



ETHNA-GLOBAL DEFENSIV

Audited Annual Report for the period ended 31 December 2011

Investment fund under Luxembourg law

Investment fund pursuant to Part I of the Luxembourg law of 17 December 2010 relating to collective investment undertakings in the form of a mutual fund (fonds commun de placement (FCP).

R.C.S. Luxembourg B 155427



ETHENA
Independent Investors

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The Sales Prospectus with integrated management regulations, the Key Information Documents (KID) and the fund's annual and semi-annual reports are available free of charge by post, fax or e-mail from the registered office of the management company and from the custodian bank, paying agents and the distributor in the respective countries of distribution. Additional information is available from the management company at all times during regular business hours.

Unit subscriptions are valid only if they are made on the basis of the most recent version of the Sales Prospectus (including its annexes) in conjunction with the latest available annual report and any subsequent semi-annual report.

The information and figures contained in this report relate to past performance only and give no indication of future performance.

FUND MANAGEMENT REPORT

2 The fund management report on behalf of the Board of Directors of the management company:

Natural disasters at the beginning of the year shook the world in 2011 and set the stage for an extremely volatile year on the stock exchanges. In particular, the earthquake in New Zealand, the double impact of fires and floods in Australia and Thailand, and the earthquake and catastrophic tsunami at Fukushima on the coast of Japan will remain in our memories for a long time to come. In addition to these events, which dramatically reduced the ability of whole economies to function in some cases, political decisions made about the nuclear industry in response to the atomic disaster in Fukushima also impacted on shares, bonds and exchange rates in sectors other than energy.

While inflation expectations on the markets were high at the start of 2011, towards the middle of the year it was the danger of deflation which became the focus of economic analysis. The European Central Bank firmly altered its course on interest rates in response to these shifting assessments: two rate rises in the first half of the year were following by two rate cuts in the second half.

What was referred to as the euro crisis, but was actually more a crisis of confidence, gripped Spain and Italy and then more recently spread to Belgium and France. Even countries previously considered stable, such as the Netherlands and Austria, were not immune to the crisis. This contagion made investors even more jittery. International investors in North America and Asia retreated from the euro in large numbers, leading to a further escalation of the crisis. This was reflected in the huge increase in yield premiums for supranational issuers, such as the European Investment Bank. The shares and debt securities of financial institutions also lost a great deal of value as banks took a hit from write-downs they were forced to take on European government bonds.

The big rating agencies, Standard & Poor's, Moody's and Fitch, exacerbated financial market talk and uncertainty through their often dubious or at least rather opaque decision-making, adding to the volatility which is a gauge of market nervousness.

In this environment of volatility and erratic price surges, the fund management faced a stiff challenge in achieving our primary goal: to preserve value. We, too, were taken by surprise by the long series of events affecting the capital markets, and we had to adjust the funds to the new risk parameters in the difficult market environment. Despite our many years of experience on the capital markets, our funds did not escape entirely unscathed. A disciplined approach and the correct assessment and anticipation of new trends brought us within sight of our minimum target of preserving capital towards the end of the year, and enabled us to keep losses at a very low level.

We would like to take this opportunity to express our thanks for the trust placed in us, and we are confident not just of making up lost ground going forward but also of achieving the return targets set whilst adhering to volatility limits.

Luxembourg, January 2012

The Board of Directors of ETHENEA Independent Investors S.A.

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GEOGRAPHICAL BREAKDOWN OF ETHNA-GLOBAL DEFENSIV BY COUNTRY AND ECONOMIC SECTOR

Annual Report
1 January 2011 - 31 December 2011

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The company is entitled to create unit classes that confer different rights depending on the units.

Currently the following unit classes exist with these structural features:

	Unit class A	Unit class T
Security identification no.:	A0LF5Y	A0LF5X
ISIN code:	LU0279509904	LU0279509144
Entry charge:	2.50%	2.50%
Exit charge:	0.00%	0.00%
Management fee:	0.90%	0.90%
Minimum subsequent investment:	none	none
Utilisation of income:	distributed	reinvested
Currency:	EUR	EUR

Geographical breakdown by country (by issuer)	
Netherlands	12.31%
Germany	9.31%
France	7.94%
Luxembourg	7.67%
European Community	7.47%
Norway	6.36%
Supranational institutions	5.96%
Ireland	4.06%
Australia	2.77%
Cayman Islands	2.67%
United States of America	2.47%
Austria	2.20%
Sweden	1.82%
United Kingdom	1.65%
Belgium	1.10%
Spain	1.05%
Switzerland	0.83%
South Korea	0.71%
Jersey	0.66%
Bermuda	0.62%
United Arab Emirates	0.60%
Canada	0.48%
Chile	0.36%
Virgin Islands (GB)	0.36%
Liechtenstein	0.31%
Brazil	0.23%
Securities holdings	81.97%
Futures contracts	-0.18%
Fixed-term deposits	12.42%
Cash at banks	4.55%
Other receivables and payables (net)	1.24%
	100.00%

Breakdown by economic sector	
Business and public services *	24.31%
Banks	19.73%
Insurance	10.39%
Other	6.31%
Capital goods	4.39%
Utilities	3.68%
Hardware and equipment	3.11%
Diversified financial services	2.82%
Raw materials and supplies	2.24%
Transport	1.83%
Energy	1.48%
Real estate	1.04%
Food, beverages and tobacco	0.46%
Commercial services and materials	0.18%
Securities holdings	81.97%
Futures contracts	-0.18%
Fixed-term deposits	12.42%
Cash at banks	4.55%
Other receivables and payables (net)	1.24%
	100.00%

* Incl. government bonds

The accompanying notes form an integral part of this Annual Report.

Change over the last three financial years

Unit class A

Date	Total net fund assets in EUR m	Outstanding units	Net inflows in '000s EUR	Unit value EUR
31/12/2009	30.27	247,401	55,358.01	122.36
31/12/2010	121.86	924,531	87,632.66	131.81
31/12/2011	152.51	1,197,054	36,003.30	127.40

Unit class T

Date	Total net fund assets in EUR m	Outstanding units	Net inflows in '000s EUR	Unit value EUR
31/12/2009	68.16	549,088	18,240.14	124.14
31/12/2010	242.63	1,812,898	165,505.66	133.83
31/12/2011	287.50	2,173,495	49,477.22	132.27

COMPOSITION OF THE NET FUND ASSETS OF ETHNA-GLOBAL DEFENSIV

6 Composition of net fund assets as at 31 December 2011

	EUR
Securities holdings (securities acquisition costs: EUR 364,969,413.79)	360,691,525.28
Fixed-term deposits	54,646,480.29
Cash at banks	20,012,313.97
Interest receivable	6,845,019.26
Receivables from unit sales	556,907.13
Other assets*	1,182.71
	442,753,428.64
Unit redemptions payable	-1,125,814.94
Unrealised losses on futures contracts	-803,075.00
Unrealised losses on currency forwards	-407,843.23
Other liabilities**	-410,223.42
	-2,746,956.59
Net fund assets	440,006,472.05

* This item includes capitalised incorporation costs.

** This position is made up principally of management and investment advisory fees.

Allocation among unit classes

Unit class A	
Pro rata net fund assets	EUR 152,507,901.26
Outstanding units	1,197,054.496
Unit value	EUR 127.40

Unit class T	
Pro rata net fund assets	EUR 287,498,570.79
Outstanding units	2,173,495.026
Unit value	EUR 132.27

Change in net fund assets

In the period under review from 1 January 2011 to 31 December 2011

	Total	Unit class A	Unit class T
	EUR	EUR	EUR
Total net fund assets at the beginning of the period under review	364,487,874.64	121,861,617.95	242,626,256.69
Ordinary net income	14,277,441.41	4,965,626.51	9,311,814.90
Income and expense equalisation	-651,415.41	-301,514.30	-349,901.11
Inflow of funds from sale of units	242,159,559.80	74,539,361.27	167,620,198.53
Outflow of funds from redemption of units	-156,679,036.51	-38,536,057.31	-118,142,979.20
Realised gains	17,552,004.96	5,942,225.57	11,609,779.39
Realised losses	-29,028,330.62	-10,005,893.74	-19,022,436.88
Net change in unrealised gains and losses	-9,127,988.64	-2,973,827.11	-6,154,161.53
Distribution	-2,983,637.58	-2,983,637.58	0.00
Total net fund assets at the end of the period under review	440,006,472.05	152,507,901.26	287,498,570.79

STATEMENT OF OPERATIONS OF ETHNA-GLOBAL DEFENSIV

8 Statement of Operations

In the period under review from 1 January 2011 to 31 December 2011

	Total	Unit class A	Unit class T
	EUR	EUR	EUR
Income			
Dividends	324,219.64	110,706.56	213,513.08
Interest on bonds	17,297,055.50	5,922,250.56	11,374,804.94
Bank interest	544,788.33	186,659.31	358,129.02
Income equalisation	877,265.02	403,770.56	473,494.46
Total income	19,043,328.49	6,623,386.99	12,419,941.50
Expense			
Interest expense	-28,378.16	-9,768.74	-18,609.42
Management and investment advisory fees	-3,823,637.00	-1,309,615.03	-2,514,021.97
Custodian fee	-217,119.84	-74,336.60	-142,783.24
Taxe d'abonnement	-213,858.90	-73,177.37	-140,681.53
Publication and audit expenses	-60,471.06	-20,813.73	-39,657.33
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-107,496.40	-37,414.64	-70,081.76
Government fees	-3,657.44	-1,232.27	-2,425.17
Other expenses ¹⁾	-85,418.67	-29,145.84	-56,272.83
Expense equalisation	-225,849.61	-102,256.26	-123,593.35
Total expense	-4,765,887.08	-1,657,760.48	-3,108,126.60
Ordinary net income	14,277,441.41	4,965,626.51	9,311,814.90
Total transaction costs in the financial year ²⁾	138,136.11		
Total expense ratio in percent ²⁾		1.06	1.06
Ongoing charges in percent ²⁾		1.08	1.08

¹⁾ This position is made up principally of general management costs and delivery charges.

²⁾ See notes to the Annual Report.

Change in number of units in circulation

	Unit class A	Unit class T
	Number	Number
Units in circulation at start of period under review	924,530.704	1,812,897.966
Units issued	572,804.298	1,247,718.801
Units redeemed	-300,280.506	-887,121.741
Units in circulation at end of period under review	1,197,054.496	2,173,495.026

The accompanying notes form an integral part of this Annual Report.

STATEMENT OF NET ASSETS AS AT 31 DECEMBER 2011 of ETHNA-GLOBAL DEFENSIV

Statement of net assets as at 31 December 2011

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ISIN	Securities		Acquisitions during the period under review	Disposals during the period under review	Holdings	Price	Price EUR	% share of NFA *
Equities, rights and profit participation certificates								
Securities traded on an exchange								
Liechtenstein								
LI0010737216	Verwaltungs-und Privat-Bank AG	CHF	10,000	0	20,000	83.3000	1,367,254.82	0.31
							1,367,254.82	0.31
Securities traded on an exchange							1,367,254.82	0.31
Equities, rights and profit participation certificates							1,367,254.82	0.31
Bonds								
Securities traded on an exchange								
AUD								
AU3TB0000010	5.750%	Australien S.123 v.06(2012)	7,200,000	0	7,200,000	100.6000	5,675,599.44	1.29
AU0000DXAHH7	5.750%	Dexia Municipal Agency AD-Obl. Foncières v.05(2015)	1,000,000	0	1,000,000	82.2100	644,178.03	0.15
AU300EF20086	5.500%	EUROFIMA Europäische Gesellschaft für die Finanzierung von Eisen EMTN v.05(2020)	5,000,000	0	5,000,000	92.9900	3,643,237.74	0.83
AU3CB0155620	6.000%	Europäische Investitionsbank v.10(2020)	3,000,000	0	3,000,000	100.1800	2,354,960.04	0.54
AU3CB0176675	6.250%	Europäische Investitionsbank v.11(2021)	9,000,000	0	9,000,000	100.5000	7,087,447.11	1.61
AU3CB0122448	6.500%	European Investment Bank (EIB) v.09(2019)	0	0	1,000,000	100.4000	786,710.55	0.18
AU0000KFWHR2	6.250%	Kreditanstalt für Wiederaufbau AD-MTN v.11(2021)	6,500,000	0	6,500,000	110.5000	5,628,036.36	1.28
AU0000ABOHG2	6.500%	Royal Bank Of Scotland NV FRN v.06(2018)	0	0	4,900,000	87.5840	3,362,808.34	0.76
XS0486328585	6.125%	Societe Nationale des Chemins de Fer Français EMTN v.10(2015)	0	0	1,500,000	102.3800	1,203,338.03	0.27
							30,386,315.64	6.91
CHF								
CH0029877666	2.875%	American International Group Inc. EMTN v.07(2015)	0	2,000,000	2,000,000	92.9000	1,524,825.61	0.35
CH0031390476	3.375%	American International Group Inc. EMTN v.07(2017)	0	0	4,000,000	88.4000	2,901,928.60	0.66
CH0027962825	2.750%	American International Group Inc. S.1 v.06(2016)	1,300,000	0	2,100,000	87.0500	1,500,246.20	0.34

* NFA = net fund assets

The accompanying notes form an integral part of this Annual Report.

Statement of net assets as at 31 December 2011

ISIN	Securities	Acquisitions during the period under review	Disposals during the period under review	Holdings	Price	Price EUR	% share of NFA *
CHF (continued)							
CH0022738105	2.125% Depfa ACS Bank EMTN v.05(2017)	100,000	80,000	5,770,000	88.8750	4,208,524.83	0.96
CH0024021302	2.375% Depfa ACS Bank EMTN v.06(2019)	200,000	10,000	1,190,000	87.7000	856,487.48	0.19
CH0022976853	2.375% Royal Bank of Scotland Plc. EMTN v.05(2015)	0	0	3,000,000	74.4000	1,831,760.36	0.42
						12,823,773.08	2.92
EUR							
XS0498817542	8.500% Abengoa S.A. v.10(2016)	1,600,000	0	3,400,000	94.0000	3,196,000.00	0.73
XS0272947150	4.375% Abu Dhabi National Energy Co. v.06(2013)	1,000,000	0	1,000,000	101.2500	1,012,500.00	0.23
NL0000168714	6.000% Achmea BV EMTN FRN Perp.	5,858,000	0	10,443,000	71.5000	7,466,745.00	1.70
XS0362173246	8.375% Achmea BV Perp.	1,871,000	100,000	4,771,000	94.6900	4,517,659.90	1.03
NL0000168466	6.000% Aegon NV Perp.	525,000	50,000	5,142,000	68.0600	3,499,645.20	0.80
FR0010074328	4.605% Agence Française de Développement FRN Perp.	4,341,000	0	4,341,000	77.5000	3,364,275.00	0.76
FR0010348052	4.615% Agence Française Développement FRN Perp.	6,350,000	0	10,500,000	73.0000	7,665,000.00	1.74
XS0719962986	4.000% Akzo Nobel N.V. v.11(2018)	750,000	0	750,000	102.3860	767,895.00	0.17
XS0176217429	4.750% ASIF III Jersey Ltd. EMTN v.03(2013)	0	0	1,730,000	99.6300	1,723,599.00	0.39
NL0009213545	10.000% ASR Nederland NV Perp.	0	1,500,000	5,000,000	101.6000	5,080,000.00	1.15
BE6222320614	5.375% Barry Callebaut Services NV v.11(2021)	2,000,000	0	2,000,000	101.1500	2,023,000.00	0.46
FR0010239319	4.875% BNP Paribas S.A. Perp.	1,650,000	1,963,000	6,000,000	56.5000	3,390,000.00	0.77
DE0001137347	1.750% Bundesrepublik Deutschland v.11(2013)	30,000,000	20,000,000	10,000,000	102.4600	10,246,000.00	2.33
XS0285303821	4.750% Dubai Holding Commercial Operations Group LLC v.07(2014)	3,950,000	100,000	9,350,000	85.0000	7,947,500.00	1.81
XS0207320242	4.875% ENBW International Finance BV v.04(2025)	6,000,000	0	6,000,000	107.1200	6,427,200.00	1.46
BE0930906947	4.747% Ethias Vie FRN Perp.	0	0	5,050,000	56.0000	2,828,000.00	0.64
XS0219847364	4.235% Euroclear Finance 2 S.A. FRN Perp.	2,150,000	0	2,150,000	75.0000	1,612,500.00	0.37
XS0544644957	3.000% Europäische Investitionsbank EMTN v.10(2022)	16,000,000	0	16,000,000	100.1000	16,016,000.00	3.63
EU000A1GKVZ9	2.500% Europäische Union v.11(2015)	2,000,000	0	2,000,000	102.1700	2,043,400.00	0.46
EU000A1GRYT1	2.750% Europäische Union v.11(2016)	5,000,000	0	5,000,000	102.9400	5,147,000.00	1.17
EU000A1GVJX6	2.750% Europäische Union v.11(2021)	18,000,000	8,000,000	10,000,000	98.6500	9,865,000.00	2.24
EU000A1GRVV3	3.500% Europäische Union v.11(2021)	25,000,000	10,000,000	15,000,000	105.7500	15,862,500.00	3.60
EU000A1G0AA6	2.750% European Financial Stability Facility v.11(2016)	17,000,000	7,000,000	10,000,000	102.7400	10,274,000.00	2.32
EU000A1G0AB4	3.375% European Financial Stability Facility v.11(2021)	23,000,000	13,000,000	10,000,000	102.1000	10,210,000.00	2.32
EU000A1G0AD0	3.500% European Financial Stability Facility v.11(2022)	5,000,000	0	5,000,000	102.6000	5,130,000.00	1.17
FR0011164664	5.000% Eutelsat S.A. v.11(2019)	2,000,000	0	2,000,000	100.4800	2,009,600.00	0.46
XS0490093480	6.875% FIL Ltd. EMTN v.10(2017)	1,350,000	150,000	2,590,000	105.5000	2,732,450.00	0.62
FR0117836652	2.500% Frankreich v.10(2015)	0	0	9,000,000	103.1000	9,279,000.00	2.11
XS0495973470	5.250% Glencore Finance Europe S.A. v.10(2017)	1,000,000	0	1,000,000	100.0000	1,000,000.00	0.23

* NFA = net fund assets

The accompanying notes form an integral part of this Annual Report.

Statement of net assets as at 31 December 2011

ISIN	Securities	Acquisitions during the period under review	Disposals during the period under review	Holdings	Price	Price EUR	% share of NFA *
EUR (continued)							
FR0010208751	4.375% Groupe des Assurances Mutuelles Agricoles FRN Perp.	5,500,000	200,000	6,300,000	42.0000	2,646,000.00	0.60
XS0466303194	4.750% Hutchison Whampoa International Ltd. v.09(2016)	1,000,000	0	1,000,000	105.0800	1,050,800.00	0.24
XS0272401356	4.250% Hypo Alpe-Adria-Bank International v.06(2016)	3,485,000	0	3,485,000	98.2500	3,424,012.50	0.78
XS0281875483	4.375% Hypo Alpe-Adria-Bank International AG v.07(2017)	2,500,000	0	2,500,000	100.0000	2,500,000.00	0.57
XS0479696204	4.000% ING Bank NV Pfe. v.10(2020)	0	0	2,500,000	106.5000	2,662,500.00	0.61
XS0356687219	8.000% ING Groep NV EMTN Perp.	4,000,000	500,000	9,000,000	90.8600	8,177,400.00	1.86
XS0246593304	4.000% Investor AB v.06(2016)	6,500,000	0	6,500,000	105.5000	6,857,500.00	1.56
XS0473114543	6.750% Lafarge S.A. EMTN v.09(2019)	1,600,000	0	2,000,000	85.7100	1,714,200.00	0.39
XS0718526790	3.125% Linde Finance BV EMTN v.11(2018)	1,000,000	0	1,000,000	103.7700	1,037,700.00	0.24
XS0150016748	5.650% MetLife of Connecticut Institutional Funding Ltd. EMTN v.02(2012)	0	0	1,177,000	100.0000	1,177,000.00	0.27
NL0000102325	3.750% Niederlande v.04(2014)	0	0	5,000,000	107.8700	5,393,500.00	1.23
NL0009213651	2.750% Niederlande v.09(2015)	0	0	3,500,000	105.6900	3,699,150.00	0.84
AT0000386198	3.500% Österreich v.05(2015)	0	0	3,500,000	106.3300	3,721,550.00	0.85
XS0173549659	5.000% OTE Plc. v.03(2013)	400,000	0	400,000	70.5500	282,200.00	0.06
XS0275776283	4.625% OTE Plc. v.06(2016)	4,600,000	0	4,600,000	56.3200	2,590,720.00	0.59
XS0716979249	4.875% Petrobras International Finance Co. Ltd. v.11(2018)	1,000,000	0	1,000,000	101.9500	1,019,500.00	0.23
XS0718395089	4.250% Repsol International Finance BV v.11(2016)	2,000,000	0	2,000,000	100.9400	2,018,800.00	0.46
XS0421565150	6.625% Statkraft AS EMTN v.09(2019)	1,000,000	0	1,000,000	122.0700	1,220,700.00	0.28
XS0462999573	4.693% Telefonica Emisiones S.A.U. EMTN v.09(2019)	1,500,000	0	1,500,000	92.9800	1,394,700.00	0.32
XS0718969271	3.875% Unibail-Rodamco SE v.11(2017)	1,000,000	0	1,000,000	100.9250	1,009,250.00	0.23
XS0497362748	4.375% Vale S.A. v.10(2018)	1,000,000	0	1,000,000	102.7300	1,027,300.00	0.23
XS0170239692	5.000% Vattenfall AB EMTN v.03(2018)	1,000,000	0	1,000,000	112.8000	1,128,000.00	0.26
FR0011164888	4.125% Vinci S.A. EMTN v.11(2017)	2,000,000	0	2,000,000	101.8450	2,036,900.00	0.46
XS0305188533	5.250% Xstrata Finance Canada Ltd. EMTN v.07(2017)	2,000,000	0	2,000,000	104.5100	2,090,200.00	0.48
						222,216,051.60	50.51
NOK							
NO0010602170	0.000% Norwegen v.11(2012)	70,000,000	0	70,000,000	99.7250	8,981,228.93	2.04
NO0010612195	0.000% Norwegen v.11(2012)	40,000,000	0	40,000,000	99.3800	5,114,376.14	1.16
NO0010602170	0.000% Norwegen v.11(2012)	100,000,000	20,000,000	80,000,000	99.7250	10,264,261.64	2.32
						24,359,866.71	5.52
USD							
XS0452295560	4.750% Abu Dhabi National Energy Co. PJSC v.09(2014)	2,000,000	0	2,000,000	104.1250	1,612,715.87	0.37
USP3143NAN41	3.875% Codelco Inc. v.11(2021)	2,000,000	0	2,000,000	101.8500	1,577,480.06	0.36
XS0546096800	7.500% Glencore Finance Europe SA EMTN Perp.	0	0	3,000,000	100.0000	2,323,240.15	0.53
XS0565475505	4.250% Hongkong Electric Finance Ltd. MTN v.10(2020)	2,000,000	0	2,000,000	102.9500	1,594,517.15	0.36

* NFA = net fund assets

The accompanying notes form an integral part of this Annual Report.

Statement of net assets as at 31 December 2011

ISIN	Securities		Acquisitions during the period under review	Disposals during the period under review	Holdings	Price	Price EUR	% share of NFA *
USD (continued)								
USY4841JAD82	4.125%	Korea Housing Finance Corporation v.10(2015)	2,000,000	0	2,000,000	103.2390	1,598,993.26	0.36
USY4899GAQ65	3.125%	Korea Hydro & Nuclear Power Co. Ltd. v.10(2015)	2,000,000	0	2,000,000	99.5900	1,542,476.57	0.35
US53947QAA58	6.500%	Lloyds TSB Bank Plc. v.10(2020)	0	0	2,000,000	84.4800	1,308,448.85	0.30
XS0457559838	4.625%	Optus Finance Pty Ltd. v.09(2019)	1,000,000	0	1,000,000	105.7300	818,787.27	0.19
US767201AK23	3.500%	Rio Tinto Finance USA Ltd. DL-Notes v.10(2020)	1,000,000	0	1,000,000	100.7000	779,834.28	0.18
US767201AN61	4.125%	Rio Tinto Finance USA Ltd. v.11(2021)	1,000,000	0	1,000,000	105.8400	819,639.12	0.19
XS0347919457	9.500%	Standard Chartered Bank FRN Perp.	0	0	1,500,000	106.6500	1,238,867.81	0.28
XS0446665886	5.500%	Swire Pacific MTN Financing Ltd. EMTN v.09(2019)	2,000,000	0	2,000,000	110.0530	1,704,530.32	0.39
USQ8975NAB12	4.800%	Telstra Corp. Ltd. v.11(2021)	2,000,000	0	2,000,000	106.0610	1,642,701.15	0.37
US92343VBD55	2.000%	Verizon Communications Inc. v.11(2016)	2,000,000	0	2,000,000	100.2080	1,552,048.32	0.35
							20,114,280.18	4.58
Securities traded on an exchange							309,900,287.21	70.44
Securities admitted to or included in organised markets								
AUD								
AU3CB0161123	6.000%	Council Of Europe Development Bank v.10(2020)	1,800,000	0	1,800,000	97.8300	1,379,830.75	0.31
AU3CB0173748	6.500%	Kommunalbanken AS MTN v.11(2021)	980,000	0	980,000	108.0800	829,951.42	0.19
							2,209,782.17	0.50
EUR								
XS0502258287	2.625%	Anglo Irish Bank Corporation Ltd. EMTN v.10(2012)	0	0	2,000,000	93.7100	1,874,200.00	0.43
DE000BLB6C58	3.375%	Bayerische Landesbank EMTN Pfe. v.09(2017)	0	0	2,500,000	106.4100	2,660,250.00	0.60
DE0001137339	1.500%	Bundesrepublik Deutschland v.11(2013)	10,000,000	0	10,000,000	101.7750	10,177,500.00	2.31
DE000A0G1RB8	3.875%	Depfa ACS Bank EMTN Pfe. v.06(2016)	650,000	100,000	1,400,000	94.2900	1,320,060.00	0.30
DE0007009482	3.875%	Depfa ACS Bank Pfe. v.03(2013)	800,000	0	3,800,000	99.9000	3,796,200.00	0.86
DE000A0DALH4	4.375%	Depfa ACS Bank Pfe. v.04(2015)	1,550,000	1,000,000	1,350,000	100.5000	1,356,750.00	0.31
DE000A0BCLA9	4.875%	Depfa ACS Bank v.04(2019)	800,000	400,000	1,500,000	97.2200	1,458,300.00	0.33
XS0222474339	3.750%	German Postal Pensions Securitisation Plc. v.05(2021)	2,800,000	0	2,800,000	107.0000	2,996,000.00	0.68
XS0223589440	6.750%	HDI-Gerling Lebensversicherung AG FRN Perp.	4,655,000	0	9,148,000	83.9500	7,679,746.00	1.75
DE000HSH29Z3	2.250%	HSH Nordbank AG EMTN IS v.09(2012)	0	0	1,000,000	100.8600	1,008,600.00	0.23
							34,327,606.00	7.80

* NFA = net fund assets

The accompanying notes form an integral part of this Annual Report.

Statement of net assets as at 31 December 2011

ISIN	Securities		Acquisitions during the period under review	Disposals during the period under review	Holdings	Price	Price EUR	% share of NFA *
USD								
US00206RAZ55	3.875%	AT & T Inc. v.11(2021)	2,000,000	0	2,000,000	106.0720	1,642,871.52	0.37
US17275RAH57	4.450%	Cisco Systems Inc. v.09(2020)	2,000,000	0	2,000,000	112.5100	1,742,584.99	0.40
US85771PAB85	3.125%	Statoil ASA v.10(2017)	2,000,000	0	2,000,000	105.7050	1,637,187.33	0.37
							5,022,643.84	1.14
Securities admitted to or included in organised markets							41,560,032.01	9.44
Unlisted securities								
AUD								
AU3CB0158731	6.750%	Macquarie University v.10(2020)	1,000,000	0	1,000,000	103.7330	812,827.14	0.18
AU3CB0156230	7.000%	SPI (Australia) Assets Pty Ltd. v.10(2015)	0	0	2,000,000	104.7950	1,642,297.45	0.37
							2,455,124.59	0.55
Unlisted securities							2,455,124.59	0.55
Bonds							353,915,443.81	80.43
Convertible bonds								
Securities traded on an exchange								
EUR								
DE000A0LNA87	1.750%	IVG Finance BV CV v.07(2017)	0	0	4,700,000	76.0000	3,572,000.00	0.81
							3,572,000.00	0.81
Securities traded on an exchange							3,572,000.00	0.81
Convertible bonds							3,572,000.00	0.81
Credit-linked notes								
EUR								
XS0272762963	5,030%	Gaz Capital S.A./Gazprom CLN/LPN v.06(2014)	1,000,000	0	1,000,000	102.2500	1,022,500.00	0.23
							1,022,500.00	0.23
USD								
XS0379583015	7,510%	Gaz Capital S.A. CLN/LPN v.08(2013)	1,000,000	0	1,000,000	105.1540	814,326.65	0.19
							814,326.65	0.19
Credit-linked notes							1,836,826.65	0.42
Securities holdings							360,691,525.28	81.97
Futures contracts								
Short positions								
EUR								
10 YR Euro-Bund Future March 2012			0	250	-250	-803,075.00		-0.18
							-803,075.00	-0.18
Short positions							-803,075.00	-0.18
Futures contracts							-803,075.00	-0.18
Fixed-term deposits							54,646,480.29	12.42
Cash at banks - current accounts							20,012,313.97	4.55
Other receivables and payables (net)							5,459,227.51	1.24
Total net fund assets in EUR							440,006,472.05	100.00

* NFA = net fund assets

The accompanying notes form an integral part of this Annual Report.

Forward foreign exchange contracts

The following forward foreign exchange contracts were open as at 31 December 2011:

Currency		Currency amount	Price	% share of NFA *
AUD	Currency sales	45,000,000.00	35,166,424.48	7.99
CHF	Currency sales	18,000,000.00	14,802,582.89	3.36

Futures contracts

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	Holdings	Commitments EUR	% share of NFA *
Short positions			
EUR			
10 YR Euro-Bund Future March 2012	-250	-34,730,000.00	-7.89
		-34,730,000.00	-7.89
Short positions		-34,730,000.00	-7.89
Futures contracts		-34,730,000.00	-7.89

* NFA = net fund assets

ACQUISITIONS AND DISPOSALS FROM 1 JANUARY 2011 TO 31 DECEMBER 2011

Acquisitions and disposals from 01 January 2011 to 31 December 2011

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Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

ISIN	Securities		Acquisitions	Disposals
Equities, rights and profit participation certificates				
Securities traded on an exchange				
Germany				
DE0005439004	Continental AG	EUR	25,000	25,000
DE0005552004	Dte. Post AG	EUR	0	200,000
DE0005557508	Dte. Telekom AG	EUR	250,000	250,000
DE000ENAG999	E.ON AG	EUR	0	100,000
DE0007500001	ThyssenKrupp AG	EUR	100,000	100,000
France				
FR0010242511	Electricité de France	EUR	49,540	100,000
FR0000131906	Renault S.A.	EUR	20,000	60,000
FR0000124141	Veolia Environnement S.A.	EUR	0	150,000
Netherlands				
NL0000009082	Koninklijke KPN NV	EUR	0	100,000
Norway				
NO0003053605	Storebrand ASA	NOK	0	34,200
NO0010063308	Telenor ASA	NOK	0	200,000
Sweden				
SE0000115446	Volvo AB -B-	SEK	0	125,000
Switzerland				
CH0012138605	Adecco S.A.	CHF	20,000	20,000
CH0038863350	Nestlé S.A.	CHF	10,000	50,000
CH0012005267	Novartis AG	CHF	10,000	50,000
CH0002168083	Panalpina Welttransport Holding AG	CHF	10,000	20,000
CH0012032048	Roche Holding AG Genussscheine	CHF	30,000	30,000
CH0012255151	Swatch Group	CHF	0	6,000
CH0011037469	Syngenta AG	CHF	0	10,000
CH0048265513	Transocean Ltd.	CHF	0	25,000
United States of America				
US61945A1079	The Mosaic Co.	USD	0	40,000
Securities admitted to or included in organised markets				
Ireland				
IE0030606259	Bank of Ireland	EUR	6,920,415	6,920,415

Acquisitions and disposals from 01 January 2011 to 31 December 2011

Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

ISIN	Securities	Acquisitions	Disposals
Bonds			
Securities traded on an exchange			
AUD			
XS0350883939	8.000% BP Capital Markets Plc. EMTN v.08(2011)	0	2,000,000
XS0484443188	5.875% Council of Europe Development Bank EMTN v.10(2015)	0	2,000,000
AU0000DXAHD6	5.750% Dexia Municipal Agency S.A. AD-Obl. Foncières v.04(2014)	1,000,000	1,000,000
AU300EF20094	5.625% EUROFIMA Europäische Gesellschaft für die Finanzierung von Eisen EMTN v.05(2016)	0	1,000,000
AU3CB0014843	6.125% European Investment Bank v.07(2017)	0	2,500,000
XS0490342028	6.000% International Bank for Reconstruction & Development EMTN v.10(2017)	0	2,500,000
XS0493320500	6.000% Kommunalbanken AS EMTN v.10(2015)	0	3,000,000
AU3CB0157634	5.750% Kommuninvest I Sverige v. 10(2015)	2,000,000	2,000,000
AU0000KFWHE0	5.750% Kreditanstalt für Wiederaufbau v.05(2015)	0	2,000,000
AU0000KFWHH3	5.500% Kreditanstalt für Wiederaufbau v.06(2016)	0	5,000,000
AU0000KFWHN1	6.250% Kreditanstalt für Wiederaufbau v.09(2019)	0	2,000,000
AU300NWNV032	6.250% Nederlandse Waterschapsbank NV v.06(2013)	0	3,500,000
CHF			
CH0109411238	2.375% Bank Nederlandse Gemeenten EMTN v.10(2019)	0	6,500,000
CH0030983628	2.750% BP Capital Markets Plc. EMTN v.07(2011)	0	1,000,000
CH0104007577	2.875% Cie de Financement Foncier EMTN Pfe. v.09(2019)	0	800,000
CH0109736824	2.375% CIF Euromortgage Pfe. v.10(2019)	0	800,000
CH0029365100	3.000% Citigroup Inc. v.07(2019)	95,000	1,895,000
CH0043156311	5.250% Dubai Holding Commercial Operations Ltd. EMTN v.08(2011)	0	1,875,000
CH0028608856	2.500% European Investment Bank (EIB) EMTN v.07(2021)	0	800,000
CH0028392279	2.750% Export-Import Bank of Korea EMTN v.07(2012)	0	1,000,000
CH0111490972	2.000% General Electric Capital Corporation v.10(2015)	0	1,000,000
CH0108870020	2.625% General Electric Capital Corporation v.10(2016)	0	2,000,000
CH0119799424	4.750% Helvetia Schweizerische Versicherungsgesellschaft AG FRN Perp.	0	1,500,000
CH0101589353	3.625% Rabobank Nederland NV EMTN v.09(2019)	0	1,500,000
CH0130163550	5.375% SCOR SE FRN Perp.	2,700,000	2,700,000
CH0123693969	5.375% SCOR SE SF-FLR Notes Perp.	4,700,000	4,700,000
CH0110623722	2.125% Tokyo Electric Power Co. Inc. EMTN v.10(2017)	0	1,500,000
CH0117606514	4.250% Zürich Versicherungs-Gesellschaft Fix-to-Float Perp.	0	5,000,000
CH0117605458	4.625% Zürich Versicherungs-Gesellschaft Perp.	5,500,000	5,500,000
EUR			
DE000AAR0108	4.000% Aareal Bank AG EMTN v.11(2014)	2,000,000	2,000,000
NL0000117224	5.125% Achmea BV FRN Perp.	0	2,000,000
XS0362491291	8.000% Ageas Hybrid Financing Perp.	0	700,000
XS0257650019	5.125% Ageas Hybrid Financing SA FRN Perp.	0	3,000,000
XS0211637839	4.375% Allianz Finance BV Perp.	1,000,000	1,000,000
DE000A1GNAH1	5.750% Allianz Finance II BV FRN v.11(2041)	2,500,000	2,500,000
FR0010161067	4.625% Allianz France S.A. FRN Perp.	0	2,106,000
XS0187162325	5.500% Allianz SE EMTN FRN Perp.	1,000,000	1,000,000
XS0498532117	0.000% Allied Irish Banks PLC EMTN v.10(2017)	0	4,400,000
XS0177448288	5.700% Aviva Plc. FRN Perp.	0	1,000,000
XS0323922376	6.211% AXA S.A. FRN v.07(2049)	1,850,000	1,850,000
XS0494810392	2.526% Banca Popolare di Vicenza S.c.R.L. FRN v.10(2013)	0	1,000,000
XS0408730157	6.375% BMW US Capital LLC EMTN v.09(2012)	2,000,000	2,000,000
XS0160850227	5.868% BNP Paribas Capital Trust VI FRN Perp.	2,063,000	2,563,000
FR0010456764	5.019% BNP Paribas S.A. FRN Perp.	500,000	500,000
XS0197646218	5.000% Citigroup Inc. v.04(2019)	5,600,000	6,800,000
FR0010941484	6.000% CNP Assurances S.A. Fix-to-float v.10(2040)	0	2,000,000

The accompanying notes form an integral part of this Annual Report.

Acquisitions and disposals from 01 January 2011 to 31 December 2011

Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

ISIN	Securities	Acquisitions	Disposals
EUR (continued)			
XS0214318007	4.100% Danske Bank AS FRN v.05(2018)	0	500,000
XS0495010133	3.250% EDP Finance BV EMTN v.10(2015)	0	750,000
XS0253627136	5.252% ELM BV FRN Perp.	1,500,000	5,500,000
XS0230228933	3.125% European Investment Bank v.05(2015)	0	5,000,000
XS0144887584	6.250% Fidelity International Ltd. v.02(2012)	571,000	571,000
XS0447977801	5.250% Fraport AG Frankfurt Airport Services Worldwide IS v.09(2019)	0	1,800,000
XS0198106238	7.000% Gerling Konzern Allg. Versicherungs AG FRN v.04(2024)	5,861,000	5,861,000
XS0270347304	4.750% Goldman Sachs Group Inc. v.06(2021)	1,000,000	1,000,000
GR0124018525	5.250% Griechenland v.02(2012)	7,000,000	7,000,000
GR0124021552	4.600% Griechenland v.03(2013)	7,000,000	7,000,000
FR0010533414	6.298% Groupama S.A. FRN v.07(2049)	5,850,000	5,850,000
XS0221011454	5.000% Hannover Finance S.A. FRN Perp.	0	2,000,000
DE000A0TKUU3	5.625% HeidelbergCement Finance BV EMTN v.07(2018)	0	500,000
DE000A1KQ1E2	9.250% Heidelberger Druckmaschinen v.11(2018)	1,000,000	1,000,000
XS0178404793	5.369% HSBC Capital Funding L.P. FRN Perp.	2,600,000	2,600,000
XS0494868630	4.125% Iberdrola Finanzas S.A.U. v.10(2020)	0	1,000,000
XS0130855108	3.268% ING Verzekeringen NV FRN v.01(2021)	1,000,000	1,000,000
DE000A0JQMH5	8.000% IVG Immobilien AG FRN Perp.	0	1,600,000
XS0637844605	3.750% JPMorgan Chase & Co. v.11(2016)	1,000,000	1,000,000
XS0498962124	3.875% KBC Ifima NV v.10(2015)	0	2,000,000
FR0010397885	5.110% La Mondiale Vie FRN Perp.	0	1,550,000
XS0456547537	4.250% LeasePlan Corporation NV EMTN v.09(2011)	1,650,000	1,650,000
XS0408623311	0.000% Lloyds TSB Bank Plc. EMTN Perp.	100,000	1,672,000
XS0543111768	6.000% Macquarie Bank Ltd. EMTN v.10(2020)	2,000,000	4,000,000
XS0488168351	6.000% Man Group Plc. EMTN v.10(2015)	1,500,000	2,000,000
XS0304987042	5.767% Munich Re Finance BV FRN Perp.	7,150,000	8,600,000
XS0293187273	4.125% Northern Rock Plc. Pfe. v.07(2017)	9,500,000	9,500,000
XS0140197582	5.750% Prudential Plc. EMTN FRN v.01(2021)	0	3,784,000
XS0619437147	6.625% Raiffeisen Bank International AG EMTN v.11(2021)	2,000,000	2,000,000
XS0643300717	3.750% RCI Banque S.A. v.11(2014)	800,000	800,000
XS0468954523	11,250% SNS Bank NV EMTN FRN Perp.	0	4,500,000
XS0363514893	6.625% SNS Bank NV EMTN v.08(2018)	1,000,000	1,000,000
XS0552743048	6.250% SNS Bank NV v.10(2020)	0	1,000,000
XS0470928846	4.125% SNS Reaal NV EMTN v.09(2013)	0	800,000
XS0365303329	7.756% Société Générale S.A. FRN Perp.	0	3,000,000
XS0449487619	9.375% Société Générale S.A. FRN Perp.	4,000,000	11,450,000
XS0254808214	6.375% Solvay Finance Perp.	2,300,000	2,300,000
XS0204937634	5.314% Standard Life Macs Plc. Perp.	0	1,500,000
XS0212420987	4.500% Talanx Finanz AG FRN v.05(2025)	0	1,000,000
TRY			
XS0484206486	10.000% Bank Nederlandse Gemeenten EMTN v.10(2014)	0	5,000,000
XS0465407194	9.000% Europäische Investitionsbank EMTN v.09(2013)	0	11,000,000
XS0543366164	8.000% European Investment Bank EMTN v.10(2015)	0	8,000,000
XS0580501210	7.250% European Investment Bank EMTN v.11(2016)	6,000,000	6,000,000
XS0528494031	8.000% European Investment Bank v.10(2014)	0	2,000,000
XS0503578642	9.000% International Bank for Reconstruction & Development v.10(2013)	0	1,000,000
XS0545416942	8.000% Rabobank Nederland EMTN v.10(2015)	0	2,000,000
USD			
US172967ES69	6.125% Citigroup Inc. v.08(2018)	0	780,000
US36158FAB67	6.450% GE Global Insurance Holding Corporation v.99(2019)	0	1,000,000

Acquisitions and disposals from 01 January 2011 to 31 December 2011

Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

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ISIN	Securities	Acquisitions	Disposals
Securities admitted to or included in organised markets			
AUD			
AU0000KFWHK7	6.000% Kreditanstalt für Wiederaufbau v.07(2017)	0	1,500,000
AU3CB0146660	6.500% Landwirtschaftliche Rentenbank v.10(2017)	0	1,000,000
EUR			
XS0455308923	4.500% Allied Irish Banks Plc. EMTN v.09(2012)	0	1,469,000
XS0465876349	5.625% Allied Irish Banks Plc. EMTN v.09(2014)	0	1,645,000
XS0487711573	10.000% Bank of Ireland EMTN v.10(2020)	400,000	6,200,000
DE0001137255	1.250% Bundesrepublik Deutschland v.09(2011)	0	10,000,000
DE0001137263	1.500% Bundesrepublik Deutschland v.09(2011)	0	1,000,000
DE0001137305	0.500% Bundesrepublik Deutschland v.10(2012)	10,000,000	10,000,000
DE0001135424	2.500% Bundesrepublik Deutschland v.10(2021)	20,000,000	20,000,000
DE000A0DXH13	3.250% Depfa ACS Bank Pfc. v.05(2012)	1,500,000	1,500,000
XS0369549570	7.500% Dte. Börse AG EMTN FRN v.08(2038)	0	2,386,000
IE0031256328	5.000% Irland v.02(2013)	2,000,000	2,000,000
XS0276697439	4.125% Springleaf Finance Corporation v.06(2013)	0	500,000
XS0325760444	4.875% Volkswagen Leasing GmbH EMTN v.07(2012)	450,000	450,000
USD			
USF22797FK97	8.375% Crédit Agricole S.A. FRN Perp.	0	1,000,000
Unlisted securities			
AUD			
AU300GSGI035	6.380% Goldman Sachs Group Inc. AD-Notes v.04(2011)	0	2,000,000
AU3CB0119329	6.000% Landwirtschaftliche Rentenbank v.09(2014)	0	812,000
AU3CB0160695	6.250% Ontario v.10(2020)	1,000,000	6,000,000
AU3CB0118578	6.750% Rabobank Nederland NV (Australia Branch) v.09(2014)	0	4,000,000
CHF			
CH0045723670	1.625% BP Capital Markets Plc. v.09(2011)	0	945,000
CH0122488445	5.250% Swiss Life AG Perp.	2,000,000	2,000,000
Convertible bonds			
Unlisted securities			
EUR			
IE00B4300D70	0.000% Bank of Ireland Zero CV v.11(2011)	800,000	800,000
Credit-linked notes			
EUR			
XS0235535035	5.000% JP Morgan Bank Luxembourg SA/Swiss Life AG LPN/FRN Perp.	1,850,000	4,200,000
Futures contracts			
EUR			
3MO Euribor Future December 2011		400	400
3MO Euribor Future March 2012		800	800
10 YR Euro-Bund Future December 2011		660	660
10 YR Euro-Bund Future June 2011		200	200
10 YR Euro-Bund Future September 2011		160	160
DAX Performance-Index Future December 2011		220	220
DAX Performance Index Future September 2011		50	50
Dow Jones EURO STOXX 50 Index Future September 2011		250	250
GBP			
Long Gilt Future December 2011		40	40
Long Gilt Future September 2011		40	40

Exchange rates

For the valuation of assets in a foreign currency, the following exchange rate for 31 December 2011 was used for conversion into euro.

Australian dollar	AUD	1	1.2762
Sterling	GBP	1	0.8389
Norwegian krone	NOK	1	7.7726
Swiss franc	CHF	1	1.2185
US dollar	USD	1	1.2913

NOTES TO THE ANNUAL REPORT AS AT 31 DECEMBER 2011

1.) GENERAL

The Ethna-GLOBAL Defensiv investment fund is managed by ETHENEA Independent Investors S.A. pursuant to the fund's management regulations. The management regulations first came into force on 2 January 2007. They were filed with the Luxembourg Trade and Companies Register with a reference to this filing published in Mémorial, Recueil des Sociétés et Associations, Official Gazette of the Grand Duchy of Luxembourg ("Mémorial"), on 31 January 2007. The management regulations were last amended on 15 December 2011, and a reference to this filing with the Trade and Companies Register in Luxembourg was published in the Mémorial on 15 January 2012.

The Ethna-GLOBAL Defensiv fund is a Luxembourg investment fund (fonds commun de placement), which was set up in the form of a mono fund for an indefinite period in accordance with Part I of the Luxembourg law of 20 December 2002 on Undertakings for Collective Investment up to 30 June 2011 and the amended law of the same name of 17 December 2010 (hereinafter "the law of 17 December 2010") from 1 July 2011.

The management company of the Fund is ETHENEA Independent Investors S.A. ("management company"), a public limited liability company incorporated under the laws of the Grand Duchy of Luxembourg with its registered office at 9a, Rue Gabriel Lippmann, L-5365 Munsbach. The company was founded on 10 September 2010 for an indefinite period. Its Articles of Association were published on 15 September 2010 in the Mémorial. Amendments to the management company's Articles of Association entered into force on 1 October 2011 and were published in the Mémorial on 21 October 2011. The management company is registered with the Luxembourg Trade and Companies Register under the registration number R.C.S. Luxembourg B-155427.

2.) KEY ACCOUNTING AND VALUATION PRINCIPLES

These annual financial statements were prepared under the responsibility of the Board of Directors of the management company in accordance with the statutory provisions and regulations on the preparation and presentation of annual financial statements applicable in Luxembourg.

1. The fund's net assets are stated in euros (EUR) ("reference currency").
2. The value of a fund unit ("unit value") is stated in the currency ("fund currency") as specified in the annex to the Sales Prospectus unless a currency other than the fund currency is specified for any other unit classes in the annex to the Prospectus ("unit class currency").
3. The unit value is calculated by the management company or by an agent commissioned by it under the supervision of the custodian bank on any banking day in Luxembourg with the exception of 24 and 31 December of each year ("valuation day"). However, the management company may decide to determine the unit value on 24 and 31 December of any given year without reference to a calculation of the unit value on a valuation day as specified in sentence 1 above of this point 3. As a consequence, investors shall not be entitled to demand the issue, redemption and/or exchange of units on the basis of a unit value calculated on 24 and/or 31 December in any year.
4. To calculate the unit value, the value of the assets in the fund less any fund liabilities ("net fund assets") is calculated on each valuation day, divided by the number of fund units in circulation on the valuation day and rounded to two decimal places.

5. To the extent that information regarding the position of the fund assets as a whole needs to be provided in annual reports, semi-annual reports or other financial statistics in accordance with legal requirements or the rules in these fund management regulations, the fund assets are translated into the reference currency. Net fund assets are calculated in accordance with the following principles:
- a) Securities listed on a stock exchange are valued using the latest available price. If a security is officially listed on several stock exchanges, the relevant price is the latest available price on the stock exchange representing the principal market for this security.
 - b) Securities not officially listed on a stock exchange but traded on a regulated market are valued at a price that may be no lower than the bid price and no higher than the offer price at the time of the valuation and that the management company considers to be the best possible price at which the securities may be sold.
 - c) OTC derivatives are valued on a daily basis using a verifiable method to be specified by the management company.
 - d) UCITS or UCIs are valued at the latest determined and available redemption price. If redemption has been suspended for investment fund units or a redemption price has not been specified, these units are valued in the same way as all other assets at the relevant market value as determined by the management company in good faith using generally accepted valuation rules that can be verified by independent auditors.
 - e) If prices are not in line with the market and if no prices have been specified for securities other than those under a) and b), these securities and any of the other legally permissible assets are valued at the relevant market value as determined by the management company in good faith on the basis of the selling price that is likely to be achieved.
 - f) Liquid assets are valued at face value plus interest.
 - g) The market value of securities and other investments denominated in a currency other than the fund currency is converted into the relevant fund currency at the most recent exchange mid rate. Gains and losses on foreign exchange transactions will be added or deducted as appropriate.

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Net fund assets are reduced by any distributions paid to investors in the fund.

6. The unit value is calculated in accordance with the aforementioned criteria. However, if unit classes have been created within the fund, the unit value is calculated in accordance with the aforementioned criteria separately for each unit class.
7. For the purpose of uniformity in the tax information for German investors pursuant to section 5 (1) of the German Investment Tax Act (Investmentsteuergesetz – InvStG) and of the information required by investment legislation, cumulative reinvested income over the time an investment is held and realised interim gains from target funds which are sold during the financial year are shown under ordinary income as income from investment fund units. In the event of negative interim gains, negative income from investment fund units may be shown under ordinary income.

For accounting reasons, the tables published in this report may contain rounding discrepancies of +/- one unit (currency, percent, etc.).

3.) TAXATION

Taxation of the fund

The fund assets are subject to a tax in the Grand Duchy of Luxembourg, the so-called “taxe d'abonnement”, payable quarterly at the current rate of 0.05% p.a. of the net fund assets as reported at the end of the relevant quarter. The rate of the taxe d'abonnement for the fund or unit classes is mentioned in the annex to the Sales Prospectus. If the fund assets are invested in other Luxembourg investment funds that are already subject to the taxe d'abonnement, the tax is waived for the portion of the fund assets invested in those Luxembourg investment funds. The fund's income from the investment of fund assets is not taxed in the Grand Duchy of Luxembourg. However, this income may be subject to withholding tax in the countries in which the fund assets are invested. In such cases, neither the custodian bank nor the management company is required to collect tax certificates.

Taxation on income from investment fund units for the investor

Implementing Directive 2003/48/EC on the taxation of interest income (“Directive”), the Grand Duchy of Luxembourg has levied a withholding tax since 1 July 2005. This withholding tax applies to certain interest income paid in Luxembourg to natural persons that are tax residents in another member state. Under certain conditions, this withholding tax may also apply to the interest income of an investment fund. By adopting the Directive, the EU member states agreed that all interest payments should be taxed in accordance with the regulations of the country of residence. To that end, an automatic exchange of information was agreed among the national tax authorities. An exception was agreed to the effect that Luxembourg would not participate for a transitional period in the automatic exchange of information agreed by the other states. Instead, a withholding tax on interest income was introduced in Luxembourg. The rate of this withholding tax was 20% of the interest payment until 30 June 2011 and thereafter 35% from 1 July 2011. It is transferred anonymously to the Luxembourg tax authorities and the investor is issued a certificate in this regard. With this certificate, the withholding tax paid is fully deductible from the taxpayer's tax liability in his country of residence. By granting power of attorney to allow voluntary participation in the exchange of information between tax authorities or by submitting a “certificate to enable exemption from the deduction of withholding tax” issued by the tax authorities in the country of residence, the deduction of withholding tax can be avoided.

Prospective investors should ensure they are informed about laws and regulations which apply to the purchase, ownership and redemption of units and obtain advice if necessary.

Information for investors liable for tax in Germany:

The tax rules pursuant to section 5 (1) of the German Investment Tax Act (Investmentsteuergesetz – InvStG) are made available in the electronic German Federal Gazette www.ebundesanzeiger.de under "Kapitalmarkt – Besteuerungsgrundlagen" within the publication timeframe required by law.

4.) USE OF INCOME

Income from unit class A is distributed. Income from unit class T is reinvested. Distribution takes place at the intervals determined from time to time by the management company. Further details on the use of income are provided in the Sales Prospectus.

5.) INFORMATION ON FEES AND EXPENSES

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Information on management and custodian fees and charges may be found in the current Sales Prospectus.

6.) TRANSACTION COSTS

Transaction costs include all costs which were accounted for / settled separately on account of the fund in the financial year and are directly connected with a purchase or sale of assets.

7.) TOTAL EXPENSE RATIO (TER)

In calculating the total expense ratio (TER), the following BVI calculation method was applied:

$$\text{TER} = \frac{\text{Total cost in fund currency}}{\text{Average fund volume (Basis: NAV calculated daily)}} \times 100$$

The TER indicates the level of expenses charged to the fund assets. It covers management and custodian fees and the tax d'abonnement as well as all other costs with the exception of transaction costs incurred by the fund. It shows the total amount of these costs as a percentage of the average fund volume in a financial year. (Any performance fees are shown separately in direct relation to the TER.)

No synthetic TER is calculated for any target funds which the fund may invest in.

8.) ONGOING CHARGES

"Ongoing charges" is a figure calculated pursuant to Article 10 (2) (b) of Commission Regulation (EU) No. 583/2010 of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament.

The ongoing charges indicate the level of expenses charged to the fund assets in the past financial year. They cover management and custodian fees and the tax d'abonnement as well as all other costs with the exception of any performance fees incurred by the fund. The figure shows the total amount of these charges as a percentage of the average fund volume in the financial year. In the case of investment funds which invest more than 20% of their assets in other fund products / target funds, the charges for the target funds are also included – any retrocession receipts (trailer fees) for these products are offset against the charges.

In the case of unit classes that have not yet existed for a full financial year, the figure is based on an estimate of the charges.

9.) INCOME EQUALISATION

An income equalisation amount and expense equalisation amount are set against ordinary income and expense. This covers net income arising during the period under review which the purchaser of units pays for as part of the issue price and the seller of units receives as part of the redemption price.

10.) RISK MANAGEMENT

The management company applies a risk management procedure which enables it to monitor and measure at all times the risk contained in the investment positions and their contribution to the overall risk profile of the investment portfolio of the funds managed by the management company. In accordance with the Law of 17 December 2010 and the applicable supervisory requirements of the Commission de Surveillance du Secteur Financier ("CSSF"), the management company reports regularly to the CSSF on the risk management procedure it applies. As part of its risk management procedure, the management company ensures, through the use of effective and appropriate methods, that the overall risk connected with derivatives in the funds managed does not exceed the total net value of their portfolios. To do this, the management company uses the following methods:

Commitment Approach:

Under the Commitment Approach, positions in derivative financial instruments are converted into their underlying equivalent using the delta method. This takes account of netting and hedging effects between derivative financial instruments and their underlyings. The total for their underlying equivalents must not exceed the net asset value of the fund.

VaR Approach:

The Value-at-Risk (VaR) figure is a statistical concept and is used as a standard measure of risk in the financial sector. The VaR indicates the potential loss on a portfolio during a given period (the holding period) which has a given probability (the confidence level) of not being exceeded. 23

Relative VaR Approach:

In the relative VaR Approach, the VaR for the fund must not exceed twice the value of the VaR for a benchmark portfolio. The benchmark portfolio provides a correct representation of the fund's investment policy.

Absolute VaR Approach:

In the absolute VaR Approach, the VaR for the fund (99% confidence level, 20-day holding period) must not exceed 20% of the fund assets.

For funds which use the VaR approaches to ascertain the total risk associated with derivatives, the management company estimates the expected average value for the leverage effect. The extent of this leverage effect is published in the Prospectus and may deviate from and fall below or exceed the actual value depending on prevailing market conditions. Investors' attention is drawn to the fact that no conclusions can be drawn from this information with respect to the risk entailed in the fund. Furthermore, the expected leverage published is explicitly not to be understood as an investment limit.

In accordance with the Sales Prospectus valid at the end of the financial year, Ethna-GLOBAL Defensiv is subject to the following risk management procedures:

UCITS	Risk management procedure applied
Ethna-GLOBAL Defensiv	Absolute VaR

Absolute VaR Approach for Ethna-GLOBAL Defensiv

For 1 July 2011, the absolute VaR Approach was used to monitor and measure the total risk associated with derivatives. An absolute value of 20% was used for the internal limit. The VaR figure in relation to this internal limit was a minimum of 10.26%, a maximum of 10.26% and an average of 10.26% over the period in question. The VaR was calculated using a (parametric) variance-covariance approach, applying the calculation standard of a one-sided confidence interval of 99%, a holding period of 20 days and a (historical) observation period of 252 trading days.

On 4 July 2011 the internal limit was adjusted.

In the period from 4 July 2011 to 31 December 2011, the absolute VaR Approach was used to monitor and measure the total risk associated with derivatives. An absolute value of 10% was used for the internal limit. The VaR figure in relation to this internal limit was a minimum of 15.99%, a maximum of 41.37% and an average of 26.64% over the period in question. The VaR was calculated using a (parametric) variance-covariance approach, applying the calculation standard of a one-sided confidence interval of 99%, a holding period of 20 days and a (historical) observation period of 252 trading days.

In the period from 1 July 2011 to 31 December 2011, the leverage effect had the following values:

Lowest leverage:	5.60%
Highest leverage:	49.40%
Median leverage:	17.81% (17.61%)
Calculation method:	Nominal value method (total of nominal values of all derivatives)

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

24 To the unitholders of Ethna-GLOBAL Defensiv
9a, Rue Gabriel Lippmann
L-5365 Munsbach

We have audited the accompanying annual financial statements of Ethna-GLOBAL Defensiv, consisting of the statement of net assets including securities holdings and other assets as at 31 December 2011, the statement of operations and changes to net fund assets for the financial year ending on this date and a summary of key accounting methods and other explanatory notes.

Responsibility of the Board of Directors for the annual financial statements

The Board of Directors of the management company is responsible for the preparation and fair presentation of the annual financial statements in accordance with the legal provisions and regulations applying in Luxembourg to the preparation of annual financial statements, and for the internal controls which it deems necessary in order to ensure that annual financial statements are prepared which are free of material misstatement, whether due to error or fraud.

Responsibility of the Réviseur d'Entreprises agréé

It is our responsibility to express an opinion on these annual financial statements on the basis of our audit. We have carried out our audit in accordance with the International Standards on Auditing accepted for Luxembourg by the Commission de Surveillance du Secteur Financier. These standards require that we comply with professional standards of conduct and that we plan and execute the audit to obtain reasonable assurance that the annual financial statements are free of material misstatement.

An audit involves carrying out audit procedures to obtain audit evidence for the values and information contained in the annual financial statements. The selection of audit procedures is a matter for the judgement of the Réviseur d'Entreprises agréé, as is the evaluation of the risk that the annual financial statements may contain material misstatement due to error or fraud. As part of this risk assessment, the Réviseur d'Entreprises agréé takes into account the internal control system established for the purpose of the preparation and fair presentation of the annual financial statements in order to establish the audit procedures appropriate to the circumstances; however, the purpose is not to give an assessment of the effectiveness of the internal control system.

An audit also includes an assessment of the suitability of the accounting principles and methods applied and of the reasonableness of the accounting estimates made by the Board of Directors of the management company, as well as an assessment of the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is suitable and sufficient to serve as a basis for our audit opinion.

Audit opinion

In our opinion, the annual financial statements give a true and fair view of the financial position of Ethna-GLOBAL Defensiv as at 31 December 2011 and of its earnings position and change in net fund assets for the financial year ending on this date, in accordance with the legal provisions and regulations applying in Luxembourg to the preparation of annual financial statements.

Other

The supplementary information contained in the annual report was examined in the context of our mandate, but was not subject to specific audit procedures in accordance with the above standards. Therefore, our audit opinion does not refer to this information. Within the context of the overall presentation of the annual financial statements, this information gave us no cause to comment.

Luxembourg, 13 March 2012

KPMG Luxembourg S.à r.l.
Cabinet de révision agréé

Walter Koob

ADMINISTRATION, DISTRIBUTION AND ADVISORY

Management company:

ETHENEA Independent Investors S.A.

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9a, Rue Gabriel Lippmann
L-5365 Munsbach

**Managing directors of the
management company:**

Thomas Bernard
Frank Hauprich

Board of Directors of the management company:

Chairman:

Luca Pesarini
ETHENEA Independent Investors S.A.

Vice chairman:

Julien Zimmer
DZ PRIVATBANK S.A.

Directors:

Thomas Bernard
ETHENEA Independent Investors S.A.

Nikolaus Rummler
IPConcept Fund Management S.A.

Christian Klein
IPConcept Fund Management S.A.
Until 3 March 2011

Loris Di Vora
DZ PRIVATBANK S.A.
Co-opted since 3 March 2011
Affirmed by the general meeting on 27 June 2011

Roland Kunz
Haron Holding AG
Since 27 June 2011

Ulrich Juchem
DZ PRIVATBANK S.A.
Since 27 June 2011

**Auditor of the fund and
of the management company:**

KPMG Luxembourg S.à r.l.
Cabinet de révision agréé
9, allée Scheffer
L-2520 Luxembourg

Custodian bank:

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Luxembourg-Strassen

**Central administration,
Registrar and transfer agent:**

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Luxembourg-Strassen

**Paying agent in
Grand Duchy of Luxembourg:**

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Luxembourg-Strassen

**Information for investors in the
federal Republic of Germany:**

Paying agent and information agent:

DZ BANK AG
Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main
Platz der Republik
D-60265 Frankfurt am Main

Information for investors in Austria:

**Unit classes A and T are licensed for public
distribution in the Republic of Austria.**

**Credit institution as defined by section 141 (1) of
the Austrian Investment Fund Act (InvFG) 2011:**

ERSTE BANK
der oesterreichischen Sparkassen AG
Graben 21
A-1010 Vienna

**Agent from which unitholders may obtain the
prescribed information pursuant to section 141
of the Austrian Investment Fund Act (InvFG) 2011:**

ERSTE BANK
der oesterreichischen Sparkassen AG
Graben 21
A-1010 Vienna

**Domestic tax representative as defined
by section 186 (2) no. 2 of the Austrian
Investment Fund Act (InvFG) 2011:**

ERSTE BANK
der oesterreichischen Sparkassen AG
Graben 21
A-1010 Vienna

**Information for investors in the
Principality of Liechtenstein:**

Paying agent and distributor:

VOLKSBANK AG
Feldkircher Strasse 2
FL-9494 Schaan

ETHENEA Independent Investors S.A.

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