro
- Uncertainty of outcome of recovery policies (particularly inflation or deflation), given they amount to an experiment
- Aftershocks to the financial crisis, particularly in the continental European banking system
- Unquantifiable risks in China
- Risk of political paralysis stemming from the coalition Government
- Terrorism and international conflict
- Risks associated with Brazil
- Major long-term decline in the price of oil (affecting Wilson Sons' business)
- Regulatory change, particularly from the EU

It should be stressed that these are the external risks which most concern the Directors and the Management, not forecasts of future events

The management of these risks is achieved by sensible stock and sector diversification, the use of investment restrictions and guidelines and monthly reporting to the Board of the Company's adherence to these restrictions and guidelines

Internal and operational risks to shareholders and their returns are portfolio (stock and sector selection and concentration), balance sheet (gearing), and/or administrative mis-management In respect of the risks associated with administration, continuing compliance with s 1158 CTA 2010 would have the greatest impact if it ceased to be complied with by the Company The portfolio is continuously monitored by the Manager to ensure the Company is compliant with the key aspects of s 1158, any discrepancies are reported to the Board in the monthly compliance report

The mitigation of these risks is achieved by the Board performing regular reviews of all service providers and monthly reviews of s 1158 compliance

The Board considers the risks to the Company's two share prices, apart from those mentioned above, include the level of discount or premium The Board monitors the discount/premium and may take action when appropriate However, given the Company's stated objective of increasing shareholder value over the medium to long-term, the Board does not consider short-term NAV or share price volatility to be a material risk to long-term shareholders

Details of how the principal risks arising from financial instruments (as determined by the accounting standards board) are managed, have been summarised in Note 21 on pages 50 to 53

Details of the Company's policy on Stewardship in relation to invested companies can be found on the Company's website at www hansatrust com

THE PURSUIT OF GROWTH OF SHAREHOLDER VALUE

In pursuit of shareholder value, the Board.

- **Contracts out the administration and management of the Company**
  The Board, in contracting out the administration and management of the Company, seeks to engage organisations which can provide the relevant levels of experience and expertise at an acceptable cost

- **Monitors third party suppliers, performance and costs**
  The Board, at its regular meetings, reviews reports prepared by both the Manager and the Administrator which enables it to monitor the performance and costs of the third party suppliers to the Company

- **Monitors investment performance and risks**
  The Board reviews reports prepared by the Manager at its regular meetings, which enables it to monitor the investment performance and risks

- **Determines investment strategy, guidelines and restrictions**
  The Board determines the investment strategy in conjunction with the Manager The strategy is monitored regularly and refinements are made to it as required, with formal review at the Board's annual strategy meeting

  The Board issues formal investment guidelines and restrictions, compliance with these are reported by the Manager's compliance officer on a regular basis

- **Determines gearing levels and capital preservation through the use of hedging instruments**
  The Board, taking account of advice from the Manager, determines the maximum level of borrowings that the Company will undertake at the time of borrowing The Company has entered into a short-term loan facility with the BNP Paribas, currently the maximum level of the facility is £30m The Board has approved the utilisation of hedging instruments in order to provide the portfolio with a limited degree of protection from extreme market declines

- **Monitors the share discount**
  The Board regularly monitors the level of discount and, whilst it has the option to repurchase shares, it considers that the best means of attaining a good rating for the shares is to concentrate on increasing shareholder returns

- **Determines the level of dividends payable to shareholders**
  The Board's policy is to distribute to shareholders the majority of the Company's income by way of dividends

SERVICE PROVIDERS

The Board consists entirely of non-executive Directors, it delegates the day to day implementation of its policies to third party service providers The Board has contractually delegated to external organisations the management of the investment portfolio, the custodial services which include safeguarding of the assets and the day to day accounting and company secretarial requirements Each of these contracts is only entered into after proper consideration of the quality and cost of services which are reviewed and monitored either by the Board or its Committees

Investment Manager

Hansa Capital Partners LLP charges an investment management fee at an annual rate of 1% of the net assets of the Company (after any borrowings), but after deducting the value of the investment in Ocean Wilsons Holdings Limited on which no fee is payable Hanseatic Asset Management LBG a company connected to Hansa Captial Partners LLP, separately charges an investment management fee to the investment subsidiary of Ocean Wilsons Holdings Limited The terms of the investment management agreement permit either party to terminate the agreement by giving to the other not less than 12 months' notice or such shorter period as is mutually acceptable There is no agreement between the Company and the Investment Manager concerning compensation in respect to the termination of the agreement In its annual assessment of the Investment Manager, the Board has concluded that, because of the calibre and commitment of the whole management team to the Company and the excellent long-term returns to shareholders it has produced, it is in the best interest of shareholders that the Manager remains in place under the present terms Details of the fees paid to the Investment Manager can be found in Note 3 on page 44

Auditor

The Auditor, Grant Thornton UK LLP has expressed its willingness to continue to act as Auditor to the Company and a resolution to re-appoint Grant Thornton UK LLP as Auditor to the Company will be proposed at the forthcoming AGM

All non-audit work carried out by the Auditor is approved by the Board, in advance, to ensure that Auditor's objectivity and independence is safeguarded (Details in Note 4 on page 44)

Company Secretary

Secretarial services were provided by Hansa Capital Partners LLP at an annual rate of £100,000, excluding VAT (2011 £100,000)

Administrator

The Company engages Phoenix Administration Services Limited as its Administrator

Custodian

The Company engages BNP Paribas Securities Services as its Custodian

CAPITAL STRUCTURE

The Company has 8,000,000 Ordinary shares of 5p and 16,000,000 'A' non-voting Ordinary shares of 5p each in issue The Ordinary shareholders are entitled to one vote per Ordinary share held The 'A' non-voting Ordinary shares do not entitle the holders to vote or receive notice of meetings, but in all other respects they have the same rights as the Company's Ordinary shares

Substantial Shareholders

As at 31 March 2012 and 22 June 2012 the Directors were aware of the interests on page 17 in the Ordinary shares of the Company, which exceeded 3% of the voting issued share capital of that class

The following information is disclosed in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and DTR 7 2 6 of the FSA Disclosure and Transparency Rules

- The Company's capital structure and voting rights are summarised above and in note 16 on page 49
- The giving of powers to issue or buy back the Company's shares requires an appropriate resolution to be passed by shareholders Proposals for the renewal of the Board's powers to buy back shares are set out in the Notice of the Annual General Meeting on page 56
- There are no restrictions concerning the transfer of securities in the Company, no special rights with regard to control attached to securities, no agreements between holders of securities regarding their transfer known to the Company and no agreements which the Company is party to that might affect its control following a takeover bid

	No. of voting shares	% of voting shares
Nicholas B Dill, Jr & Codan Trust Company Limited	4,138,850	51 7

Of the shares held by Nicholas B Dill, Jr & Codan Trust Company Limited, Mr Salomon is interested in 2,069,425 and Mrs Townsend is interested in 2,069,425, each holding representing 25 9% of the voting share capital In addition, Mr Salomon has further interests in the Company's shares, the total interest is detailed in the Directors' Interests section below

BOARD STATEMENTS AND DISCLOSURES

In accordance with the Companies Act 2006 and Financial Services Authority UKLA Listing Rules, the Board is required to make the following statements and disclosures to shareholders

Directors' Interests

The present members of the Board are shown on page 11, all of whom retired at the last AGM and were duly re-elected The Board's policy is that it is appropriate for all members to retire annually at the AGM and therefore Mr Hammond-Chambers, Mr Salomon and Professor Wood will retire again and offer themselves for re-election at the forthcoming AGM The interests of Directors and their connected parties in the Company at 31 March 2012 are shown below On the 6 June 2012 Lord Borwick purchased 1,820 'A' non-voting Ordinary shares and Professor Wood purchased 1,000 'A' non-voting Ordinary Shares between the 18 and 20 June 2012

	Ordinary shares of 5p each		'A' non-voting Ordinary shares of 5p each		Nature of interest
	2012	2011	**2012**	2011	
Mr Hammond-Chambers	**500**	500	**7,600**	7,600	Beneficial
Lord Borwick	**24,678**	24,678	**16,376**	16,376	Beneficial
Mr Salomon	**2,113,219**	2,113,219	**98,700**	98,700	Beneficial
Professor Wood	**6,000**	5,500	**8,000**	7,000	Beneficial

Mr Salomon is the senior partner of Hansa Capital Partners LLP Fees payable to Hansa Capital Partners LLP amounted to £1,664,666 (2011 £1,485,948) The fees outstanding at the year-end amounted to £142,544 (2011 £272,758) During the year, no rights to subscribe were granted to, or exercised by Directors, their spouses or infant children

Fixed Asset Investments

The market value of the Group's investments at 31 March 2012 was £270,944,000 (2011 £266,435,000) Taking these investments at this valuation, the net assets attributable to each Ordinary and 'A' non-voting Ordinary share amounted to 1117 5p at 31 March 2012 (2011 1100 5p)

Creditors' Payment Policy

While the Company does not follow a formal code, it is the Company's continuing policy to pay amounts due to creditors as and when they become due At 31 March 2012 the number of creditor days were £Nil (2011 £Nil) Payments relating to investment transactions are made in accordance with the settlement practices of the relevant exchange At 31 March 2012 outstanding trade creditors amounted to £Nil (2011 £65,576)

Directors' and Officers' Indemnity and Liability Insurance

The Company through its Articles has indemnified its Directors and Officers to the fullest extent permissible by law

During the year the Company also purchased and maintained liability insurance for its Directors and Officers

Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position, including its financial position, are set out in the Chairman's Statement, Investment Manager's Review and Business Review After due consideration of the balance sheet, activities of the Company, estimated liabilities for the next 12 months, and having made appropriate enquiries, the Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future as the assets of the Group consist of securities, the majority of which are traded on recognised stock exchanges For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Status and Activities

During the year under review the Company has operated as an investment company, under Section 833 of the Companies Act 2006 and in compliance with Section 1158 CTA 2010 The Company has received approval as an investment trust for the year ended 31 March 2011 The Directors are of the opinion that the Company has subsequently directed its affairs so as to enable it to continue to obtain HMRC approval as such There has been no significant change in the activities of the Company and its subsidiary (the 'Group') during the year and the Directors anticipate the Group will continue to operate in the same manner during the current year

Audit Information

The Directors confirm that, so far as they are aware having made such enquiries and having taken such steps as they consider they reasonably ought, they have provided the Auditor with all the information necessary for it to be able to prepare its report In doing so each Director has made himself aware of any information relevant to the audit and established that the Company's Auditor is aware of that information The Directors are not aware of any information relevant to the audit of which the Company's Auditor is unaware

Social, Community, Employee Responsibilities and Environmental Policy

The Company does not have any employees As an investment trust, the Company has no direct social, community, or environmental responsibilities Its principal responsibility to shareholders is to ensure the investment portfolio is properly invested and managed

Corporate Governance

The Corporate Governance Statement on pages 20 to 23 forms part of this Report of the Directors

ANNUAL GENERAL MEETING

Special resolutions relating to the following items will be proposed at the forthcoming AGM

(a) Authority to re-purchase 'A' non-voting Ordinary shares

A resolution will be proposed at the forthcoming AGM, seeking shareholder approval for the renewal of the authority for the Company to re-purchase its own 'A' non-voting Ordinary shares The Board believes the ability of the Company to re-purchase its own 'A' non-voting Ordinary shares in the market will potentially benefit all equity shareholders of the Company The re-purchase of 'A' non-voting Ordinary shares at a discount to the underlying NAV will enhance NAV per share of the remaining equity shares and it may also enable the Company to address more effectively any imbalance between supply and demand for the Company's 'A' non-voting Ordinary shares

The Company's Articles are drafted in such a way that the Company may from time to time purchase and cancel its own shares However, company law requires that shareholders' approval to re-purchase shares be sought At the AGM the Company will therefore seek the authority to purchase up to 2,398,400 'A' non-voting Ordinary shares (representing 14 99% of the Company's issued 'A' non-voting Ordinary share capital, the maximum permitted under the Listing Rules of the Financial Services Authority), at a price not less than 5p per share (the nominal value of each share) and not more than 5% above the average of the middle-market quotations for the five business days preceding the day of purchase or, where a series of transactions have taken place the higher of the last independent trade and current highest independent bid on the trading venue where the purchase(s)will be carried out The authority being sought, the full text of which can be found in Resolution 9 in the Notice of Meeting, will last until the date of the next AGM

It is proposed that the Company uses its realised capital reserve to re-purchase shares in the market The decision as to whether the Company re-purchases any shares will be at the absolute discretion of the Board Any shares purchased will be cancelled The Directors consider that the creation of a facility to re-purchase the Company's own 'A' non-voting Ordinary shares is in the interests of shareholders as a whole and unanimously recommend all shareholders to vote in favour by ticking the appropriate boxes on the enclosed form of proxy The Proxy Form should be returned to the Company's Registrar as soon as possible, but in any event so as to arrive no later than 48 hours before the time of the AGM

(b) That the Company adopt new Articles of Association

A special resolution will be proposed at the AGM to adopt new articles of association (the "New Articles")

The New Articles will simplify the procedure for sealing and issuing certificates for shares or other securities of the Company including allowing printed seals or facsimile signatures to be applied to certificates by amending the definition of Seals in the Articles and providing in Article 141 that the Board can allow facsimile signatures to be applied to certificates and other documents The resolution adopting the New Articles will also confirm that following the resolution passed at last year's AGM the provisions of the Company's former memorandum of association no longer apply

Copies of the proposed New Articles detailing changes to the existing Articles of Association are available from the Company Secretary and will be on display at the registered office of the Company during normal business hours on any weekday (English public holidays excepted) They will also be available for inspection by any person attending the AGM

By order of the Board
Hansa Capital Partners LLP
Secretary
22 June 2012

Corporate Governance Statement

This statement forms part of the Report of the Directors

Internal Controls

The UK Corporate Governance Code ("UK Code"), which can be found on the website of the Financial Reporting Council (www frc org uk) requires the Directors to review the effectiveness of the Company's system of internal controls on an annual basis The Directors, through the procedures outlined below, keep the system of risk management and internal controls under review The Board has identified risk management controls in the key areas of business objectives, accounting, compliance, operations and secretarial as areas for the extended review

The Board recognises its ultimate responsibility for the Company's system of internal controls and for monitoring its effectiveness In order to perform this responsibility the Board receives regular reports on all aspects of internal control from the Company's service providers (including financial, operational and compliance controls, risk management and relationships with other service providers), the Board will authorise necessary action in response to any significant failings or weaknesses identified by these reports However, it must be noted that this system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material mis-statement or loss

Financial Reporting

The Board has a responsibility to present a balanced and understandable assessment of annual, half-yearly and other price sensitive public reports and reports to regulators, as well as to provide information required to be presented by statutory requirements All such reports are reviewed and approved by the Board prior to their issue to ensure that this responsibility is fulfilled

Compliance with the provisions of the UK Corporate Governance Code

The Board has considered the principles and recommendations of the AIC Code of Corporate Governance ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide") The AIC Code, as explained by the AIC Guide, addresses all the principles of the UK Code, as well as setting out additional principles and recommendations on issues of specific relevance to Hansa Trust PLC The Board confirms it follows the UK Code, except for those areas which the AIC Guide identifies as being irrelevant in a non-self-managed investment company namely the role of the chief executive, executive director's remuneration and the need for an internal audit function

The Board confirms, with the exception of the composition of the Audit Committee as detailed on page 23 and the existence of a Senior Independent Director, that it has in all respects followed the AIC Code in meeting its obligations under the Listing Rules and the UK Code The AIC Code can be found on its website at www theaic co uk

The AIC Code has 21 principles, the vast majority of which the Board has been following for many years However, modern corporate governance requires boards not only govern their companies sensibly and responsibly, but that they are seen to do so Hence there is a requirement to follow a check list of principles, which in our case is drawn from the AIC Code They include

The Board

- **The Chairman should be independent**

  Mr Hammond-Chambers has been assessed by the Board to be independent

- **A majority of the Board should be independent of the Manager**

  All of the Directors are subject to an annual independence review and with the exception of Mr Salomon, who is a partner of the Investment Manager, all are adjudged to be independent and to have performed their duties in an independent manner

- **Directors should be elected for a fixed term of no more than three years. Nomination for re-election should not be assumed but be based on disclosed procedures**

  All Directors resign at each AGM and where appropriate offer themselves for re-election

- **There should be full disclosure of information about the Board**

  A brief biography of each member of the Board can be found on page 11 The Company Chairman does chair the Audit and Remuneration Committees as the Company considers he is the most appropriately qualified person on the Committees to fulfil these roles

- **The Board should have a policy on tenure which is disclosed in the Annual Report**

  The Board has determined that neither age nor length of service necessarily compromise independence, rather that experience and knowledge gained in service normally strengthen independent performance All Directors have contracts for services, details of which are contained in the Directors' Remuneration Report on page 35

- **The Board should aim to have a balance of skills and experience, ages and length of service**

  The Board regularly reviews its requirements to direct the affairs of the Company Where and when appropriate, individuals are identified who would strengthen the Board and put forward as candidates for Board membership

- **The Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual Directors**

  The Board undertakes a formal written evaluation every three years The other years the Board, at its strategy meeting, carries out an evaluation of the independence of each Director by means of a written response from each Director on his fellow Directors, the progress of the actions resulting from the previous reviews and of any new ideas for improving the returns to shareholders, by enhancing the effectiveness of the Board The Chairman is evaluated by Mr Salomon on behalf of the Board

- **Directors' remuneration should reflect their duties and responsibilities and the value of their time spent**

  The level of Directors' fees is reviewed on a regular basis in light of the Directors' duties and responsibilities and the value of the time committed to the interests of the Company, note is taken of fees paid by other comparable companies

- **The Independent Directors should take a lead in the appointment of new Directors and the process should be disclosed in the Annual Report**

  The identification and appointment of a new Board member is a matter for the whole Board The Chairman would take the lead in all of the processes leading to the appointment of a new Director

- **Directors should be offered relevant training and induction**

  When a new Director is appointed, he/she attends an induction seminar held by the Company Secretary and the Chairman Directors are also provided on a regular basis with industry, regulatory and investment updates Directors regularly participate in industry seminars and training courses where appropriate

Board meetings and the relationship with the Manager

- **Boards and Managers should operate in a supportive, co-operative and open environment**

  The Board is primarily responsible for the running of the Company and maintains specific duties and responsibilities Where the Board has delegated certain duties to the Investment Manager, the Board and the Manager operate in an environment of mutual trust and respect, both at formal Board meetings and during the year when ad-hoc communications are instigated by either party

- **The primary focus at regular Board meetings should be the review of the investment performance and associated matters such as gearing, asset allocation, marketing/investor relations, peer group information and industry issues**

  At the regular Board meetings, discussions are held and reports and papers are reviewed, all of which cover the above mentioned aspects

- **Boards should give sufficient attention to overall strategy**

  The Board holds an annual strategy meeting with the Manager to discuss the Company's future investment and corporate strategies

- **The Board should regularly review both the performance of and contractual arrangements with the Manager**

  The Board formally reviews the performance of the Manager each quarter, at which Board meeting the Manager presents a written report At the annual review of the Manager all aspects of its service to the Board are reviewed, particularly the long-term returns to shareholders and the terms and conditions of its contract

- **The Board should agree policies with the Manager covering key operational issues**

  Within the agreement, service levels are defined between the Manager and the Company In addition the Board determines certain investment restrictions and guidelines for the Manager, on which the Manager reports monthly

- **Boards should monitor the level of share price discount or premium (if any) and, if desirable, take action to reduce it**

  The Board continually monitors the levels of discount or premium and comments on it at its regular meetings The Board also seeks authority to purchase up to 14 99% of the Company's 'A' non-voting Ordinary shares at the Company's AGM

- **The Board should monitor and evaluate the other service providers**

The Board, through its Audit Committee, receives independent reports from the auditors of the main service providers, these reports are called either AAF 01/06 or ISAE3402 reports

Shareholder Communication

- **The Board should regularly monitor the shareholder profile of the Company and put in place a system for canvassing shareholder views and for communicating the Board's views to shareholders**

  The Board reviews the shareholder profile at its regular meetings The Company, through its Manager, has regular contact with its institutional shareholders The Board supports the principle that the AGM should be used to communicate with all shareholders and promotes its website to them The Company Secretary and where appropriate the Chairman, regularly receive and handle communications from shareholders These communications are received by letter, email or telephone Any matter requiring the Board's attention is referred to it for action

- **The Board should normally take responsibility for, and have a direct involvement in, the content of communications regarding major corporate issues even if the Manager is asked to act as spokesman**

  The Board is responsible for all major corporate issues and as such would have a direct involvement in both the issue and the content of its communications

- **The Board should ensure shareholders are provided with sufficient information for them to understand the risk reward balance to which they are exposed by holding the shares**

  The Board, through the issuance of the Annual and Half Yearly Reports, Interim Management Statements and Monthly Fact Sheets, aims to ensure both shareholders and prospective shareholders are made fully aware of the investment aims and benchmark of the Company, the types of investments the Company is likely to enter into, the disposition of those investments in the portfolio, the gearing of the Company and the period over which its performance should be judged

UK Stewardship Code

The aim of the Stewardship Code, which was published by the Financial Reporting Council in July 2010, is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities

The seven principles of the Code are that institutional investors should:

- Publicly disclose their policy on how they will discharge their stewardship responsibilities
- Have and publicly disclose a robust policy on managing conflicts of interest in relation to stewardship
- Monitor their investee companies
- Establish clear guidelines on when and how they will escalate their activities as a method of protecting and enhancing shareholder value
- Be willing to act collectively with other investors where appropriate
- Have a clear policy on voting and disclosure of voting activity
- Report periodically on their stewardship and voting activities

Discharging stewardship responsibilities

The Company has delegated to its Investment Manager, Hansa Capital Partners LLP, the day to day operations of the Company's policy which is as follows

To operate a due diligence process when considering any investment The process includes a number of key factors in the establishment of whether an investment is suitable for its portfolio and will include the following

- Competent management
- Likelihood of offering an acceptable return for the risk undertaken
- Financial and structural soundness
- Regular reporting
- Sound business plans
- Compliance with current governance and regulatory requirements

Full details of these can be found on the Investment Manager's website www.hansagrp com

The Investment Manager will engage the Board on controversial matters arising from the operations of the policy

BOARD COMMITTEES

The Directors consider that in order for them to fulfill their responsibilities as Directors of the Company, all members of the Board should be members of all sub-committees, except where there is a conflict of interest

Details of the Directors' attendance at Board, Strategy and Audit Committee meetings are in the Directors' Remuneration Report on page 35

Audit Committee

The Board does not consider the establishment of an internal audit function appropriate for the size and complexity of the organisation The Audit Committee consists of all four Directors and is assisted by Mr Teideman, a former director whose skills and experience strengthen the Committee The Committee is chaired by Mr Hammond-Chambers The Smith Report's guidance emphasises the need for Audit Committee arrangements to be proportionate to the task With such a small Board, it was deemed both proportionate and practical to involve all Directors in its workings, even though Mr Salomon is not regarded as being independent

The Company's Audit Committee meets representatives of the Investment Manager and its Compliance Officer, who report as to the proper conduct of business in accordance with the regulatory environment in which both the Company and the Investment Manager operate The Company's Auditor also attends this Committee and reports on its work procedures, the quality and effectiveness of the Company's accounting records and its findings in relation to the Company's statutory audit The responsibilities of the Audit Committee include reviewing the internal controls, the financial reporting process, the valuation of the unquoted investments, the management contract, the statutory audit and the Auditor's appointment, remuneration and independence (no non-audit services are provided by the Auditor) The Board has issued the Committee with Terms of Reference which are available from the Company Secretary at the registered address of the Company

Following careful consideration of the independence, experience and value for money of the current Auditor, the Audit Committee has recommended that the Board re-appoint Grant Thornton UK LLP as Auditor to the Company

Nomination Committee

The Board as a whole fulfils the function of the Nomination Committee The Company's Articles of Association require newly appointed Directors to submit themselves for election by shareholders at the next AGM after appointment and that they will be subject to re-election at intervals of no more than three years However, the Board has determined that all Directors will retire and offer themselves for re-election each year at the AGM

Management Engagement Committee

The Board, with the exception of Mr Salomon, fulfills the function of this Committee The level of management fees, level of service provided and the performance of the Manager, are reviewed on a regular basis to ensure that these remain competitive and in the best interests of shareholders

Remuneration Committee

The Board fulfils the function of a Remuneration Committee and considers that the specific appointment of such a committee is not appropriate for an investment trust company The level of Directors' fees is reviewed on a regular basis in the light of their duties and also relative to other comparable companies

Statement of Directors' Responsibilities

In discharging its responsibilities of stewardship the Board is governed by the Companies Act and the Financial Services Authority UKLA Listing Rules

Under UK Company Law the Directors are responsible for ensuring that

- Adequate accounting records are kept, that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006
- The assets of the Company are safeguarded, and for taking reasonable steps for the prevention and detection of fraud and other irregularities
- The Directors' Report and other information included in the Annual Report is prepared in accordance with company law in the UK The Directors are also responsible for ensuring the Annual Report includes information required by the Listing Rules of the Financial Services Authority
- The Company has effective internal control systems, designed to ensure that proper accounting records are maintained, that the financial information on which the business decisions are made and which are issued for publication is reliable Such a system of internal control can provide only reasonable, but not absolute, assurance against material mis-statement or loss
- The Group Financial Statements for each financial year are prepared in accordance with IFRS, as adopted by the EU and have elected to prepare Company financial statements on the same basis Under Company Law directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period In preparing these financial statements the Directors are required to
    - select suitable accounting policies and apply them consistently,
    - make judgements and estimates that are reasonable and prudent,
    - state whether they have been prepared in accordance with IFRS as adopted by the EU, and
    - prepare the financial statements on the going concern basis, unless it is inappropriate to presume the Company and Group will continue in business

Under the Financial Services Authority, UKLA Listing Rules UK Corporate Governance Code ("the Code"), the Board is responsible for

- Disclosing how it has applied the principles and complied with the provisions of the Code, or where not to explain the reasons for divergence
- Reviewing the effectiveness of the Company's systems of risk management and internal controls

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website www hansatrust com Visitors to the website need to be aware that legislation in the UK governing the preparation and dissemination of the financial statements may differ from legislation in their own jurisdictions

Responsibility Statement

The Directors confirm that to the best of their knowledge

- The financial statements, prepared in accordance with applicable international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company
- The Chairman's Statement and Directors' Report include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties it faces

For and on behalf of the Board
Alex Hammond-Chambers
Chairman
22 June 2012

BACKGROUND

Three and a half years on from the demise of Lehmans and the mother of all debt busts, the wreckage of the global credit crisis lies all around us, with the world still drowning in an ocean of seemingly un-payable debt The aftermath of a global cheap money bubble and a multi- year debt-fuelled borrowing and consumption binge in the developed West, with governments and households getting used to living way beyond their means, coupled with a persistent lack of saving In the future countries that have been living large will have to get used to living smaller, while Western populations adjust to a multi-year period of declining living standards The replacement of consumption and debt driven economies with savings and investment driven economies, the creation of real wealth which comes from hard work, rather than illusory wealth which comes from printing money (quantitative easing), bailouts and asset bubbles

The process of governing in the US and the Eurozone appears to be failing, with political will in short supply as leaders look weak, hesitant and display a strong sense of disunity, coupled with a dangerously short-term focus on winning re-election For over three years now, investors have been worrying about over-borrowed governments and apparently insolvent banks and the possibility that a single sovereign default or major bank failure might cause a financial meltdown because of the inter-connectedness of the global financial system There are growing concerns about the debt burden and budget stalemate in the US, the world's largest economy, with no sense of urgency to cut entitlement spending and an unwillingness to raise taxes to help balance the books For now, the US is able to persist with its high and unsustainable deficit, because international investors are prepared to support its bond market, especially so given the lack of safe havens elsewhere The US has 3 3 times more Treasury debt outstanding than a decade ago, while the yield demanded by the market has fallen from 6 1% to 2% over the same period There is no immediate crisis because the market is presently willing to accommodate the refinancing of maturing debt, but this will not always be the case

Debt busts are deflationary and central bankers have a complete fear of deflation and its consequences Deflation raises the real value of debt Debts get bigger, raising the burden on debtors, which in due course leads to defaults and acute stress in the banking system, and the possibility of financial meltdown Individuals and companies increase their cash holdings in times of deflation and falling prices because the purchasing power of cash rises it buys more The ensuing hoarding of cash and deleveraging (reinforces the deflationary force), creates a liquidity crisis as the money supply and velocity or turnover of money decreases, causing economic activity of all kinds to slow sharply Central bankers need to create inflation to fight deflation, adopting such policy measures as lowering interest rates to record low levels and quantitative easing or money printing Western governments and their central banks, including the US and the UK, have adopted the policy of "financial repression", a term used to describe several measures that governments employ to channel funds to themselves, in effect enabling them to jump to the front of the credit queue and issue debt at lower rates than would otherwise be possible A low nominal interest rate can help governments reduce debt-servicing costs, while a steady dose of inflation and long periods of negative real interest rates erodes the real value of government debt over time This policy also involves the creation of a captive domestic market for government debt, achieved by requiring heavily regulated domestic banks to hold government debt The new Basel III capital rules force banks to stock up on public debt, because it is the only way to meet liquidity requirements, even though public debt may not be liquid in a crisis Although it is a policy that can be effective at slowly eroding/liquidating debt over a decent period of time, without default or hyperinflation, it can be considered both a form of taxation on savings and a form of currency debasement This policy initiative also intentionally misprices the cost of capital and represents a deliberate attempt to drive the private sector into a misallocation of capital, encouraging borrowing, consumption and asset purchases at the wrong time and wrong price, which in turn can end up with the inflation of asset bubbles

Last November the European sovereign debt crisis reached new heights and became the epicentre of global investor uncertainty as market declines on sovereign holdings and other credit losses caused European banks to experience increased difficulty in rolling over maturing debt Without the massive liquidity intervention by the European Central Bank ("ECB"), with its two three-year longer-term refinancing operations ("LTRO") of €489bn and €529bn of cheap loans to the continent's banks (effectively quantitative easing), to counter a tightening credit crunch across Europe, the economic gloom would have continued in to the first quarter of 2012 as well The Eurozone crisis is far from over, as the structural problems of the single currency cannot be solved by liquidity alone The ECB has bought time for banks and governments to deleverage, but has not found a solution to the problem of solvency A case of targeting the immediate symptoms but not treating the root causes Sustainable growth can only be achieved if structural improvements are made, such as a full fiscal integration or even a breakup of the Eurozone itself, because without economic growth it is very difficult to bring debt down This one still has a long way to run Investors are worrying about the economic storm clouds massing over Japan and China In March, Beijing stated that its growth rate in 2012 could dip below 8% for the first time since 1998 There are concerns that China's planned slowdown in the rate of economic growth and concentration on internal consumption and the launch of welfare programmes, rather than focusing on exports, may not proceed as smoothly as hoped Chinese growth is still key, contributing some two fifths of the global growth story, which some fear is threatened by the build-up of a huge domestic property market bubble which could burst at any time The Japanese economy remains in a very fragile state as years of reckless public sector spending inevitably collide with the funding limitations of an ageing population Japan's public sector debt crossed 205% of GDP in 2011 and is on course to hit 230% this year, while Japan is in the midst of a prolonged and deep depression, causing markets to speculate that an aggressive yen devaluation might be somewhere on the horizon A sizeable Yen devaluation might be good news for Japan, but its global impact would be huge Meanwhile the Bank of Japan has left the size and composition of its asset purchase programme unchanged, but may decide to ease policy further

Our modern financial system is highly complex, interconnected and ridden with structural flaws, all of which limit the scope for a global growth-orientated economic recovery to help us climb out of this quagmire of debt It is estimated that in excess of US$9 trillion has been added to the balance sheets of developed world central banks as Western central bankers have had little choice other than to keep supplying even more rounds of quantitative easing to a financial system which has become addicted to ever larger injections of liquidity Common sense tells us that the long-term solution to the problems cannot possibly be the same that led us into financial crisis in the first place, namely a replay of the debt-fuelled borrowing and consumption binges of the past 15 years There are only three ways out for a country buried in apparently un-payable debt Default, inflation and growth Countries like the US, Japan and the UK are obligated to creditors in their own currencies and would inevitably print money to meet all their obligations under any circumstance, preferring the risk of inflation and ensuing currency debasement over the ignominy of default Such currency debasements would hardly be risk-free to holders of medium or long-term US debt, so the effect on global financial markets would be seismic In the Eurozone, countries issue debt in a common currency, that none of them alone controls, so the choices for one over-leveraged country would be to undergo a restructuring (like Greece), be rescued by the European Central Bank (which has bought sovereign debt issued by Greece, Ireland, Portugal, Italy and Spain), or withdraw from the Eurozone and reinstate their previous national currency The fiscal austerity that results from spending cuts to get budgets under control and keep the sovereign bond vigilantes at bay only makes the immediate debt burden more onerous, while borrowing more would only drive up bond yields further and exacerbate the future problem We are in unchartered and highly dangerous territory, because the future seems to involve a choice between horrible outcomes Will governments have the investor support, debt capacity and confidence of their electorates to go on fire-fighting? Will the deflationary forces of the on-going debt implosion smother rescue attempts by governments to shore up their financial institutions? Will we be looking at widespread sovereign defaults or systematic currency devaluations and runaway inflation? Or, is there just a chance that we could muddle through with the right blend of gentle inflation to erode the mountain of debt over a long period of time coupled with a low and sustainable level of economic growth led by a resurgent corporate sector? Not too hot, not too cold

Fear and uncertainty in financial markets has seen a massive increase in market volatility, driven by short-term investor thinking and yet amazingly the FTSE All-Share Index ended the year down just 2 1%, almost where it started! The roller coaster in market moves and sentiment over the year was sometimes gut-wrenching No wonder a lot of private investors prefer to sit in cash earning almost nothing, after regular reminders that markets climb stairs but take the elevator down An economic green shoot in a period of calm and "risk-on", a poor set of economic numbers in a jittery market and "risk-off" Economic recoveries that follow financial recessions/debt busts tend to be much weaker, slower and more uneven/jagged than those that follow non-financial recessions, as the necessary process of deleveraging drags on Sovereign debt and banking crises are a typical aftershock of any international financial crisis, just as sustained high unemployment is par for the course over the extended duration of post financial recoveries The recovery from the 2008 financial crisis will take years to achieve and there will be no sudden return to the economic conditions prevailing before Stamina and patience are required, while extreme market volatility is a given for those embarked on this lengthy equity journey

OVERALL PERFORMANCE

During the year under review, the Ordinary and "A" Ordinary share prices fell by 3 3% and 6 1% respectively, compared with a fall 2 1% in the FTSE All-Share Index, as both classes of shares traded at a wider discount to their NAV The time weighted return of the portfolio was 2 7%, compared with a rise of 4 4% in the Company's benchmark and a rise of 1 9% in the FTSE All-Share Index- Total Return The largest positive contributors to the overall 31p per share gain of the portfolio were Ocean Wilson Holdings Ltd 25 7p and NCC Group Plc 18 7p The major negative contributors were Kofax Plc –13 2p and Cairn Energy Plc –9 8p

SECTOR WEIGHTING AND PERFORMANCE

Sector	Sector Weighting at 31 March 2012 %	One Year Performance to 31 March 2012 %
Strategic	40 9	5 5
Smaller Cap/AIM	20 4	4 4
Natural resources	12 6	(13 5)
Property	6 2	(1 3)
Large Cap	11 9	7 1
Utilities	2 0	1 9
Mid Cap	4 4	21 5
Investment Trusts	2 7	0 4
Cash & Cash Funds	(1 2)	(2 3)

PORTFOLIO ACTIVITY

The thematic emphasis of the portfolio continues to be on well managed UK listed companies with a high proportion of overseas earnings and exposure to markets offering decent growth, strong business franchises and pricing power, with a focus on business to business rather than business to consumer facing companies In Europe this means largely avoiding domestic plays or those tied closely to indebted governments We particularly like companies with high margins, recurring revenues, a visible order book and which generate a good level of free cash flow We have a long-term investment horizon and like to "give things time" and our portfolio turnover last year was very low, amounting to 5 4% of the average total assets during the year There is a disconnect between investors, often short-term and herd-like and companies, which should be managed for both now and "near eternity" Leverage reduces the investors' critical asset, namely patience and our average level of gearing over the year amounted to 2 2%

NEWS UPDATES FROM TOP HOLDINGS

The 23 holdings listed below each represent 1% or more of NAV and represent 95 1% of NAV combined Details are provided in respect to each company's market capitalisation, the proportion of NAV that the holding represents and the stock's performance over the year to 31 March 2012

Ocean Wilsons Holdings Limited – (Market Cap £415 5m 41 0% NAV Performance 5 5%) A Bermuda based investment company listed on both the Bermuda Stock Exchange and the London Stock Exchange, with two principal subsidiaries Wilson Sons Limited (58 25% owned) is an autonomous Bermuda company listed on the Sao Paulo Stock Exchange ("BOVESPA") and Luxembourg Stock Exchange Wilson Sons is one of the largest providers of maritime services in Brazil, employing over 6,000 employees, with activities including harbour and ocean towage, container terminal operations, offshore support services, logistics, small vessel construction and ship agency Ocean Wilsons Investments Limited (wholly owned) is a Bermuda investment company, holding a portfolio of international investments managed by Hanseatic Asset Management LBG, a Guernsey registered and regulated investment manager

In 2011, Brazil overtook the UK to become the world's sixth largest economy Following growth of 7 5% in 2010, GDP growth slowed to 2 7% as the economy suffered the effects from government-implemented measures to control inflation and the impact of the global economic crisis During the year, the government raised interest rates and implemented lending restrictions and budget cuts in an attempt to control inflationary pressures Following the slowing of the economy in the second half of 2011, the government began easing monetary policy to stimulate economic growth and reduce upward pressure on the Brazilian Real, with interest rates falling for the fifth consecutive time in March 2012 to 9 75%, from 12 5% in July 2011 It is reported that the government is considering reducing fiscal spending to allow further cuts in Brazil's interest rates, which remain amongst the world's highest The currency remained strong for much of the year, as a result of high commodity prices and direct foreign investment and foreign capital inflows attracted by the high real interest rates The strong currency is adversely impacting the competitiveness of Brazilian industry and the government increased taxes on short-term foreign borrowings to discourage inflows

2011 was a mixed year for Ocean Wilsons Holdings Limited Wilson Sons produced strong operating results with robust revenue growth across all business lines, with particularly strong growth at Port Terminals, Logistics and Shipyard businesses Container terminal revenue benefitted from improved pricing, better sales mix and strong import warehousing revenue Robust revenue growth at the oil and gas terminal business, Brasco, was driven by increases in the number of vessel turnarounds and strong demand for auxiliary services Shipyard revenue growth was driven by third party sales to the Wilson Sons Ultratug Offshore joint venture However, the depreciation of the Brazilian Real against the US Dollar at year-end resulted in a decline in financial revenues and an increase in the deferred tax charge, which adversely impacted bottom line earnings

The fall in global equity markets impacted the investment portfolio which declined by 9 6% on a time weighted basis The MSCI World Equity Index declined by 7 4% but the US, where equities were marginally positive over the year, makes up nearly half this index Losses elsewhere in the world were much more severe In particular, the markets of Brazil, Russia, India and China ("BRIC") which fell by 27%, 22%, 36%, and 22% respectively The MSCI Japan Index lost 15% in US Dollars and the MSCI Europe ex-UK Index declined by 15.3%, also in US dollar terms After the intensity of bearishness in 2011 and the severity of market falls, equities offer good value in most markets, with recovery potential remaining greatest in many of the Emerging Markets

The reasons underpinning the case for Emerging Markets remain intact, namely a growing share of global GDP, strong balance sheets across the government + corporate + household sectors supporting future credit cycles, a multi-year urbanisation trend, favourable demographics with a rapidly growing middle class, competitive labour costs and a backlog of infrastructure spending In light of the value of the investment portfolio and the dividend to be received from Wilson Sons Limited, the Board declared a final dividend of US 29 cents per share (2010 US 38 Cents per share), making a total dividend for the year of 33 Cents per share (2010 US 42 Cents per share)

Wilson Sons continues to invest heavily in developing and expanding the business In the five years to 31 December 2011 the Group invested US$740m in capital addition, of which US$461m was financed through new loans raised during the same period In March 2012, Ocean Wilsons announced that the joint venture Wilson, Sons

Ultratug Offshore signed a contract with Petrobras for the construction and operation of four large platform supply vessels The vessels will be financed through the Marine Merchant Fund ("FMM") and will be built at the Wilson, Sons Shipyard facilities in Guaruja, Sao Paulo and are expected to be delivered by 2015

Wilson, Sons Ultratug Offshore intends to operate more than 30 Offshore Support Vessels by 2017, and the strategy is to build an adequate mix of vessels to attend the demand from national and international oil companies operating in Brazil According to Petrobras' strategic plan, it will require nearly 300 new chartered Offshore Supply Vessels by 2020 to fulfill their exploration and production of pre-salt and post-salt reserves The expansion of the Tecon Salvador container terminal and the completion of the additional capacity at the Guaruja shipyard facility are both forecast to be completed in the beginning of the second half of 2012

BG Group PLC – (Market Cap £49,158m 4 5% of NAV Performance –5 7%) Q4 earnings were well ahead of the consensus estimate helped mainly by a better than expected contribution from the LNG activities and here profit guidance for 2012 has been increased by 30% along with the statement that its "LNG business is set fair with the prospect of excellent profit momentum for many years" Similarly, the Group expects growth in E&P as the Brazilian and Australian activities begin to contribute, with production rising to more than 1 million boepd by 2015 and about 1 4 million boepd by 2020, compared with some 750,000 boepd by the end of 2012

Hargreaves Services PLC – (Market Cap £324 5m 4 5% of NAV Performance +30 1%) A leading supplier of solid fuels and bulk material logistics, "expects that this will be another positive year" "Our investment this year in developing our industrial, surface mining and energy and commodities businesses will reap significant benefits during 2012/13 and beyond Next year, these new profit streams combined with the existing operations will allow us to generate significant profits and cash This will give us an even stronger platform to drive the medium and long term growth that we are targeting in Europe and Asia

NCC Group PLC – (Market Cap £309 0m 4 2% of NAV Performance +62 2%) The international, independent provider of Escrow and Assurance announced a strong set of interim results, with Group revenue up 28%, organic revenue up 20%, international revenue now accounting for 31% of the total, the ratio of cash inflow from operating activities before interest and tax to operating profit increasing to 144% and a 23% increase in the interim dividend "A clear focus on our international growth strategy, which includes exploiting a number of growing market opportunities The cyber arms race continues to speed up, and with the technology revolution outpacing the ability of IT departments to cope with the plethora of security issues, we are well placed to maintain our growth momentum "

Experian Group Limited – (Market Cap £9,793 7m 3 3% of NAV Performance +29 0%) The global credit information and marketing services group remains a long-term growth story, as it continues on a journey of expansion into new geographic markets and verticals, with a culture of innovation to develop new products and move into new customer segments Experian's IMS confirmed that the Q3 organic growth rate edged up to 7% from 6% achieved in the first half of the year, and "for the year as a whole modest margin improvement and strong cash flow conversion" is expected In South America Q3 organic growth accelerated to 27%, despite some cooling in the Brazilian economy

Andor Technology PLC – (Market Cap £156 6m 3 3% of NAV Performance +31 9%) A global leader in the development and manufacture of high performance scientific digital cameras for academic, industrial and government applications, with a CAGR in sales of 30% p a for the past fourteen years Andor reported "in the first four months of the financial year trading has been in line with the Board's expectations Asia Pacific continues to deliver strong revenue growth and Europe is performing well Innovation and new product delivery is key to Andor's continued growth"

Weir Group PLC – (Market Cap £3,746 3m 2 9% of NAV Performance +2 9%) A global engineering solutions provider to the mining, oil & gas and power markets This focus, together with a growing emerging market presence, continued commitment to operational excellence, strong aftermarket revenues and value enhancing acquisitions has resulted in record operating margins Weir SPM's leading position in the upstream Oil & Gas unconventional equipment market has been enhanced with the acquisitions of Novatech and Seaboard Holdings, leaving the Group's profit exposure to the Shale Oil & Gas space at around 43% of the group total Weir Group "achieved in 2011 its stated ambition of doubling 2009 profits by 2014" and management have outlined a generally positive outlook for 2012, based upon the continuation of strong capex programmes by miners and oil & gas operators, while the life-cycle of products is such that the replacement cycle of the enlarged installed base will start to offset original equipment sales longer term

Herald Investment Trust PLC – (Market Cap £415 2m 2 7% of NAV Performance +0 4%) Its objective is to achieve capital appreciation through investments in smaller quoted companies in the areas of telecommunications, multimedia and technology (TMT) Investments may be made across the world, with a recent geographical break down of gross assets showing weightings of some 60% in the UK, 23% in the US and 7% in Japan and Asia Pacific The Trust has over 240 holdings and it's notable that many of the large technology players are presently cash rich The opportunity to acquire tomorrow's technology today for cash rather than develop it themselves may prove to be irresistible The Trust was launched in 1994 and has an excellent long-term performance record

Cape Industries PLC – (Market Cap £489 5m 2 7% of NAV Performance –14 3%) The international provider of essential, non-mechanical support services to the energy and mineral resources sectors, recently stated "momentum is building in a number of key regions and projects indicating that Cape is entering a sustained period of demand growth for its services", supporting "our vision of becoming the leading specialist provider of our range of essential non-mechanical services" Cape is fundamentally well placed to benefit from the rise in global energy demand over the next few years and activity is moving East, with contract award momentum in core growth markets such as the Far East/Pacific Rim

BHP Billiton PLC – (Market Cap £40,287 8m 2 4% of NAV Performance –19 58%) The largest mining company in the world, expects industrialisation and urbanisation of China and other emerging economies to continue to support strong demand for many commodities in the long-term and are planning to invest US$20bn in capex in 2012, in the face of increased labour and contractor costs On the supply side, mining projects are now at risk of delay due to economic uncertainty and potential delays to funding BHP Billiton has Tier 1, high volume, low production cost, long-life and expandable assets

United Business Media PLC – (Market Cap £1,530 0m 2 1% of NAV Performance +9 3%) focuses on two principal activities worldwide information distribution, targeting and monitoring, and the development and monetisation of "Business to Business" communities and markets UBM's businesses inform markets and serve professional communities, with integrated events, online, print and business information products, with 6,000 staff in more than 30 countries UBM's business mix is moving towards more attractive divisions, Events and geographies, US/emerging markets, through a combination of organic growth and acquisitions Events, now 63% of EBITA, most recently grew revenues by 15% underlying, with a weighting towards large scale, market-leading shows in the US and emerging markets

GlaxoSmithKline PLC – (Market Cap £70,415 5m 2 1% of NAV Performance +23 4%) FY 2012 guidance indicates that sales growth is possible next year, together with core operating margin improvement and further dividend growth, while management is looking for cost savings more than sufficient to address any further pricing pressure Increasing contributions from vaccines and brand loyal Consumer and Specialist Pharmaceuticals will drive more sustainable cash flow generation GSK has now absorbed the majority of its patent expiries and doesn't need to materially expand its infrastructure Excluding the 2010 legal charges GSK has delivered solid EPS growth over the last five years, and could still only be at the start of a decade of sustainable sales and EPS growth

DV4 – (£1bn committed, Unquoted, 2 1% of NAV Performance +10 1%) has now drawn down £641 3m, representing 60 1% of total commitments, Hansa Trust has a £10m commitment to this property fund "Transactions are highly polarised between the prime and secondary centres in both pricing and volume", while "the U K occupier market remains polarised between central London and the rest of the UK with central London seeing rising rental values" The focus of acquisitions for the DV4 portfolio for the past year and going forward has largely been towards London and the South East, in the two principal markets where momentum exists, namely prime offices and residential This is set against the backdrop of a number of key objectives First, a drive towards more income Second, recognising that bank finance is in short supply, a search for leveraged investment opportunities such as land purchases. Third, the search for potential partners on projects from which the fund can benefit from enhanced promotes and fees

Hansteen Holdings PLC – (Market Cap £462 5m 2 1% of NAV Performance –11.3%) is a European industrial Real Estate Investment Trust ("REIT") with a heavy portfolio weighting in Germany, set up by the founders of Ashtenne after that business was sold Hansteen's latest NAV of 82p was below forecast because of the tough investment market in Benelux. The company has firepower of £300m to make some additional earnings accretive acquisitions "The likelihood is that the next five or six years will be a period for acquiring and intensively managing Whilst there will be selective sales there are unlikely to be large-scale realisations Most likely, the bulk of the returns to our shareholders will be from growing income and dividends Later in the cycle capital returns will become more significant

Kofax PLC – (Market Cap £270 9m 2 1% of NAV Performance –39 5%) A leading provider of capture enabled business process management (BPM) solutions These solutions provide a rapid return on investment to thousands of customers in banking, insurance, government, business process outsourcing and other markets Kofax delivers these solutions through its own sales and sales organisations, and a global network of more than 800 authorised partners in more than 70 countries throughout the Americas, EMEA and Asia Pacific Kofax paid US$48 1m for Singularity, a leading BPM software vendor Kofax can now offer a single platform that both manages information into the enterprise, as well as the business process dealing with that information, making it the first company to offer a capture enabled BPM platform Kofax was "generally pleased with its overall performance and strategic progress", with recently acquired Atalasoft and Singularity both performing better than expected and for the full year expect an adjusted EBITA of at least the US$40 2m reported in fiscal year 2011

Centrica PLC – (Market Cap £16,396 6m 2 0% of NAV Performance +1 9%) delivered solid FY11 results in difficult market conditions, an 8% increase in the dividend and an increased payout ratio Some 70% of Centrica's operating profit arises from two divisions, Centrica Energy the upstream business and Centrica Residential the downstream business, with a continuing trend towards vertical integration between the two Centrica signed a £14bn deal with Statoil to develop oil and gas assets in the North Sea and supply gas to the UK for a decade, making Centrica an operator of Norwegian production assets for the first time Strong cash generation and a good balance sheet underpin significant spend on organic capex and acquisitions in the coming year, while British Gas Services is targeting double-digit profit growth through operational efficiencies

Great Portland Estates PLC – (Market Cap £1,124 4m 1 8% of NAV Performance –4 9%) A fully exposed London offices and retail REIT, with an 80% weighting in the West End and the balance in the City and Southwark There are two commercial property markets in the UK, Central London and the rest of the country Great Portland's recent pre-letting successes have de-risked its committed development pipeline as well as allowing it to switch on further schemes, against a background of relatively robust tenant demand and a restricted supply of stock in its central London locations Great Portland's longer-term pipeline is dominated by its two major land holdings and Crossrail beneficiaries at Hanover Square, London, W1 and Rathbone Place, London, W1 The depreciation of Sterling together with a lack of new office space in the West End continues to fuel demand from international investors

HSBC Holdings PLC – (Market Cap £100,560 3m 1 8% of NAV Performance –9 7%) is gradually selling or closing non-core and underperforming businesses under the stewardship of Stuart Gulliver, although the group remains some way from convincing the market that it can deliver its twin strategic targets of a cost income ratio of 48-52% and an ROE of 12-15% by 2013 We like HSBC structurally for its significant exposure to emerging markets, particularly Asia, and its lack of dependence on wholesale markets With a loan to deposit ratio of 75% it is a net lender into wholesale markets

BP PLC – (Market Cap 87,792 6m 1 7% of NAV Performance +6 1%) continues to put the Macondo well disaster in the Gulf of Mexico behind it and has more than achieved its divestment programme, giving the company more than sufficient cash to pay for the US escrow account, as well as announcing a US$7 8bn settlement for economic and medical claims relating to the Deepwater Horizon disaster with the Plaintiffs Steering Committee The key new financial target is that BP expects cash flow from operations to grow by around 50% by 2014, with around half the additional cash flow to be used for increased investment and half for distributions to shareholders and debt repayments A total of US$45bn will now be divested, and a wave of new projects are expected to result in higher margins across the upstream operation Exploration spend will increase materially, with 15-25 exploration wells planned in 2013.

Galliford Try PLC – (Market Cap £506 7m 1 7% of NAV Performance +70 9%) "set out a strategy in September 2009 to transform its house building business through an expansion plan that had the objectives of a significant increase in profits and return on capital employed during the third year We are now half way through the third year and are confident of delivering everything that we set out to achieve, with our southern biased business performing strongly" Galliford reported a 110% rise in earnings and a 100% rise in the dividend at the interim stage The focus will be on returns and risk management rather than "growth for growth's sake" Management aim to consolidate the business and become highly cash generative and going forward the company aims to make "progressive" dividend increases

Eni S.P.A. – (Market Cap €58 4m 1 6% of NAV Performance +3 2%) now sees volume growth of 3% pa from 2011-15, after adjusting for the Libyan outage The longer term forecast from 2015-21 has been raised from 2% pa to 3% pa volume growth due to the addition of major new projects such as those in Mozambique and Norway The four-year capex plan is equivalent to spend of €14 9bn p a , up 12% from guidance a year ago ENI is more confident of tackling its underperforming downstream businesses and sees gearing falling to sub-40% by 2015, while a cash sale of Snam would probably see it below 30%

Wolseley PLC – (Market Cap £6,795 7m 1 3% of NAV Performance +16 2%) The world's largest specialist trade distributor of plumbing and heating products to professional contractors and a leading supplier of building materials in North America, the UK and Continental Europe, announced interim figures which showed strong results from the US, more than offsetting weakness in Europe The group is being run very tightly, with an underlying trading margin of 5% and scope for further improvement There was good cash generation, with net debt reduced to £529m, £176m lower than at the July 2011 year-end Borrowings will be further reduced by the disposal of the French business Brossette Six bolt-on acquisitions have been completed in the first half and the Group is planning to drive further efficiencies and stay focused on improving customer service, gaining market share and holding its gross margin

Royal Dutch Shell PLC – (Market Cap £58,537m 1 2% of NAV Performance +2.4%) Q4 results and proposed dividend increase were a bit disappointing, but the company published a new strategic plan An increase in investment and payout is underpinned by an aggregate operating cash flow of US$175-200bn over the 2012-2015 period, driven by over 60 new projects Oil & Gas production should average some 4m boepd in 2017-18, an increase of 25% from 2011 levels of 3 2m boepd

OUTLOOK

The banking crisis started with US residential property and especially subprime, so the way towards recovery will require an end to the US house price slump The good news is that the US, the world's largest economy, has got a good chance of growing from here as US banks are recovering The Federal Reserve published the results of its stress tests of the 19 biggest American banks, a test which gauged their ability to withstand a financial shock that includes unemployment hitting 13%, a 21% drop in house prices, a 50% slump in equity markets and chaos caused by a bank collapse elsewhere All but four banks showed that they would retain Tier 1 common capital above 5%, allowing them to start returning money to shareholders U S A banks have started lending again, which is a far healthier situation than exists in Europe, and means corporates that can borrow from banks feel confident to start hiring again too, reducing the queue of unemployed and raising the level of household prosperity and consumer confidence Far too many existing homeowners in the US are underwater with their mortgages, freezing up labour mobility Things are starting to improve now that house prices have fallen by more than a third and mortgage rates are hitting new lows, making affordability of US houses the most attractive on record The improvement in affordability has been even more impressive for first time buyers, which is helping to shift the inventory logjam, while sentiment is also bottoming out as the wider economy starts to create new jobs The Fed's QE1 and QE2 programmes have driven the typical 30-year fixed mortgage rate down to an all-time low of 3 8%, from 6 4% in October 2008 and US homebuyers can lock their mortgage payments in at this level for three decades

There are other forces at work in America's favour The home-grown shale gas and oil industry is a game-changer, involving the drilling of hundreds of thousands of low-cost wells, giving manufacturing plants in the US a 60-80% cost advantage over those operating in China, Japan, South Korea and Europe, with competitive and open pipeline systems which prevent any single major market participant from denying these economic benefits to any consumer or producer This low-cost energy could contribute to an investment boom across the US economy, stimulating exports of services and goods and creating millions of jobs And then of course America has that special pixie dust which helps to produce a culture of incredible innovation and wealth creation in a matter of years, with the building of leading technology global giants like Apple, Microsoft and Facebook, at a time when food stamp use in the US is at record levels America has the power and ability to solve its problems, but shows few signs of summoning the will to do so Budgetary woes must be tackled, at a time when inequality of wealth and income in America has never been higher Although there is a more steady look to the US economy, the outlook is far from spectacular, with expected growth of 2 2-2 7% this year, despite the massive pump priming of QE 1 and 2 and the US Federal Reserve's decision to maintain "a highly accommodative stance for monetary policy", whilst also extending forward guidance for ultra-low base rates "at least through to 2014" The US faces a significant "fiscal cliff" from 31 December 2012 at which point many of the tax breaks created under the Bush presidency and pursued under Obama run out

While US bank profitability is rising, many financial institutions in the Eurozone remain in crisis and undercapitalised, with the European Banking Authority stating that European banks need to find EU485bn in new capital and EU1 9tn in new liquid assets in order to comply with tough new Basel III rules The ECB 1% LTRO have solved the issue of liquidity in the short term, but banks could still fail due to a lack of capital, an issue of solvency and being stuck in a balance sheet recession Credit is the foundation of the wealth creation process and Europe's banks may well fail to establish sufficient profitability to encourage the necessary credit growth to exit the crisis In fact the money supply in Eurozone is shrinking and is not being multiplied The focus is now on the Iberian Peninsula, Portugal and Spain, with Spanish politicians being severely tested and markets hoping that contagion can be contained, or pain in Spain will stay there, even though the credit rating agency Standard & Poors has cut Spain's credit rating after warning that the beleaguered country will be forced to increase its debt burden to support its ailing banks Spain is still grappling with the speculative construction splurge it enjoyed in the middle of the last decade, urged on by low interest rates that were appropriate for the German economy, but not for a country where credit was then growing too fast Unlike US banks, Spanish banks have not yet admitted the scale of the write downs they must take in the wake of the burst credit bubble Implementing the kind of austerity package demanded by markets and other European countries will be tough, particularly against the background of soaring unemployment and a country that devolves power to the regions

Investors are becoming very used to and addicted to today's low interest rate environment in the developed world, where cash yields are often close to zero, but this condition should definitely not be regarded as normal and permanent At some point interest rates will begin their journey of normalisation Sovereign debt of all types is understandably being treated with a good degree of suspicion in today's world Once again we find ourselves at an inflection point amidst heightened levels of market volatility, with chat about a second "dip" in the UK economy, and evidence of economic slowdown in Brazil, India, more modestly China and of course the Eurozone On the other hand, there are signs of gathering momentum in the corporate sector in pursuit of strategic growth Companies cut costs drastically and much faster than in previous downturns in response to the banking crisis and sudden collapse in world trade The corporate sector has displayed very strong operational leverage to sales growth since taking action, and as a result companies are generating record levels of free cash flow, which has in turn seen a vast improvement in the strength of corporate balance sheets It is this upward move in corporate profits, coupled with strong balance sheets both in the US and elsewhere which continues to act as the tailwind, helping to drive the global economic recovery and which is producing recoveries in business sentiment and an improving labour market Going forward, companies are going to continue to fight very hard for incremental productivity gains, suggesting more capital investment in productivity-enhancing systems, capacity and human resources, as well as more mergers and acquisitions as the search for efficiency and market share gains steps up another gear Hansa Trust remains heavily exposed to the revenues, profits and dividends of well-managed companies, which enjoy growth prospects coming from their exposure to growth areas of the global economy If markets sense the prospect of some improvement in the broader macroeconomic and political environment, the appetite for equities should revive Markets remain extremely fragile, so expect the journey to be uneven and at times extremely volatile as investor sentiment oscillates wildly between greed and fear

Hansa Capital Partners LLP
Investment Manager
April 2012

Portfolio Information

As at 31 March 2012

Investment	Fair value £000	Percentage of Net Assets
Ocean Wilsons Holdings Limited	109,895	41 0
BG Group Plc	12,188	4 5
Hargreaves Services Plc	11,980	4 4
NCC Group Plc	11,250	4 2
Experian Group Limited	8,771	3 3
Andor Technology Plc	8,720	3 3
Weir Group Plc	7,762	2 9
Herald Investment Trust Plc	7,282	2 7
Cape Industries Plc	7,220	2 7
BHP Billiton Plc	6,390	2 4
Top 10 Investments	191,458	71 4
United Business Media Plc	5,625	2 1
GlaxoSmithKline Plc	5,584	2 1
DV4 Ltd #	5,558	2 1
Hansteen Holdings Plc	5,529	2 1
Kofax Plc	5,508	2 1
Centrica Plc	5,438	2 0
Great Portland Estates Plc	4,969	1 8
HSBC Holdings Plc	4,912	1 8
BP Plc	4,626	1 7
Galliford Try Plc	4,537	1 7
Top 20 Investments	243,744	90 9
Eni S P A	4,376	1 6
Wolseley Plc	3,433	1 3
Royal Dutch Shell Plc	3,160	1 2
Goals Soccer Centres Plc	2,247	0 8
Cairn Energy Plc	1,718	0 6
Brooks Macdonald Group	1,677	0 6
Qinetiq Group Plc	1,588	0 6
Lloyds Banking Group Plc	1,568	0 6
Melrose Resources Plc	1,272	0 5
Immupharma Plc	881	0 3
Top 30 Investments	265,664	99 0
Other Investments (26)	5,280	2 0
Total Investments	**270,944**	**101 0**
Net Current Liabilities	(2,737)	(1 0)
Net Assets	**268,207**	**100.0**
Listed	211,135	80 0
AIM and OFEX	53,674	17 7
Unquoted	6,135	2 3
	270,944	**100.0**

Unquoted

Directors' Remuneration Report

The Board has prepared this report in relation to all Directors who have served during the year and in accordance with the requirements of s 420 to 422 of the Companies Act 2006 An ordinary resolution for the approval of this report will be put to the Shareholders at the forthcoming AGM

The law requires your Company's Auditor to audit certain of the disclosures provided The disclosures on the Directors' emoluments for the year have been audited and the Auditor's opinion is included in its report on page 37

REMUNERATION COMMITTEE

The Company has four non-executive Directors The Board as a whole fulfills the function of the Remuneration Committee The Board has appointed the Company Secretary to provide relevant information when the Directors consider the level of Directors' fees

The Board regularly carries out a review of the level of Directors' fees and have concluded that the emoluments paid to the Directors should remain unchanged

POLICY ON DIRECTORS' FEES

The Board's policy is that the remuneration of non-executive Directors should not include a performance related element and that Directors do not receive bonuses, share options, pensions or long-term incentive schemes, however it should reflect the experience of the Board as a whole, be appropriate for the work carried out and the responsibilities undertaken It is intended that this policy will continue

The fees for the non-executive Directors are within the limits of £150,000 in total, set out in the Company's Articles of Association

DIRECTORS' SERVICE CONTRACTS

It is the Board's policy that all the Directors have a service contract which is issued on appointment All current service contracts, with the exception of the contract for Mr Hammond-Chambers services are dated 1 September 2002 The contract with Mr Hammond-Chambers service company is dated 29 November 2002 None of the service contracts is for a fixed term The terms of their appointment provide that a Director shall retire and be subject to re-election at the first AGM after their appointment and at least every three years by rotation thereafter The Board has decided that each Director will retire annually at the AGM and seek re-election as appropriate The terms also provide that either party may give three months' notice and in certain circumstances a Director may be removed without notice and that compensation will not be due on leaving office There are no agreements between the Company and its Directors concerning compensation for loss of office

DIRECTORS' ATTENDANCE

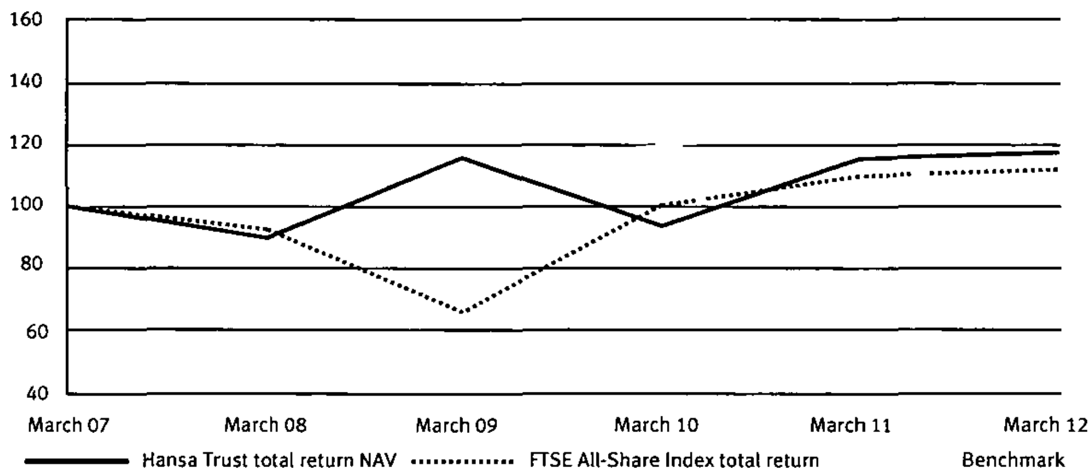
The Directors meet as a Board on a quarterly basis and at other times as necessary and the table below sets out the number of meetings and the attendance of them by each Director

	Strategic	Board	Audit Committee
Number of meetings held	1	5	2
Number of meetings attended			
Mr Hammond-Chambers	1	5	2
Lord Borwick	1	5	2
Mr Salomon	1	5	2
Professor Wood	1	5	2

YOUR COMPANY'S PERFORMANCE

The graph below shows the five year cumulative total return to shareholders against the FTSE All-Share Index total return and the Company's performance benchmark

BENCHMARK COMPARISON



DIRECTOR'S EMOLUMENTS (AUDITED)

The Directors who served in the year received the following emoluments in the form of fees

	2012	2011
	£000	£000
Mr Hammond-Chambers (Chairman of the Board)*	**30**	30
Lord Borwick	**20**	20
Mr Salomon**	**18**	18
Professor Wood	**20**	20
	88	88

*The amounts due in respect of Mr Hammond-Chambers' fees are paid to his service company

**In addition, Mr Salomon received fees during the year from two companies in which the Company had an investment These were Ocean Wilsons Holdings Limited and DV3 Limited

APPROVAL

The Directors' Remuneration Report was approved by the Board of Directors on 22 June 2012 and signed on its behalf by Mr Hammond-Chambers

Alex Hammond-Chambers

Report of the Independent Auditor to the Members of Hansa Trust PLC

Independent auditor's report to the members of Hansa Trust PLC

We have audited the financial statements of Hansa Trust PLC for the year ended 31 March 2012 which comprise the group and parent company balance sheet, the group income statement, the group and parent company cash flow statements, the group and parent company statements of changes in equity and the related notes The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 24, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/private cfm

Opinion on financial statements

In our opinion

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2012 and of the Group's profit for the year then ended,
- the group's financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union,
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation

Opinion on other matters prescribed by the Companies Act 2006

In our opinion

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following

Under the Companies Act 2006 we are required to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Under the Listing Rules, we are required to review

- the directors' statement, set out on page 17, in relation to going concern,
- the part of the Corporate Governance Statement relating to the company's compliance with the nine provisions of the U K Corporate Governance Code specified for our review, and
- certain elements of the report to the shareholders by the Board on directors' remuneration.

Grant Thornton UK LLP.

Marcus Swales
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
22 June 2012

Group Income Statement

for the year ended 31 March 2012

	Notes	Revenue 2012 £000	Capital 2012 £000	Total 2012 £000	Revenue 2011 £000	Capital 2011 £000	Total 2011 £000
Gains on investments	11	–	1,404	1,404	–	49,127	49,127
Loss on derivatives		–	–	–	–	(16)	(16)
Exchange losses on currency balances		–	(3)	(3)	–	(4)	(4)
Investment income	2	6,049	–	6,049	3,009	–	3,009
		6,049	1,401	7,450	3,009	49,107	52,116
Investment Management fee	3	(1,565)	–	(1,565)	(1,386)	–	(1,386)
Write back of prior years' VAT		–	–	–	51	–	51
Other expenses	4	(801)	–	(801)	(724)	–	(724)
		(2,366)	–	(2,366)	(2,059)	–	(2,059)
Profit before finance costs and taxation		3,683	1,401	5,084	950	49,107	50,057
Finance costs	5	(154)	–	(154)	(114)	–	(114)
Profit before taxation		3,529	1,401	4,930	836	49,107	49,943
Taxation	6	(4)	–	(4)	(4)	–	(4)
Profit for the year		3,525	1,401	4,926	832	49,107	49,939
Return per Ordinary and 'A' non-voting Ordinary share	8	14.7p	5.8p	20.5p	3 5p	204 6p	208 1p

The Company does not have any income or expense that is not included in the profit for the year Accordingly the "Profit for the year" is also the "Total comprehensive income for the year", as defined in IAS 1 (revised) and no separate Statement of Comprehensive Income has been presented

The total column of this statement represents the Group's Income Statement, prepared in accordance with IFRS The supplementary revenue and capital return columns are both prepared under guidance published by the Association of Investment Companies

All revenue and capital items in the above statement derive from continuing operations

The accompanying notes are an integral part of this statement

Statement of Changes in Equity – Group

for the year ended 31 March 2012

	Note	Share capital 2012 £000	Capital redemption reserve 2012 £000	Retained earnings 2012 £000	Total 2012 £000	Share capital 2011 £000	Capital redemption reserve 2011 £000	Retained earnings 2011 £000	Total 2011 £000
Net assets at 1 April		**1,200**	**300**	**262,613**	**264,113**	1,200	300	213,514	215,014
Profit for the year		**–**	**–**	**4,926**	**4,926**	–	–	49,939	49,939
Dividends	*7*	**–**	**–**	**(832)**	**(832)**	–	–	(840)	(840)
Net assets at 31 March		**1,200**	**300**	**266,707**	**268,207**	1,200	300	262,613	264,113

Statement of Changes in Equity – Company

for the year ended 31 March 2012

	Note	Share capital 2012 £000	Capital redemption reserve 2012 £000	Retained earnings 2012 £000	Total 2012 £000	Share capital 2011 £000	Capital redemption reserve 2011 £000	Retained earnings 2011 £000	Total 2011 £000
Net assets at 1 April		**1,200**	**300**	**262,613**	**264,113**	1,200	300	213,514	215,014
Profit for the year		**–**	**–**	**4,926**	**4,926**	–	–	49,939	49,939
Dividends	*7*	**–**	**–**	**(832)**	**(832)**	–	–	(840)	(840)
Net assets at 31 March		**1,200**	**300**	**266,707**	**268,207**	1,200	300	262,613	264,113

The accompanying notes are an integral part of this statement

Balance Sheet of the Group and Company

as at 31 March 2012

	Notes	**Group 2012 £000**	Group 2011 £000	**Company 2012 £000**	Company 2011 £000
Non-current investments					
Investment in subsidiary at fair value through profit or loss	*10*	–	–	**632**	633
Investments at fair value through profit or loss	*11*	**270,944**	266,435	**270,944**	266,435
		270,944	266,435	**271,576**	267,068
Current assets					
Trade and other receivables	*13*	**294**	281	**294**	281
Cash and cash equivalents	*14*	**137**	8,295	**137**	8,295
		431	8,576	**431**	8,576
Current liabilities					
Trade and other payables	*15*	**(3,168)**	(10,898)	**(3,800)**	(11,531)
Net current liabilities		**(2,737)**	(2,322)	**(3,369)**	(2,955)
Net assets		**268,207**	264,113	**268,207**	264,113
Capital and reserves					
Called up share capital	*16*	**1,200**	1,200	**1,200**	1,200
Capital redemption reserve	*17*	**300**	300	**300**	300
Retained earnings	*18*	**266,707**	262,613	**266,707**	262,613
Total equity shareholders' funds		**268,207**	264,113	**268,207**	264,113
Net asset value per Ordinary and 'A' non-voting Ordinary share	*19*	**1,117 5p**	1,100 5p	**1,117.5p**	1,100 5p

The Financial Statements of Hansa Trust Plc, registered number 126107, set out on pages 38 to 55 were approved by the Board of Directors on 22 June 2012 and were signed on its behalf by

Alex Hammond–Chambers
Chairman

The accompanying notes are an integral part of this statement

Cash Flow Statement

for the year ended 31 March 2012

	Notes	Group 2012 £000	Group 2011 £000	Company 2012 £000	Company 2011 £000
Cash flows from operating activities					
Gain before finance costs and taxation		**5,084**	50,057	**5,084**	50,057
Adjustments for					
Realised losses/(gains) on investments	11	**4,388**	(3,689)	**4,388**	(3,689)
Unrealised gains on investments	11	**(5,792)**	(45,438)	**(5,792)**	(45,437)
Effect of foreign exchange rate changes		**3**	(4)	**3**	(4)
(Increase)/decrease in trade and other receivables	13	**(13)**	350	**(13)**	350
(Decrease)/increase in trade and other payables	15	**(195)**	182	**(195)**	181
Taxes paid		**(4)**	(4)	**(4)**	(4)
Purchase of non-current investments		**(11,582)**	(24,688)	**(11,582)**	(24,688)
Sale of non-current investments		**8,412**	23,755	**8,412**	23,755
Net cash inflow from operating activities		**301**	**521**	**301**	521
Cash flows from financing activities					
Interest paid on bank loans		**(154)**	(114)	**(154)**	(114)
Dividends paid		**(832)**	(840)	**(832)**	(840)
(Repayment)/drawdown of loans		**(7,470)**	6,900	**(7,470)**	6,900
Net cash (outflow)/inflow from financing activities		**(8,456)**	5,946	**(8,456)**	5,946
(Decrease)/increase in cash and cash equivalents		**(8,155)**	6,467	**(8,155)**	6,467
Cash and cash equivalents at 1 April		**8,295**	1,824	**8,295**	1,824
Effect of foreign exchange rate changes		**(3)**	4	**(3)**	4
Cash and cash equivalents at 31 March	*14*	**137**	8,295	**137**	8,295

The accompanying notes are an integral part of this statement

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements of the Group and Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") These comprise standards and interpretations approved by the International Accounting Standards Board ("IASB"), together with interpretations of the International Accounting Standards and Standing Interpretations Committee approved by the International Accounting Standards Committee ("IASC") that remain in effect, to the extent that IFRS have been adopted by the European Union New and changed IFRS 9 and IFRS 13 in place, but not yet effective, have been reviewed and the Board do not consider they will have a material effect on the financial statements

These financial statements are presented in Sterling because that is the currency of the primary economic environment in which the Group operates As permitted by Section 408 of the Companies Act 2006, an income statement for the Company has not been presented in the financial statements

(a) Basis of preparation

The financial statements have been prepared on an historical cost basis, except for the valuation of investments, and in accordance with the Statement of Recommended Practice ("SORP") for investment trusts issued by the Association of Investment Companies ("AIC") in January 2009 The principal accounting policies adopted are set out below

(b) Basis of Consolidation

The Financial Statements comprise the accounts of the Company and its subsidiary undertaking made up to 31 March 2012 In the Company's Financial Statements the investment in its subsidiary undertaking is stated at fair value All accounting policies are applied consistently throughout the Group

(c) Presentation of Income Statement

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement In accordance with the Company's status as a UK investment company under section 833 of the Companies Act 2006, net capital returns may not be distributed by way of dividend Additionally, the net revenue is the measure the Directors believe to be appropriate in assessing the Company's compliance with certain requirements set out in s 1158 CTA 2010

(d) Non-current investments

As the Company's business is investing in financial assets, with a view to profiting from their total return in the form of income received and increases in fair value, investments are designated as fair value through profit or loss on initial recognition in accordance with IAS 39 The Company manages and evaluates the performance of these investments on a fair value basis, in accordance with its investment strategy and information about the investments is provided on this basis to the Board of Directors

Investments are recognised and de-recognised on the trade date For listed investments fair value is deemed to be bid market prices or closing prices for SETS stocks sourced from the London Stock Exchange SETS is the London Stock Exchange electronic trading service covering most of the market including all FTSE 100 constituents and most liquid FTSE 250 constituents along with some other securities

Unquoted investments are stated at fair value through profit or loss as determined by using various valuation techniques, in accordance with the International Private Equity and Venture Capital Valuation Guidelines These include using recent arms length market transactions between knowledgeable and willing parties where available

Gains and losses arising from changes in fair value are included in net profit or loss for the period as a capital item in the income statement and are ultimately recognised in the Capital Reserves

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, short-term deposits and cash funds with an original maturity of three months or less and are subject to an insignificant risk of changes in capital value

(f) Investment Income and return of capital

Dividends receivable on equity shares are recognised on the ex-dividend date Where no ex-dividend date is quoted, dividends are recognised when the Company's right to receive payment is established UK dividends are stated net of related tax credits, while overseas dividends and REIT income is stated gross

When an invested company returns captial to the Company, the amount received is treated as a reduction in the book cost of that investment and is classified as Sale Proceeds

(g) Expenses

All expenses are accounted for on an accruals basis Expenses are charged through the revenue column of the Income Statement except as follows

(i) expenses which are incidental to the acquisition or disposal of an investment are charged to the capital column of the Income Statement, and

(ii) expenses are charged to the capital reserves, via the capital column of the Income Statement, where a connection with the maintenance or enhancement of the value of the investments can be demonstrated.

(h) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax

The tax currently payable is based on taxable profit for the year Taxable profit differs from profit before tax as reported in the Income Statement, because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible The Group's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the balance sheet date

In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented against capital returns in the supplementary information in the Income Statement is the "marginal basis" Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue return column of the Income Statement, then no tax relief is transferred to the capital return column

Deferred taxation is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which deductible temporary differences can be utilised

Investment trusts which have approval under s 1158 CTA 2010 are not liable for taxation on capital gains

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Deferred tax is calculated at the tax rates expected to apply in the period when the liability is settled or the asset is realised Deferred tax is charged or credited in the Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity or other comprehensive income

(i) Foreign Currencies

Transactions denominated in foreign currencies are recorded in the local currency, at the actual exchange rates as at the date of the transaction Assets and liabilities denominated in foreign currencies at the year end are reported at the rate of exchange prevailing at the year end Any gain or loss arising from a change in exchange rates, subsequent to the date of the transaction, is included as an exchange gain or loss in the capital or revenue column of the Income Statement, depending on whether the gain or loss is of a capital or revenue nature respectively

(j) Reserves

Capital reserves – Other
The following are credited or charged to this reserve via the capital column of the Income Statement

- gains and losses on the disposal of investments,
- exchange differences of a capital nature, and
- expenses charged to the capital column of the Income Statement in accordance with the above accounting policies

Capital reserves – Investment Holding Gains
The following are credited or charged to this reserve via the capital column of the Income Statement

- increases and decreases in the valuation of investments held at the year end

Revenue Reserves
The following are credited or charged to this reserve via the revenue column of the Income Statement

- net revenue recognised in the revenue column of the Income Statement

2. INCOME

	Revenue 2012 £000	Revenue 2011 £000
Income from quoted investments		
Dividends	**2,892**	2,353
Overseas dividends	**3,156**	649
	6,048	3,002
Other operating income		
Interest receivable on AAA rated money market funds	**1**	2
Other interest receivable	**-**	5
	1	7
Total income	**6,049**	3,009

3. INVESTMENT MANAGEMENT FEE

	Revenue 2012 £000	Revenue 2011 £000
Fees	**1,565**	1,386
	1,565	1,386

Details of the Management Agreement are disclosed in the Report of the Directors on pages 16 and 17

4. OTHER EXPENSES

	Revenue 2012 £000	Revenue 2011 £000
Secretarial services	**120**	118
Directors' remuneration	**88**	88
Auditor's remuneration for the audit of the Group and Company	**33**	26
Auditor's remuneration for the review of the Half Yearly Report	**3**	3
Administration fees	**125**	111
Production and distribution of Annual and Half Yearly Report	**28**	23
Registrar's fees	**49**	38
Bank fees and charges	**196**	138
Marketing	**23**	17
Other	**136**	162
	801	724

5. FINANCE COSTS

	Revenue 2012 £000	Revenue 2011 £000
Interest payable	**154**	114
	154	114

6. TAXATION

(a) Taxation Charge on Ordinary Activities

	Revenue 2012 £000	Revenue 2011 £000
UK corporation tax @ 26% (2011 28%)	**–**	–
Irrecoverable foreign tax	**4**	4
	4	4

(b) Factors affecting tax charge for period

Approved investment trusts are exempt from tax on capital gains made by the Trust

The tax charge for the period is lower than the standard rate of corporation tax in the UK of 26% (2011 28%) The differences are explained below

	2012 £000	2011 £000
Total gain before taxation	**4,930**	49,943
Gain multiplied by standard rate of corporation tax	**1,282**	13,984
Effects of		
Non-taxable UK capital gains	**(364)**	(13,750)
Non-taxable UK investment income	**(1,573)**	(831)
Excess administration expenses unused	**655**	557
Income taxable in different years	**–**	40
Irrecoverable foreign tax	**4**	4
Current tax charge	**4**	4

(c) Provision for deferred taxation

There is no requirement to make a provision for deferred taxation in the current or prior accounting period

(d) Factors that may affect future tax charges

The Company has not recognised a deferred tax asset of £4,593,000 (2011 £2,073,000), arising as a result of having unutilised management expenses and loan relationship deficits The expenses will only be utilised, to the extent that there is sufficient future taxable income, or if the tax treatment of the capital gains made by the Company or the Company's investment profile changes The subsidiary has tax losses which will only be recoverable to the extent that there are sufficient future taxable profits

7. DIVIDENDS PAID

	Revenue 2012 £000	Revenue 2011 £000
Amounts recognised as distributions to equity holders in the year		
Final dividend for 2011 nil (2010 nil)	–	–
Interim dividends for 2012 3 5p (2011 3 5p)	**840**	840
Unclaimed dividends refunded	**(8)**	–
	832	840

Set out below are the total dividends paid and proposed in respect of the financial year, which is the basis on which the requirements of s 1158 CTA 2010 are considered The Company's revenue available for distribution by way of dividend for the year is £3,525,000 (2011 £832,000)

	Revenue 2012 £000	Revenue 2011 £000
Interim dividends for 2012 3 5p (2011 3 5p)	**840**	840
Proposed final dividend for 2012 10 5p (2011 nil)	**2,525**	–
	3,365	840

The Board is proposing a final dividend of 10 5p per Ordinary and 'A' Ordinary non-voting share

8. RETURN ON ORDINARY SHARES (EQUITY)

	Revenue 2012	Capital 2012	Total 2012	Revenue 2011	Capital 2011	Total 2011
Returns per share	**14 7p**	**5.8p**	**20 5p**	3 5p	204 6p	208 1p

Returns

Revenue return per share is based on the revenue attributable to equity shareholders of £3,525,000 (2011 £832,000)

Capital return per share is based on the capital gain attributable to equity shareholders of £1,401,000 (2011 £49,107,000)

Total return per share is based on the combination of revenue and capital returns attributable to equity shareholders, amounting to a net gain of £4,926,000 (2011 £49,939,000)

Both revenue and capital return are based on 8,000,000 Ordinary shares (2011 8,000,000) and 16,000,000 'A' non-voting Ordinary shares (2011 16,000,000), in issue throughout the year

9. PROFIT OF THE COMPANY ATTRIBUTABLE TO SHAREHOLDERS

The gain for the year after taxation dealt with in the accounts of the Company is £4,926,000 (2011 £49,939,000)

10. INVESTMENT IN SUBSIDIARY

The Company owns 100% of the ordinary share capital and voting rights of Consolidated Investment Funds Limited, an investment dealing company, registered and operating in England

11. INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	Listed £000	AIM & OFEX £000	Unquoted £000	**Group and Company 2012 Total £000**	Group and Company 2011 Total £000
Cost at 1 April 2011	109,601	59,908	4,135	**173,644**	168,956
Investment holding gains/(losses) at 1 April 2011	105,884	(13,112)	19	**92,791**	47,353
Valuation at 1 April 2011	215,485	46,796	4,154	**266,435**	216,309
Movements in the year					
Purchases at cost	3,821	5,495	2,201	**11,517**	24,754
Sales – proceeds	(5,102)	(2,545)	(765)	**(8,412)**	(23,755)
–(Losses)/gains on sales	(1,801)	(3,308)	721	**(4,388)**	3,689
Movement in investment holding (losses)/gains	(1,268)	7,236	(176)	**5,792**	45,438
Valuation as at 31 March 2012	211,135	53,674	6,135	**270,944**	266,435
Cost	106,519	59,550	6,292	**172,361**	173,644
Investment holding gains/(losses)	104,616	(5,876)	(157)	**98,583**	92,791
	211,135	53,674	6,135	**270,944**	266,435

Transaction costs

During the year expenses were incurred in acquiring and disposing of investments classified as fair value through profit or loss These have been expensed through capital and are included within gains on investments in the Income Statement The total costs were as follows

	Group and Company 2012 £000	Group and Company 2011 £000
Purchases	**12**	123
Sales	**12**	12
	24	135

12. SIGNIFICANT HOLDINGS

The Company's holdings of 10% or more of any class of shares in investment companies and 20% or more of any class of shares in non-investment companies are detailed below

Non-investment company	Country of incorporation or registration	Class of capital	% of class held	Latest available audited accounts	Exc Minority Interest Total capital and reserves US$000	Exc Minority Interest Loss after tax for the year US$000
Ocean Wilsons Holdings Limited	Bermuda	Ordinary	26 4	31 12 11	506,186	8,639

The above is included as part of the investments portfolio in accordance with IAS 28 – Investment in Associates

The Company has material holdings in the following companies which represent more than 3% of any class of equity share capital

Company	Class of capital	% of class held
Straight Plc	Ordinary	9 4
Polastar Plc	Ordinary	8 2
Altitude Group Plc	Ordinary	6 4
Andor Technology	Ordinary	5 6
Work Group Plc	Ordinary	4 9
Leadcom Integrated Solutions	Ordinary	4 5
Acertec Plc	Ordinary	4 4
Goals Soccer Centres Plc	Ordinary	4 3
Morson Group Plc	Ordinary	3 9
Helesi Plc	Ordinary	3 8
Hargreaves Services Plc	Ordinary	3 7
NCC Group Plc	Ordinary	3 6
Media Square Plc	Ordinary	3 6
All Leisure	Ordinary	3 6
Ark Therapeutics	Ordinary	3 1
Kimberly Enterprises	Ordinary	3 0

13. OTHER RECEIVABLES

	Group 2012 £000	Group 2011 £000	**Company 2012 £000**	Company 2011 £000
Prepayments and accrued income	**272**	245	**272**	245
Recoverable domestic tax	**22**	36	**22**	36
	294	281	**294**	281

14. CASH AND CASH EQUIVALENTS

	Group 2012 £000	Group 2011 £000	**Company 2012 £000**	Company 2011 £000
Cash funds	**–**	8,177	**–**	8,177
Cash at bank	**137**	118	**137**	118
	137	8,295	**137**	8,295

15. CURRENT LIABILITIES

	Group 2012 £000	Group 2011 £000	Company 2012 £000	Company 2011 £000
Bank loans and overdrafts	**2,930**	10,400	**2,930**	10,400
Due to subsidiary undertaking	**–**	–	**633**	633
Other creditors and accruals	**238**	498	**237**	498
	3,168	10,898	**3,800**	11,531

Details of the bank loan can be found in Note 21

16. SHARE CAPITAL

	Company 2012 £000	Company 2011 £000
Issued and fully paid		
8,000,000 Ordinary shares of 5p	**400**	400
16,000,000 'A' non-voting Ordinary shares of 5p	**800**	800
	1,200	1,200

The 'A' non-voting Ordinary shares do not entitle the holders to receive notices or to vote, either in person or by proxy, at any general meeting of the Company, but in all other respects rank pari passu with the Ordinary shares of the Company

17. CAPITAL REDEMPTION RESERVE

	Group and Company 2012 £000	Group and Company 2011 £000
Balances at 31 March	**300**	300

18. RETAINED EARNINGS

		Capital Reserves			Capital Reserves	
Group	**Revenue 2012 £000**	**Other 2012 £000**	**Investment holding Gains 2012 £000**	Revenue 2011 £000	Other 2011 £000	Investment holding Gains 2011 £000
Opening balance at 1 April	**3,068**	**166,754**	**92,791**	3,076	163,085	47,353
Profit/(loss) for the year	**3,525**	**(4,391)**	**5,792**	832	3,669	45,438
Dividend paid	**(832)**	**–**	**–**	(840)	–	–
Closing balance at 31 March	**5,761**	**162,363**	**98,583**	3,068	166,754	92,791

Company	Revenue 2012 £000	Capital Reserves Other 2012 £000	Capital Reserves Investment Gains 2012 £000	Revenue 2011 £000	Capital Reserves Other 2011 £000	Capital Reserves Investment (Losses)/ Gains 2011 £000
Opening balance at 1 April	**2,438**	**166,754**	**93,421**	2,445	163,085	47,984
Profit/(loss) for the year	**3,526**	**(4,391)**	**5,791**	833	3,669	45,437
Dividend paid	**(832)**	–	–	(840)	–	–
Closing balance at 31 March	**5,132**	**162,363**	**99,212**	2,438	166,754	93,421

Note Only Revenue reserves are distributable, by way of dividends

19. NET ASSET VALUE

	2012	2011
NAV per Ordinary and 'A' non-voting Ordinary share	**1,117.5p**	1,100 5p

The NAV per Ordinary and 'A' non-voting Ordinary share is based on the net assets attributable to equity shareholders of £268,207,000 (2011 £264,113,000) and on 8,000,000 Ordinary shares (2011 8,000,000) and 16,000,000 'A' non-voting Ordinary shares (2011 16,000,000), in issue at 31 March 2012

20. COMMITMENTS AND CONTINGENCIES

The Company has entered into a commitment agreement with DV3 Ltd, an unquoted property investment company DV3 Ltd is in solvent liquidation and whilst it is not expected that the liquidator will call upon the outstanding commitment of £807,438 it is expected to remain in place until the completion of the orderly winding up of the company The amount outstanding at 31 March 2012 was £327,438 (2011· £327,438)

The Company has entered into a further commitment agreement with DV4 Ltd, also an unquoted property investment company The commitment was for £10m for a period of five years from 7 March 2008 and the amount outstanding at 31 March 2012 was £3,993,337 (2011 £6,194,325)

21. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

The Company's financial instruments comprise securities, cash balances, debtors and creditors arising directly from its operations All financial assets and liabilities are either carried in the Balance Sheet at their fair value, or the Balance Sheet amount is a reasonable approximation of fair value The risks that the Group as a whole is exposed to, are the same as those for the Company and are covered below

Risk Objectives and Policies

The objective of the Company is to achieve growth of shareholder value commensurate with the risks taken, bearing in mind that the protection of long-term shareholder value is paramount The policy of the Board is to provide a framework within which the Investment Manager can operate and deliver the objectives of the Company In pursuing its investment objective, the Company is exposed to a variety of risks that could result in either a reduction in the Company's net assets and/or a reduction of the profits available for dividends

These risks include those identified by the accounting standard IFRS7, being market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk and the Directors' approach to the management of them are set out below The Board, in conjunction with the Investment Manager and Company Secretary, oversees the Company's risk management

The objectives, policies and processes for managing the risks and the methods used to measure them are set out below, these have not changed from the previous accounting period

Risks Associated with Financial Instruments:

Foreign currency risk

Foreign currency risks arise in two distinct areas which affect the valuation of the investment portfolio 1) where an investment is denominated and paid for in a currency other than Sterling, and 2) where an investment has substantial non-Sterling cash flows The Company does not normally hedge against foreign currency movements affecting the value of the investment portfolio, but takes account of this risk when making investment decisions The Investment Manager monitors the effect of foreign currency fluctuations through the pricing of the investments by the various markets The level of investments denominated in foreign currencies held by the Company at 31 March 2012 is 1 7% of the portfolio (2011 1 8%) and therefore the portfolio valuation is not materially sensitive to direct foreign currency fluctuations

	Direct foreign currency risk 2012 £000	**No direct foreign currency risk 2012 £000**	**Total 2012 £000**	Direct foreign currency risk 2011 £000	No direct foreign currency risk 2011 £000	Total 2011 £000
Investments	**4,720**	**266,224**	**270,944**	4,736	261,699	266,435
Other receivables excluding prepayments	**78**	**194**	**272**	–	265	265
Cash funds	–	–	–	–	8,177	8,177
Cash at bank	–	**137**	**137**	–	118	118
Current liabilities	–	**(238)**	**(238)**	–	(498)	(498)
Bank loan	–	**(2,930)**	**(2,930)**	–	(10,400)	(10,400)
	4,798	**263,387**	**268,185**	4,736	259,361	264,097

Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits and the interest payable on the Company's variable rate borrowings

The Company has banking facilities amounting to £30m (2011 £30m) which are available for the Investment Manager to use in purchasing investments, the costs of which are base rate plus a margin The Company does not normally hedge against interest rate movements affecting the value of the investment portfolio, but takes account of this risk when an investment is made utilising the facility The level of banking facilities used is monitored by both the Board and the Investment Manager on a regular basis The impact on the returns and net assets of the Company for every 1% change in interest rates based on the amount drawn down at the year end under the facility would be £29,300 (2011 £104,000) The level of banking facilities utilised at 31 March 2012 was £2 9m (2011 £10 4m)

Interest rate changes usually impact equity prices The level and direction of change in equity prices is subject to prevailing local and world economic conditions as well as market sentiment, all of which are very difficult to predict with any certainty The Company has floating rate financial assets consisting of bank balances and cash funds that have received average rates of interest during the year of 0 0% on bank balances and 0 1% on cash funds

	Cash flow interest rate risk 2012 £000	**No interest rate risk 2012 £000**	**Total 2012 £000**	Cash flow interest rate risk 2011 £000	No interest rate risk 2011 £000	Total 2011 £000
Investments	**–**	**270,944**	**270,944**	–	266,435	266,435
Other receivables excluding prepayments	**–**	**272**	**272**	–	265	265
Cash funds	**–**	**–**	**–**	8,177	–	8,177
Cash at bank	**137**	**–**	**137**	118	–	118
Current liabilities	**–**	**(238)**	**(238)**	–	(498)	(498)
Bank loan	**(2,930)**	**–**	**(2,930)**	(10,400)	–	(10,400)
	(2,793)	**270,978**	**268,185**	(2,105)	266,202	264,097

Other price risk

By the nature of its activities, the Company's investments are exposed to market price fluctuations NAV is calculated and reported daily to the London Stock Exchange The Investment Manager and the Board monitor the portfolio valuation on a regular basis and consideration is given to hedging the portfolio against large market movements

The Company's investment in Ocean Wilsons is large both in absolute terms, £109 9m (2011 £106 2m) and as a proportion of the NAV, 41 0% (2011: 40 2%) Shareholders should be aware that if anything of a severe and untoward nature were to happen to this company, it could result in a significant reduction in the NAV and share price However, it is an investment the Board pays close attention to and it should be pointed out that the risks associated with it are very different from those of the other companies represented in the portfolio The Board itself regularly undertakes a thorough review of its business and prospects and has determined that its future holds a lot of promise As a consequence the Board believes the risk involved in the investment is worthwhile

The performance of the portfolio as a whole is not designed to correlate with that of any market index Should the portfolio of the Company, as detailed on page 34, rise or fall in value by 10% from the year end valuation, the effect on the Group profit and equity would be an equal rise or fall of £27 1m (2011 £26 6m) The Company gearing, which is currently at 1 1% (2011 3 9%), would increase to 1 2% (2011 4 4%) should the Company's portfolio fall in value by 10 %

Credit Risk

The Company only transacts with regulated institutions on normal market terms, which are trade date plus one to three days The levels of amounts outstanding from brokers are regularly reviewed by the Investment Manager The duration of credit risk associated with the investment transactions is the period between the date the transaction took place, the trade date, the date the stock and cash are transferred and the settlement date The level of risk during the period is the difference between the value of the original transaction and its replacement with a new transaction The amounts due to/(from) brokers at 31 March 2012 are shown in Note 13 and Note 15

The Company's maximum exposure to credit risk on cash funds is £137,000 (2011 £8,295,000) Surplus cash is placed in AAA-rated cash funds

Liquidity Risk

The liquidity risk to the Company is that it is unable to meet its obligations as they fall due, as a result of a lack of available cash and an inability to dispose of investments in a timely manner A substantial proportion of the Company's portfolio is held in liquid quoted investments, however there is a large holding in Ocean Wilsons Holdings Ltd of 41 0% (2011 40 2%), and other holdings in AIM and unquoted investments of 20 0 % (2011 19 1%)

The Investment Manager takes into consideration the liquidity of each investment when purchasing and selling, in order to maximise the returns to shareholders by placing suitable transaction levels into the market Special consideration is given to investments that represent more than 5% of the investee company A detailed list of the top 30 investments held at 31 March 2012 is shown on page 34, together with a summary table detailing the markets on which the investments are quoted This can be used broadly to ascertain the levels of liquidity within the portfolio, although liquidity will vary with each investment

The Company's financial liabilities at 31 March 2012 consist of a short-term bank loan amounting to £2 9m (2011 £10 4m) that bears interest based on the prevailing LIBOR rate, plus an agreed margin This loan is part of a total revolving credit facility with BNP of £30m (2011 ING £30m) The facility is a committed facility repayable on or before 6 February 2014 and subject to a covenant requirement of a minimum adjusted NAV of £69m The Company has undrawn loans from this facility of £27 1m (2011 £19 6m) The Company holds this facility for use at short notice for its investment activities If fully drawn the loan would form 11 1% (2011 11 3%) of the current value of the investment portfolio

Capital Management

The Company considers its capital to be its issued share capital and reserves and whilst the Company has access to loan facilities it is not considered or used as core capital but primarily to meet the cash timing requirements of opportunistic investment strategies and thereby enhance shareholder returns The Board regularly monitors its share discount policy and the level of discounts and whilst it has the option to re-purchase shares, it considers that the best means of attaining a good rating for the shares is to concentrate on good shareholder returns

However, the Board believes the ability of the Company to re-purchase its own 'A' non-voting Ordinary shares in the market may potentially enable it to benefit all equity shareholders of the Company The re-purchase of 'A' non-voting Ordinary shares at a discount to the underlying NAV would enhance the NAV per share of the remaining equity shares and it might also enable the Company to address more effectively any imbalance between supply and demand for the Company's 'A' non-voting Ordinary shares

22. FAIR VALUE HIERARCHY

IFRS 7 'Financial Instruments Disclosures' requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements The fair value hierarchy has the following levels

- 1 quoted prices (unadjusted) in active markets for identical assets or liabilities,
- 2 inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (ie as prices) or indirectly (ie derived from prices), and
- 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy valued in accordance with the accounting policies in Note 1 are detailed below

31 March 2012

	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at fair value through profit or loss				
Quoted equities	**264,809**	-	-	**264,809**
Unquoted equities	-	-	**6,767**	**6,767**
Net fair value	**264,809**	-	**6,767**	**271,576**

31 March 2011

	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at fair value through profit or loss				
Quoted equities	262,280	-	-	262,280
Unquoted equities	-	-	4,788	4,788
Total	262,280	-	4,788	267,068

There have been no transfers during the year between levels 1 and 2 A reconciliation of fair value measurements in Level 3 is set out in the following table

	2012 Equity Investments £000	2011 Equity investments £000
Opening Balance	**4,788**	3,832
Purchases	**2,201**	1,185
Sales	**(765)**	(363)
Total gains or losses included in gains on investments in the income statement		
– on assets sold	**722**	227
– on assets held at year end	**(179)**	(93)
Closing Balance	**6,767**	4,788

23. RELATED PARTIES

Details of the relationship between the Company and Hansa Capital Partners LLP, including amounts paid during the year and owing at 31 March 2012, are disclosed in the Report of the Directors on pages 16 and 17 and in Note 3 on page 44

24. CONTROLLING PARTIES

At 31 March 2012 Nicholas B Dill, Jr and Codan Trust Company Limited held 51 7% of the issued Ordinary shares Additional information is disclosed in the Report of the Directors, "Substantial Shareholders" on pages 16 and 17

Notice of the Annual General Meeting

Notice is hereby given that the Annual General Meeting of Hansa Trust PLC will be held at The Washington Hotel, 5 Curzon Street, London W1J 5HE on 31 July 2012 at 11 30am, for the following purposes

Ordinary Business

1 To receive and consider the audited Financial Statements and the Reports of the Directors and Auditor for the year ended 31 March 2012

2 To approve the payment of a final dividend of 10 5p per share

3 To re-appoint the Auditor and to authorise the Directors to determine the remuneration of the Auditor

4 To re-elect Mr Hammond-Chambers (a biography and Board endorsement can be found on page 11), who retires, as a Director of the Company

5 To re-elect Mr Salomon (a biography and Board endorsement can be found on page 11), who retires, as a Director of the Company

6 To re-elect Professor Wood (a biography and Board endorsement can be found on page 11), who retires, as a Director of the Company

7 To approve the Directors' Remuneration Report and authorise the Board to determine the remuneration of the Directors

Special Business

To consider, and if thought fit, pass the following resolutions which will be proposed as special resolutions

Authority to re-purchase up to 14.99% of the 'A' non-voting Ordinary shares

8 THAT the Company be unconditionally authorised to make market purchases of up to an aggregate of 2,398,400 'A' non-voting Ordinary shares of 5p of the Company at a price (exclusive of expenses) which is

a) not less than 5p per share, and

b) not more than 5% above the average of the middle-market quotations (as derived from the Daily Official List of the London Stock Exchange) for 'A' non-voting Ordinary shares of 5p each in the five business days immediately preceding any such purchase, AND

THAT the authority conferred by this resolution shall expire on the date of the next AGM (except in relation to the purchase of shares, the contract for which was concluded before such date and which might be executed wholly or partly after such date)

That the Company adopt new Articles of Association

9 THAT the Articles of Association of the Company be altered by the adoption of articles in the form produced to the meeting and initialled for the purposes of identification by the chairman of the meeting in place of the existing Articles of Association of the Company and that, for the avoidance of doubt, any provisions formerly in the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's Articles of Association but are not set out in the articles in the form produced to the meeting are hereby deleted from the Articles of Association of the Company

By order of the Board
Hansa Capital Partners LLP
Secretary
22 June 2012

50 Curzon Street
London W1J 7UW

NOTES

1 Ordinary shareholders, proxies and authorised representatives of corporations which are Ordinary shareholders, are entitled to attend the meeting To be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members by 6 00pm on 29 July 2012 ('the specified time') Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting

2 If the meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original meeting, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting If however the meeting is adjourned for a longer period then, to be so entitled, members must be entered on the Company's register of members at the time which is 48 hours before the time fixed for the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice

3 A member present in person or by proxy shall have one vote on a show of hands On a vote by poll every Member present in person or by proxy shall have one vote for every Ordinary share of which he/she is the holder

4 A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and, upon a poll, to vote instead of him/her provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member A proxy need not also be a member To appoint more than one proxy, the Proxy Form should be photocopied and completed for each proxy holder The proxy holder's name should be written on the Proxy Form together with the number of shares in relation to which the proxy is authorised to act All proxy forms should be enclosed in the same envelope

5 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted Seniority is determined by the order in which the names of the joint holders appear in the register of members in respect of the joint holding (the first-named being the most senior)

6 To be valid any Proxy Form or other instrument appointing a proxy must be received by post, (during normal business hours only) by hand at Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU or a proxy can be lodged electronically at www capitashareportal com, in each case no later than 11 30am on 29 July 2012

7 The return of a completed Proxy Form, other such instrument or any CREST Proxy Instruction (as described below) will not prevent a shareholder from attending the Annual General Meeting and voting in person if he/she wishes to do so

8 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares

9 As at 26 June 2012 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 8,000,000 Ordinary shares, carrying one vote each Therefore, the total voting rights in the Company as at 26 June 2012 are 8,000,000.

10 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf

11 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www euroclear com/CREST) The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent ID RA10 by 11 30am

on 29 July 2012 For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means

12 CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings

13 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001

14 Any member attending the meeting has the right to ask questions The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer may be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered

15 A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at www hansatrust com

16 The following documents will be available for inspection at the registered office of the Company during usual business hours on any weekday (except public holidays) until the date of the AGM and at the place of the AGM for a period of 15 minutes prior to and during the meeting

a) a copy of the Current Articles of Association, and

b) a copy of all Directors' Service Contracts

17 A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights The statements of the rights of members in relation to the appointment of proxies in Notes 1 and 2 above do not apply to a Nominated Person The rights described in those Notes can only be exercised by registered members of the Company

A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company (provided, in the case of multiple corporate representatives of the same corporate shareholder, they are appointed in respect of different shares owned by the corporate shareholder or, if they are appointed in respect of those same shares, they vote those shares in the same way) To be able to attend and vote at the meeting, corporate representatives will be required to produce, prior to their entry to the meeting, evidence satisfactory to the Company of their appointment

On a vote on a resolution on a show of hands, each authorised person has the same voting rights to which the corporation would be entitled On a vote on a resolution on a poll, if more than one authorised person purports to exercise a power in respect of the same shares

a) if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way,

b) if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised

18 Members should note that it is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006 (the 'Act'), the Company may be required to publish on a website a statement setting out any matter relating to

a) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM, or

b) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Act The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Act Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website The business which may be dealt with at the AGM includes any statement that the Company has been required under Section 527 of the Act to publish on a website

Investor Information

The Company currently manages its affairs so as to be a qualifying investment trust for ISA purposes As a result, under current UK legislation, the Ordinary and 'A' non-voting Ordinary shares qualify for investment in the stocks and shares component of a non-CAT Standard ISA up to the full annual subscription limit It is the present intention that the Company will conduct its affairs so as to continue to qualify for ISA products

CAPITAL STRUCTURE

The Company has 8,000,000 Ordinary shares of 5p each and 16,000,000 'A' non-voting Ordinary shares of 5p each in issue The Ordinary shareholders are entitled to one vote per Ordinary share held The 'A' non-voting Ordinary shares do not entitle the holders to vote or receive notice of meetings, but in all other respects they have the same rights as the Company's Ordinary shares

CONTACT DETAILS

Hansa Trust PLC
50 Curzon Street, London W1J 7UW
Tel 020 7647 5750
Fax 020 7647 5770
Email hansatrustenquiry@hansacap com
Website www hansatrust com

The Company's website includes the following

- Monthly Fact Sheets
- Stock Exchange Announcements
- Interim Management Statements
- Details of the Board Statements
- Annual and Half Yearly Reports
- Share Price Data Reports

Please contact the Investment Manager, as below, if you have any queries concerning the Company's investments or performance

Hansa Capital Partners LLP
50 Curzon Street
London W1J 7UW
Telephone 020 7647 5750
Email hansatrustenquiry@hansacap com
Website www hansagrp com

Please contact the Registrars, as below, if you have a query about a certificated holding in the Company's shares

Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
Telephone 0871 664 0300
(Calls cost 10p per minute plus network charges)
Email ssd@capitaregistrars com
www capitaregistrars com

SHARE PRICE LISTINGS

The price of your shares can be found on our website and in the Financial Times under the heading Investment Companies

In addition, share price information can be found under the following

ISIN No	*Code*
Ordinary shares	GB0007879728
'A' non-voting Ordinary shares	GB0007879835
Sedol no	
Ordinary shares	787972
'A' non-voting Ordinary shares	787983
Reuters	
Ordinary shares	HAN L
'A' non-voting Ordinary shares	HANA L
Bloomberg	
Ordinary shares	HAN LN
'A' non-voting Ordinary shares	HANA LN
SEAQ	
Ordinary shares	HAN
'A' non-voting Ordinary shares	HANA

USEFUL INTERNET ADDRESSES

Association of Investment Companies	www theaic co uk
London Stock Exchange	www londonstockexchange com
TrustNet	www trustnet com
Interactive	www iii.co uk

FINANCIAL CALENDAR

Company year end	31 March
Preliminary full year results announced	18 June
Annual Report sent to shareholders	27 June
Annual General Meeting held	31 July
Final dividend payment	August
Announcement of half yearly results	November
Half Yearly Report sent to shareholders	December
Half Yearly dividend payment	December
Interim Management Statements	January & July

COMPANY INFORMATION

Registered in England & Wales number 126107

SECRETARY AND REGISTERED OFFICE
Hansa Capital Partners LLP
50 Curzon Street
London W1J 7UW

INVESTMENT MANAGER
Hansa Capital Partners LLP
50 Curzon Street
London W1J 7UW

AUDITORS
Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

SOLICITORS
Eversheds
One Wood Street
London EC2V 7WS

REGISTRAR
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

CUSTODIAN
BNP Paribas Securities Services
10 Harewood Avenue
London NW1 6AA

STOCKBROKER
Winterflood Investment Trusts
The Atrium Building
Cannon Bridge
25 Dowgate Hill
London EC4R 2GA

ADMINISTRATOR
Phoenix Administration Services Limited
Springfield Lodge
Colchester Road
Chelmsford
Essex CM2 5PW

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50 Curzon Street, London W1J 7UW
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