

John Hancock

MUTUAL FUNDS

John Hancock
Investors Trust



Annual Report
10.31.11

Ticker | **JHI**

CEO corner



To Our Shareholders,

The 12-month period ended October 31, 2011 was tumultuous for financial markets. Buffeted by the questionable state of the U.S. economy, natural disasters in Japan, concerns about a growing debt crisis in Europe and the downgrade of U.S. debt for the first time ever, global markets grew increasingly volatile as the period progressed.

In the first six months of the period, stocks, as measured by the S&P 500 Index, had double-digit returns on improving economic and corporate earnings growth news. That changed dramatically in the second half of the period, as volatility rose amid signs that economic growth was stalling and the European debt crisis was ballooning.

Fears of a double-dip recession grew. Financial markets went into a tailspin in May and continued spiraling down through a bad August and worse September. The S&P 500 Index tumbled by more than 19% in those five months — just to the edge of bear market territory. October saw a strong rebound after the markets were buoyed by a good corporate earnings season and by the efforts of European officials to address Greece's debt woes and attempt to prevent those problems from spreading to other vulnerable eurozone countries.

On the strength of the first six months of the period and the returns in October, the S&P 500 Index returned 8.09% for the 12-month period ended October 31, 2011. Overseas markets had a tougher road, with the broad MSCI EAFE Index returning -3.64% and the MSCI Emerging Markets Index returning -7.44%. Bonds produced positive results for the 12-month period, as investors sought their relative safe haven status, especially in the second half, when Treasuries became the securities of choice, even with their downgrade. The broad bond market, as measured by the Barclays Capital U.S. Aggregate Bond Index, returned 5.00% in this time.

In these volatile times, we are reminded of the Chinese word for “crisis,” which, by most accounts, is made up of two characters — one means “danger,” the other “opportunity.” Often, in the midst of financial uncertainty, the media tend to focus only on the danger and not on the opportunities and investors react by selling their shares and going into cash. But that strategy requires two correct decisions to be successful: when to get out, and, more importantly, when to get back in. In the market crash of 2008, many investors felt good about their first decision, but waited far too long to make that second decision. The result was that they missed the rally in 2009.

Instead of exiting the market, we encourage you to look past the dangers in today's unsettled climate and work with your financial adviser to position your portfolio for the long term and the opportunities to come.

Sincerely,

Keith F. Hartstein

Keith F Hartstein,
President and Chief Executive Officer

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This commentary reflects the CEO's views as of October 31, 2011. They are subject to change at any time. For more up-to-date information, you can visit our Web site at www.jhfunds.com.

Not part of the annual report

Your fund at a glance

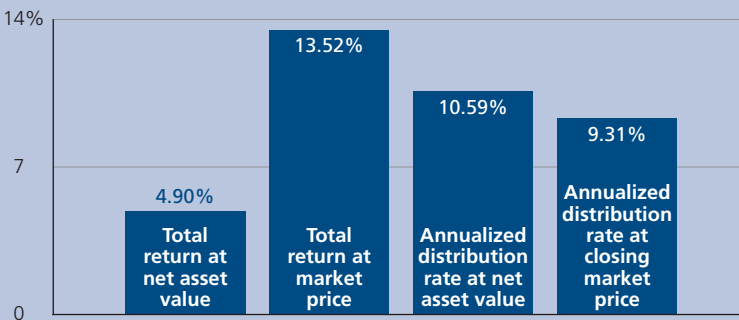
The Fund's primary investment objective is to generate income for distribution to its shareholders, with capital appreciation as a secondary objective. The Fund invests in a diversified portfolio of debt securities issued by U.S. and foreign corporations and governments, some of which may carry equity features. The Fund utilizes a committed facility agreement to increase its assets available for investment.

Over the last twelve months

- ▶ Bonds advanced as bond-market leadership changed. Improving economic conditions boosted corporate bonds in the first half of the period, while slowing economic activity and a worsening European debt crisis led to increased demand for Treasury securities over the last six months.
- ▶ The Fund posted a positive return but trailed both its benchmark index and its peer group average at net asset value.
- ▶ Sector allocation, with an emphasis on high-yield corporate securities, contributed favorably to performance in the first half of the period but detracted from results during the last six months.

John Hancock Investors Trust

Fund performance and distribution rates for the year ended October 31, 2011.



The total returns for the Fund include the reinvestment of all distributions. The performance data contained within this material represents past performance, which does not guarantee future results.

Current annualized distribution rate is the latest quarterly dividend rate as an annualized percentage of net asset value/market price on 10-31-11. The Fund's quarterly distributions may be from net investment income, capital gains or return of capital.

Managers' report

John Hancock Investors Trust

U.S. bonds posted positive returns for the 12 months ended October 31, 2011. The Barclays Capital U.S. Aggregate Bond Index, a broad measure of bond market performance, returned 5.00%.

Credit-related securities were the best performers in the first half of the period thanks to improving economic conditions. In particular, job growth turned positive in late 2010 and manufacturing activity increased. While the strengthening economy provided a lift to corporate bonds and commercial mortgage-backed securities, the threat of rising inflation — reinforced by sharply higher food and energy prices — put downward pressure on Treasury bonds.

Bond market conditions changed during the last six months of the period amid a worsening sovereign debt crisis in Europe. Greece sought additional bailout funds and faced a debt restructuring, the European Central Bank took steps to prevent the

contagion from spreading to larger countries like Italy and Spain and investors worried about the potential negative impact on the European banking system. These developments in Europe took center stage and impacted bond markets around the globe, in large part because European banks provide more than half of the liquidity in the global capital markets. As these banks came under pressure because of their European sovereign debt exposure, liquidity dried up. This was especially true in emerging markets, which underperformed markedly during the last half of the period.

The end result was a sharp decline in the credit markets during the last three months of the period and a flight to quality as investors left riskier assets and flocked to the relative safety of the Treasury market. Weaker economic conditions also contributed to the powerful shift toward risk aversion in the

PORTFOLIO COMPOSITION¹

Corporate Bonds.....	63%
U.S. Government & Agency Obligations.....	23%
Collateralized Mortgage Obligations	4%
Foreign Government Obligations.....	3%
Preferred Securities.....	2%
Common Stocks.....	1%
Convertible Bonds.....	1%
Term Loans	1%
Asset-Backed Securities	1%
Short-Term Investments & Other	1%



Portfolio Managers Barry H. Evans, CFA, Jeffrey N. Given, CFA, and John F. Iles
John Hancock Asset Management a division of Manulife Asset Management (US) LLC

marketplace. Liquidity and investor sentiment improved during the last two weeks of the period as Europe made progress on a solution to the debt crisis, but lingering uncertainty contributed to continued volatility in all markets.

Fund performance

For the 12-month period ended October 31, 2011, John Hancock Investors Trust produced a total return of 4.90% at net asset value (NAV) and 13.52% at market value. The Fund's NAV return and its market performance differ because the market share price is subject to the dynamics of secondary market trading, which could cause it to trade at a discount or premium to the Fund's NAV share price at any time. By comparison, the average leveraged closed-end investment-grade bond fund tracked by UBS Securities LLC returned 10.70% at NAV and 7.51% at market value. The Fund's benchmark, the Barclays U.S. Government/Credit Index, returned 5.26%.

“U.S. bonds posted positive returns for the 12 months ended October 31, 2011. The Barclays Capital U.S. Aggregate Bond Index, a broad measure of bond market performance, returned 5.00%.”

The Fund's current annualized distribution rate was 10.59% at closing NAV and 9.31% at closing market price on October 31, 2011.

Sector allocation detracted

The Fund's underperformance of its benchmark index and peer group average for the 12-month period was largely due to sector allocation. The Fund's exposure to high-yield corporate bonds, which comprised approximately half of the Fund's portfolio throughout the period, added value during the first half of the period but detracted meaningfully from results over the last six months. Limited exposure to Treasury securities, which were among the best performing segments of the bond market in the second half of the period, also weighed on relative results.

From a credit perspective, the Fund was equally balanced between investment-grade bonds and lower-rated securities throughout the 12-month period. The Fund's lower-quality holdings typically provide the bulk of the Fund's yield, while the higher-grade securities (mainly mortgage-backed securities and Treasury bonds) provide a measure of price stability.

We have attempted to take advantage of the recent market volatility to increase the Fund's yield without sacrificing credit quality. Most recently, we have been adding bonds from emerging markets, such as Brazil and Peru. We have been able to find below-investment-grade bonds in emerging markets that have better balance sheets and debt metrics than comparably rated bonds in the U.S., but are offering yields in excess of 10%. These securities are also well positioned to benefit from the faster growth rates in emerging economies.

Individual security performance

The best performers among the Fund's corporate bond holdings for the 12 months included bonds issued by packaging producer Sealed Air Corp. and mining company Rio Tinto Finance USA, Ltd. Sealed Air delivered strong revenue growth and completed a beneficial acquisition, while Rio Tinto benefited from robust demand for commodities, especially during the first half of the 12-month period. The Fund also benefited from holdings of zero-coupon Treasury bonds and selected Fannie Mae mortgage-backed securities, which were the top performance contributors in the Fund's portfolio.

On the downside, significant detractors included gaming company Greentown Superholdings, trucking company Western Express, Inc., which declined as the slowing economy led to reduced demand and disappointing earnings for the company, and real estate broker Realty Corp., which continued to struggle with a soft housing market. Private aviation firm Global Aviation Holdings, Inc., which hauls freight and personnel for the military, also tumbled amid reduced troop deployments. Outside of the corporate sector, some of the Fund's interest-only mortgage-backed securities

SECTOR COMPOSITION¹

U.S. Government & Agency Obligations	23%
Financials.....	16%
Consumer Discretionary ...	14%
Energy.....	9%
Materials	8%
Industrials.....	7%
Telecommunication Services	6%
Collateralized Mortgage Obligations	4%
Utilities	3%
Foreign Government Obligations.....	3%
Consumer Staples	3%
Health Care	1%
Asset Backed Securities	1%
Information Technology....	1%
Short-Term Investments & Other	1%

declined as falling interest rates led to increased concerns about higher refinancing activity.

Outlook

As we move into 2012, we expect the U.S. economy to grow at a moderate pace that could be favorable for corporate bonds and other credit-related securities. We anticipate stronger growth in emerging markets and will continue to pursue opportunities in these regions of the world. We believe the Fund is well positioned to potentially outperform as uncertainty eases and risk appetites return to more historically normal levels.

This commentary reflects the views of the portfolio managers through the end of the Fund's period discussed in this report. The managers' statements reflect their own opinions. As such, they are in no way guarantees of future events and are not intended to be used as investment advice or a recommendation regarding any specific security. They are also subject to change at any time as market and other conditions warrant.

Past performance is no guarantee of future results.

The major factors in the Fund's performance are interest-rate and credit risk. When interest rates rise, bond prices usually fall. Generally, an increase in the Fund's average maturity will make it more sensitive to interest-rate risk. Higher-yielding bonds are riskier than lower-yielding bonds, and their value may fluctuate more in response to market conditions.

Sector investing is subject to greater risks than the market as a whole. Because the Fund may focus on particular sectors of the economy, its performance may depend on the performance of those sectors. International investing involves special risks such as political, economic and currency risks and differences in accounting standards and financial reporting.

¹ As a percentage of the Fund's total investments on 10-31-11.

“Limited exposure to Treasury securities, which were among the best performing segments of the bond market in the second half of the period, also weighed on relative results.”

Management's discussion of Fund performance

By John Hancock Asset Management a division of
Manulife Asset Management (US) LLC

U.S. bonds posted positive returns for the 12 months ended October 31, 2011. Bonds generated mixed results during the first half of the period as improving economic conditions provided a lift to corporate bonds and commercial mortgage-backed securities, while the threat of rising inflation put downward pressure on Treasury bonds. During the last six months, a marked slowdown in global economic activity and worsening sovereign debt problems in Europe led to a flight to quality and liquidity, with higher-quality bonds leading the advance amid a powerful shift toward risk aversion. In particular, investors flocked to the relative safety of the Treasury market, sending Treasury yields down to historically low levels. For the full 12 months, investment-grade corporate bonds posted the best returns, while mortgage-backed securities lagged.

For the year ended October 31, 2011, John Hancock Investors Trust produced a total return of 4.90% at net asset value (NAV) and 13.52% at market value. By comparison, the average leveraged closed-end investment-grade bond fund tracked by UBS Securities LLC returned 10.70% at NAV and 7.51% at market value. The Fund's benchmark, the U.S. Barclays Capital Government/Credit Index, returned 5.26%. The Fund's underperformance of its benchmark index was largely due to sector allocation, particularly an outsized position in high-yield corporate bonds and an underweight position in Treasury securities. From a credit perspective, the portfolio was equally balanced between investment-grade bonds (mainly mortgage-backed securities and Treasury bonds) and lower-rated securities (mostly corporate bonds).

The best performers among the Fund's corporate bond holdings included bonds issued by packaging producer Sealed Air Corp. and mining company Rio Tinto Finance USA, Ltd. The Fund also benefited from holdings of zero-coupon Treasury bonds and selected mortgage-backed securities. On the downside, significant detractors included gaming company Greentown Superholdings, trucking company Western Express, Inc. and real estate broker Realogy Holdings, Inc. Outside of the corporate sector, some of the Fund's interest-only mortgage-backed securities declined as falling interest rates led to increased concerns about higher refinancing activity.

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Portfolio summary

Portfolio Composition¹

Corporate Bonds	63%	Common Stocks	1%
U.S. Government & Agency Obligations	23%	Convertible Bonds	1%
Collateralized Mortgage Obligations	4%	Term Loans	1%
Foreign Government Obligations	3%	Asset-Backed Securities	1%
Preferred Securities	2%	Short-Term Investments & Other	1%

Sector Composition^{1,2}

U.S. Government & Agency Obligations	23%	Collateralized Mortgage Obligations	4%
Financials	16%	Utilities	3%
Consumer Discretionary	14%	Foreign Government Obligations	3%
Energy	9%	Consumer Staples	3%
Materials	8%	Health Care	1%
Industrials	7%	Asset-Backed Securities	1%
Telecommunication Services	6%	Information Technology	1%
		Short-Term Investments & Other	1%

Quality Distribution^{1,3}

AAA	24%	B	19%
AA	2%	CCC & Below	9%
A	9%	Not Rated	3%
BBB	13%	Preferred Securities	2%
BB	18%	Equity	1%

¹ As a percentage of the Fund's total investments on 10-31-11.

² Sector investing is subject to greater risks than the market as a whole. Because the Fund may focus on particular sectors of the economy, its performance may depend on the performance of those sectors.

³ Ratings are from Moody's Investor Services, Inc. If not available, we have used Standard & Poor's Corporation's ratings. In the absence of ratings from these agencies, we have used Fitch, Inc. ratings. "Not Rated" securities are those with no ratings available from these agencies. All ratings are as of 10-31-11 and do not reflect subsequent downgrades or upgrades, if any.

Fund's investments

As of 10-31-11

	Rate (%)	Maturity date	Par value	Value
Corporate Bonds 94.56% (62.83% of Total Investments)				\$155,279,110
(Cost \$154,119,997)				
Consumer Discretionary 18.15%				29,800,265
Auto Components 1.13%				
Allison Transmission, Inc. (S)	7.125	05-15-19	\$550,000	533,487
Allison Transmission, Inc. (S)	11.000	11-01-15	1,000,000	1,052,500
Exide Technologies	8.625	02-01-18	270,000	270,000
Automobiles 0.13%				
Chrysler Group LLC/CG Company-Issuer, Inc. (S)(Z)	8.250	06-15-21	240,000	219,600
Hotels, Restaurants & Leisure 5.64%				
CCM Merger, Inc. (S)	8.000	08-01-13	2,145,000	2,037,750
Downstream Development Authority of the Quapaw Tribe of Oklahoma (S)	10.500	07-01-19	2,000,000	1,920,000
Greektown Superholdings, Inc.	13.000	07-01-15	2,179,000	2,238,923
Jacobs Entertainment, Inc.	9.750	06-15-14	1,000,000	970,000
Landry's Restaurants, Inc. (Z)	11.625	12-01-15	360,000	381,600
Little Traverse Bay Bands of Odawa Indians (S)(Z)	9.000	08-31-20	328,000	268,960
Mashantucket Western Pequot Tribe (H)(S)	5.912	09-01-21	275,000	133,881
Mashantucket Western Pequot Tribe, Series A (H)(S)	8.500	11-15-15	2,000,000	105,000
Mohegan Tribal Gaming Authority (Z)	7.125	08-15-14	1,000,000	530,000
Waterford Gaming LLC (S)(Z)	8.625	09-15-14	836,576	311,983
Yonkers Racing Corp. (S)(Z)	11.375	07-15-16	351,000	360,653
Household Durables 0.08%				
Standard Pacific Corp.	8.375	05-15-18	140,000	135,100
Leisure Equipment & Products 0.30%				
Easton-Bell Sports, Inc. (Z)	9.750	12-01-16	465,000	498,131
Media 7.89%				
AMC Entertainment, Inc. (Z)	8.750	06-01-19	350,000	370,125
CCH II LLC/CCH II Capital Corp.	13.500	11-30-16	841,501	969,830
Cinemark USA, Inc.	7.375	06-15-21	365,000	364,088
Cinemark USA, Inc. (Z)	8.625	06-15-19	245,000	265,825
Clear Channel Communications, Inc.	10.750	08-01-16	1,385,000	1,011,050
Clear Channel Communications, Inc., PIK	11.000	08-01-16	1,806,617	1,214,950
Clear Channel Worldwide Holdings, Inc.	9.250	12-15-17	100,000	108,000
Clear Channel Worldwide Holdings, Inc., Series B	9.250	12-15-17	395,000	428,575

	Rate (%)	Maturity date	Par value	Value
Media 7.89%				
CSC Holdings LLC (Z)	8.500	06-15-15	\$755,000	\$819,175
DIRECTV Holdings LLC/DIRECTV Financing Company, Inc. (Z)	5.875	10-01-19	355,000	408,470
News America, Inc. (Z)	7.750	01-20-24	980,000	1,190,395
Quebecor Media, Inc. (Z)	7.750	03-15-16	95,000	98,088
Regal Cinemas Corp. (Z)	8.625	07-15-19	130,000	139,100
Sirius XM Radio, Inc. (S)(Z)	8.750	04-01-15	2,000,000	2,215,000
SuperMedia, Inc., Escrow Certificates (I)	8.000	11-15-16	2,000,000	0
Time Warner Cable, Inc. (Z)	8.250	04-01-19	375,000	478,707
Videontron Ltee (Z)	6.375	12-15-15	300,000	305,250
WMG Acquisition Corp. (S)(Z)	11.500	10-01-18	685,000	683,288
XM Satellite Radio, Inc. (S)(Z)	13.000	08-01-13	1,650,000	1,876,875
Multiline Retail 1.40%				
Macy's Retail Holdings, Inc. (Z)	7.875	08-15-36	215,000	232,287
Michaels Stores, Inc. (Z)	11.375	11-01-16	1,975,000	2,058,957
Specialty Retail 1.22%				
Automotores Gildemeister SA (S)(Z)	8.250	05-24-21	720,000	734,400
Hillman Group, Inc.	10.875	06-01-18	290,000	297,975
Sonic Automotive, Inc. (Z)	9.000	03-15-18	145,000	150,800
Staples, Inc. (Z)	9.750	01-15-14	500,000	577,081
Toys R Us Property Company II LLC	8.500	12-01-17	225,000	237,656
Textiles, Apparel & Luxury Goods 0.36%				
PVH Corp. (Z)	7.375	05-15-20	550,000	596,750
Consumer Staples 3.71%			6,100,859	
Food Products 1.92%				
BFF International, Ltd. (S)(Z)	7.250	01-28-20	1,000,000	1,085,000
Bunge Ltd. Finance Corp. (Z)	5.350	04-15-14	1,015,000	1,070,650
Corp. Pesquera Inca SAC (S)(Z)	9.000	02-10-17	350,000	352,100
Marfrig Holding Europe BV (S)(Z)	8.375	05-09-18	600,000	456,000
TreeHouse Foods, Inc. (Z)	7.750	03-01-18	175,000	188,125
Household Products 0.82%				
Reynolds Group Issuer, Inc./Reynolds Group Issuer LLC (S)	9.000	05-15-18	390,000	377,325
Yankee Candle Company, Inc. (Z)	8.500	02-15-15	655,000	668,100
Yankee Candle Company, Inc., Series B (Z)	9.750	02-15-17	315,000	307,125
Personal Products 0.47%				
Hypermarcas SA (S)(Z)	6.500	04-20-21	600,000	582,000
Revlon Consumer Products Corp. (Z)	9.750	11-15-15	185,000	198,413
Tobacco 0.50%				
Lorillard Tobacco Company (Z)	6.875	05-01-20	720,000	816,021
Energy 14.09%			23,140,556	
Energy Equipment & Services 3.91%				
Astoria Depositor Corp., Series B (S)	8.144	05-01-21	750,000	652,500
Forbes Energy Services, Ltd. (S)	9.000	06-15-19	295,000	278,775
Gazprom OAO Via RBS AG (S)(Z)	9.625	03-01-13	1,000,000	1,089,000
Inkia Energy, Ltd. (S)	8.375	04-04-21	1,400,000	1,424,612
Offshore Group Investments, Ltd.	11.500	08-01-15	2,180,000	2,376,200

	Rate (%)	Maturity date	Par value	Value
Energy Equipment & Services (continued)				
Offshore Group Investments, Ltd. (S)(Z)	11.500	08-01-15	\$295,000	\$321,550
Trinidad Drilling, Ltd. (S)(Z)	7.875	01-15-19	265,000	277,588
Oil, Gas & Consumable Fuels 10.18%				
Alpha Natural Resources, Inc. (Z)	6.250	06-01-21	740,000	730,750
Arch Coal, Inc. (S)	7.000	06-15-19	260,000	269,100
Arch Coal, Inc. (S)	7.250	06-15-21	470,000	484,100
Devon Energy Corp. (Z)	5.625	01-15-14	1,035,000	1,138,792
EV Energy Partners LP/EV Energy Finance Corp. (S)(Z)	8.000	04-15-19	405,000	402,975
Linn Energy LLC/Linn Energy Finance Corp. (Z)	8.625	04-15-20	390,000	429,975
McMoRan Exploration Company	11.875	11-15-14	1,100,000	1,166,000
Niska Gas Storage US LLC/Niska Gas Storage Canada ULC (Z)	8.875	03-15-18	565,000	584,775
OGX Petroleo e Gas Participacoes SA (S)	8.500	06-01-18	1,090,000	1,079,100
Overseas Shipholding Group, Inc. (Z)	8.125	03-30-18	500,000	395,000
Pan American Energy LLC (S)(Z)	7.875	05-07-21	350,000	349,125
Pertamina Persero PT (S)(Z)	5.250	05-23-21	375,000	385,313
Pertamina Persero PT (S)(Z)	6.500	05-27-41	260,000	269,100
Petro-Canada (Z)	9.250	10-15-21	1,000,000	1,384,037
Petroleos Mexicanos (Z)	4.875	03-15-15	1,000,000	1,059,000
Petroleos Mexicanos (Z)	6.000	03-05-20	360,000	400,500
Plains All American Pipeline LP/PAA Finance Corp. (Z)	6.500	05-01-18	1,000,000	1,161,336
RDS Ultra-Deepwater, Ltd. (S)(Z)	11.875	03-15-17	1,250,000	1,334,375
Regency Energy Partners LP/Regency Energy Finance Corp. (Z)	9.375	06-01-16	1,140,000	1,265,400
Thermon Industries, Inc.	9.500	05-01-17	1,332,000	1,438,560
Valero Energy Corp. (Z)	4.500	02-01-15	205,000	221,480
Valero Energy Corp. (Z)	6.125	02-01-20	205,000	236,038
W&T Offshore, Inc. (S)	8.500	06-15-19	525,000	535,500
Financials 21.83%			35,849,068	
Capital Markets 3.90%				
Credit Suisse AG	6.000	02-15-18	2,000,000	2,064,750
Knight Capital Group, Inc. (Z)	3.500	03-15-15	250,000	235,313
Morgan Stanley	3.800	04-29-16	1,000,000	968,629
Morgan Stanley (Z)	6.000	04-28-15	1,000,000	1,054,453
The Goldman Sachs Group, Inc. (Z)	3.625	02-07-16	1,000,000	991,929
The Goldman Sachs Group, Inc. (Z)	6.250	09-01-17	1,000,000	1,082,849
Commercial Banks 5.09%				
Banco de Galicia y Buenos Aires (S)(Z)	8.750	05-04-18	410,000	364,490
Bancolombia SA	5.950	06-03-21	560,000	571,200
Barclays Bank PLC (Z)	5.140	10-14-20	1,595,000	1,452,434
GTB Finance B.V. (S)(Z)	7.500	05-19-16	285,000	285,000
National City Bank of Indiana	4.250	07-01-18	2,000,000	1,967,522
State Bank of India/London (S)(Z)	4.500	07-27-15	500,000	508,632
The Chuo Mitsui Trust & Banking Company, Ltd. (5.506% to 4-15-15, then 3 month LIBOR + 2.490%) (Q)(S)(Z)	5.506	04-15-15	905,000	932,150
Wachovia Corp.	5.750	02-01-18	2,000,000	2,276,294

	Rate (%)	Maturity date	Par value	Value
Consumer Finance 0.97%				
American Express Credit Corp. (Z)	5.125	08-25-14	\$1,000,000	\$1,087,243
SLM Corp. (Z)	8.450	06-15-18	485,000	515,169
Diversified Financial Services 4.38%				
Alfa Bank OJSC (S)(Z)	7.750	04-28-21	300,000	289,800
Bank of America Corp. (Z)	3.750	07-12-16	2,000,000	1,910,096
Bosphorus Financial Services, Ltd. (P)(S)(Z)	2.086	02-15-12	62,500	62,366
Corp Andina de Fomento (Z)	3.750	01-15-16	690,000	693,144
DTEK Finance BV (S)	9.500	04-28-15	1,000,000	1,001,370
Gruposura Finance (S)(Z)	5.700	05-18-21	440,000	447,260
GTP Acquisition Partners I LLC (S)	7.628	06-15-16	370,000	359,169
JPMorgan Chase & Company (Z)	3.450	03-01-16	2,000,000	2,045,938
Nationstar Mortgage/Nationstar Capital Corp.	10.875	04-01-15	375,000	380,625
Insurance 3.04%				
CNA Financial Corp. (Z)	7.350	11-15-19	655,000	723,690
Liberty Mutual Group, Inc. (S)(Z)	7.300	06-15-14	750,000	810,651
Lincoln National Corp. (7.000% to 5-17-16, then 3 month LIBOR + 2.358%) (Z)	7.000	05-17-66	370,000	347,800
MetLife, Inc.	6.817	08-15-18	2,000,000	2,388,826
Symetra Financial Corp. (8.300% to 10-15-17, then 3 month LIBOR + 4.177%) (S)(Z)	8.300	10-15-37	520,000	483,600
Willis North America, Inc. (Z)	7.000	09-29-19	215,000	239,311
Investment Companies 0.91%				
IPIC GMTN Ltd. (S)	5.500	03-01-22	1,500,000	1,490,250
Real Estate Investment Trusts 1.36%				
Dexus Property Group (S)(Z)	7.125	10-15-14	1,000,000	1,108,708
DuPont Fabros Technology LP (Z)	8.500	12-15-17	350,000	374,500
Health Care REIT, Inc. (Z)	6.200	06-01-16	345,000	370,023
Plum Creek Timberlands LP (Z)	5.875	11-15-15	345,000	382,675
Real Estate Management & Development 2.18%				
Country Garden Holdings Company (S)	11.125	02-23-18	1,000,000	890,000
Realogy Corp.	11.500	04-15-17	1,095,000	886,950
Realogy Corp.	12.000	04-15-17	1,843,221	1,493,009
Yanlord Land Group, Ltd. (S)(Z)	10.625	03-29-18	375,000	311,250
Health Care 1.31%				2,157,938
Health Care Providers & Services 0.82%				
BioScrip, Inc.	10.250	10-01-15	510,000	513,825
Community Health Systems, Inc. (Z)	8.875	07-15-15	50,000	51,188
ExamWorks Group, Inc. (S)	9.000	07-15-19	680,000	654,500
HCA, Inc.	7.500	02-15-22	130,000	132,600
Pharmaceuticals 0.49%				
Catalent Pharma Solutions, Inc., PIK	9.500	04-15-15	436,268	434,087
Endo Pharmaceuticals Holdings, Inc. (S)	7.250	01-15-22	345,000	371,738
Industrials 10.38%				17,041,342
Aerospace & Defense 1.39%				
Ducommun, Inc. (S)	9.750	07-15-18	160,000	164,800
Embraer Overseas, Ltd. (Z)	6.375	01-15-20	885,000	969,075

	Rate (%)	Maturity date	Par value	Value
Aerospace & Defense (continued)				
Kratos Defense & Security Solutions, Inc. (Z)	10.000	06-01-17	\$400,000	\$414,000
L-3 Communications Corp. (Z)	6.375	10-15-15	200,000	204,250
TransDigm, Inc.	7.750	12-15-18	495,000	537,075
Airlines 5.25%				
America West Airlines 2001-1 Pass Through Trust (Z)	7.100	04-02-21	433,594	398,906
American Airlines 2011-1 Class B Pass Through Trust (S)(Z)	7.000	01-31-18	402,326	329,908
Continental Airlines 1999-1 Class A Pass Through Trust (Z)	6.545	02-02-19	222,631	222,074
Continental Airlines 2000-2 Class B Pass Through Trust (Z)	8.307	04-02-18	150,489	146,351
Delta Air Lines 2007-1 Class A Pass Through Trust (Z)	6.821	08-10-22	703,397	710,431
Delta Air Lines, Inc. (S)(Z)	9.500	09-15-14	1,343,000	1,423,580
Delta Air Lines, Inc. (S)(Z)	12.250	03-15-15	410,000	442,800
Global Aviation Holdings, Inc. (H)	14.000	08-15-13	1,289,000	1,005,420
TAM Capital 3, Inc. (S)(Z)	8.375	06-03-21	505,000	512,575
TAM Capital, Inc. (Z)	7.375	04-25-17	860,000	834,200
United Air Lines 2009-1 Pass Through Trust (Z)	10.400	11-01-16	322,738	356,625
United Air Lines 2009-2A Pass Through Trust (Z)	9.750	01-15-17	635,880	686,750
United Air Lines, Inc. (S)(Z)	12.000	11-01-13	820,000	863,050
United Air Lines, Inc. (Z)	12.750	07-15-12	672,725	696,270
Building Products 0.29%				
Euramax International, Inc. (S)	9.500	04-01-16	120,000	102,000
Nortek, Inc. (S)	8.500	04-15-21	235,000	208,563
Voto-Votorantim Overseas Trading Operations NV (S)(Z)	6.625	09-25-19	160,000	169,200
Commercial Services & Supplies 1.59%				
ACCO Brands Corp. (Z)	10.625	03-15-15	615,000	678,038
Avis Budget Car Rental LLC/Avis Budget Finance, Inc. (Z)	9.625	03-15-18	345,000	360,525
Garda World Security Corp. (S)(Z)	9.750	03-15-17	765,000	776,475
Iron Mountain, Inc. (Z)	8.375	08-15-21	760,000	796,100
Electrical Equipment 0.18%				
Coleman Cable, Inc. (Z)	9.000	02-15-18	295,000	292,050
Industrial Conglomerates 0.25%				
Hutchison Whampoa International, Ltd. (S)(Z)	4.625	09-11-15	385,000	408,601
Machinery 0.45%				
Lonking Holdings, Ltd. (S)(Z)	8.500	06-03-16	505,000	469,650
Thermadyne Holdings Corp.	9.000	12-15-17	260,000	261,300
Marine 0.11%				
Navios South American Logistics, Inc./Navios Logistics Finance U.S., Inc. (S)(Z)	9.250	04-15-19	200,000	176,500
Professional Services 0.06%				
Emergency Medical Service Corp. (S)	8.125	06-01-19	100,000	100,000

	Rate (%)	Maturity date	Par value	Value
Road & Rail 0.81%				
RailAmerica, Inc. (Z)	9.250	07-01-17	\$448,000	\$487,200
Western Express, Inc. (S)(Z)	12.500	04-15-15	1,395,000	837,000
Information Technology 1.37%				2,242,425
Computers & Peripherals 0.34%				
Seagate HDD Cayman (S)(Z)	7.000	11-01-21	565,000	553,700
Electronic Equipment, Instruments & Components 0.60%				
Freescale Semiconductor, Inc. (S)(Z)	9.250	04-15-18	290,000	313,925
STATS ChipPAC, Ltd. (S)(Z)	7.500	08-12-15	630,000	667,800
IT Services 0.43%				
Brightstar Corp. (S)(Z)	9.500	12-01-16	700,000	707,000
Materials 10.25%				16,831,082
Chemicals 1.65%				
American Pacific Corp. (Z)	9.000	02-01-15	565,000	545,225
Braskem Finance, Ltd. (S)(Z)	5.750	04-15-21	200,000	200,000
Fufeng Group, Ltd. (S)(Z)	7.625	04-13-16	985,000	856,950
The Dow Chemical Company (Z)	5.900	02-15-15	1,000,000	1,113,818
Construction Materials 0.28%				
China Shanshui Cement Group, Ltd. (S)(Z)	8.500	05-25-16	350,000	332,500
Vulcan Materials Company	7.500	06-15-21	120,000	118,503
Containers & Packaging 2.82%				
AEP Industries, Inc.	8.250	04-15-19	355,000	350,119
Ball Corp. (Z)	6.750	09-15-20	235,000	253,213
Berry Plastics Corp. (Z)	8.250	11-15-15	770,000	812,350
Berry Plastics Corp.	9.750	01-15-21	500,000	500,000
Cascades, Inc. (Z)	7.875	01-15-20	240,000	234,000
Graphic Packaging International, Inc. (Z)	7.875	10-01-18	236,000	252,520
Graphic Packaging International, Inc. (Z)	9.500	06-15-17	185,000	202,113
Packaging Dynamics Corp. (S)(Z)	8.750	02-01-16	240,000	243,600
Pretium Packaging LLC/Pretium Finance, Inc. (S)	11.500	04-01-16	160,000	156,800
Sealed Air Corp. (S)	8.375	09-15-21	1,500,000	1,623,750
Metals & Mining 4.02%				
APERAM (S)(Z)	7.750	04-01-18	300,000	264,000
CSN Islands XI Corp. (S)(Z)	6.875	09-21-19	250,000	270,313
Essar Steel Algoma, Inc. (S)(Z)	9.375	03-15-15	500,000	475,000
Freeport-McMoRan Copper & Gold, Inc. (Z)	8.375	04-01-17	220,000	235,400
Gerdau Holdings, Inc. (S)(Z)	7.000	01-20-20	360,000	384,300
Metinvest BV (S)(Z)	8.750	02-14-18	555,000	527,250
Rain CII Carbon LLC/CII Carbon Corp. (S)	8.000	12-01-18	945,000	963,900
Rio Tinto Finance USA, Ltd. (Z)	7.125	07-15-28	710,000	959,790
Ryerson, Inc. (Z)	12.000	11-01-15	1,000,000	1,020,000
SunCoke Energy, Inc. (S)	7.625	08-01-19	105,000	106,050
Teck Resources, Ltd. (Z)	10.750	05-15-19	240,000	296,400
Vedanta Resources PLC (S)(Z)	8.250	06-07-21	795,000	735,375
Winsway Coking Coal Holding, Ltd. (S)(Z)	8.500	04-08-16	425,000	367,625

	Rate (%)	Maturity date	Par value	Value
Paper & Forest Products 1.48%				
AbitibiBowater, Inc. (S)(Z)	10.250	10-15-18	\$719,000	\$787,305
Boise Paper Holdings LLC/Boise Co-Issuer Company (Z)	8.000	04-01-20	515,000	542,038
PE Paper Escrow GmbH (S)(Z)	12.000	08-01-14	95,000	103,075
Sino-Forest Corp. (S)	6.250	10-21-17	2,500,000	825,000
Verso Paper Holdings LLC/Verso Paper, Inc.	8.750	02-01-19	240,000	172,800

Telecommunication Services 9.45%

15,515,757

Communications Equipment 0.15%

Sable International Finance, Ltd. (S)(Z)	7.750	02-15-17	250,000	250,000
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Diversified Telecommunication Services 4.14%

Axtel SAB de CV (S)(Z)	7.625	02-01-17	810,000	684,450
Axtel SAB de CV (S)(Z)	9.000	09-22-19	260,000	226,200
BellSouth Telecommunications, Inc. (Z)	6.300	12-15-15	546,543	583,444
Cincinnati Bell, Inc.	8.750	03-15-18	540,000	518,400
Frontier Communications Corp. (Z)	7.125	03-15-19	530,000	535,300
Frontier Communications Corp. (Z)	8.750	04-15-22	435,000	461,100
GXS Worldwide, Inc. (Z)	9.750	06-15-15	430,000	399,900
Intelsat Luxembourg SA (Z)	11.250	02-04-17	1,470,000	1,458,975
Intelsat Luxembourg SA, PIK (S)	11.500	02-04-17	390,000	390,000
Satmex Escrow SA de CV	9.500	05-15-17	404,000	412,080
Telecom Italia Capital SA (Z)	6.175	06-18-14	1,105,000	1,122,889

Wireless Telecommunication Services 5.16%

CC Holdings GS V LLC/Crown Castle GS III Corp. (S)(Z)	7.750	05-01-17	410,000	443,825
Clearwire Communications LLC (S)(Z)	12.000	12-01-15	1,500,000	1,282,500
Crown Castle Towers LLC (S)(Z)	4.883	08-15-20	750,000	768,934
Nextel Communications, Inc. (Z)	7.375	08-01-15	1,340,000	1,279,700
NII Capital Corp. (Z)	10.000	08-15-16	320,000	360,000
SBA Tower Trust (S)(Z)	5.101	04-15-17	580,000	631,910
Sprint Capital Corp. (Z)	6.900	05-01-19	1,000,000	832,500
Sprint Capital Corp. (Z)	8.375	03-15-12	1,970,000	1,989,700
Sprint Capital Corp. (Z)	8.750	03-15-32	1,065,000	883,950

Utilities 4.02%

6,599,818

Electric Utilities 2.79%

Beaver Valley II Funding (Z)	9.000	06-01-17	468,000	499,379
BVPS II Funding Corp. (Z)	8.890	06-01-17	517,000	562,498
CE Generation LLC (Z)	7.416	12-15-18	493,000	516,418
Centrais Elétricas do Para SA (S)(Z)	10.500	06-03-16	415,000	411,477
Exelon Corp. (Z)	4.900	06-15-15	1,015,000	1,106,756
FPL Energy National Wind LLC (S)(Z)	5.608	03-10-24	230,815	239,090
PNPP II Funding Corp. (Z)	9.120	05-30-16	265,000	288,638
Texas Competitive Electric Holdings Company LLC (S)	11.500	10-01-20	155,000	133,300
United Maritime Group LLC (Z)	11.750	06-15-15	475,000	479,750
W3A Funding Corp. (Z)	8.090	01-02-17	343,380	343,995

	Rate (%)	Maturity date	Par value	Value
Independent Power Producers & Energy Traders 0.50%				
NRG Energy, Inc. (Z)	7.375	01-15-17	\$795,000	\$827,794
Multi-Utilities 0.73%				
DTE Energy Company (Z)	7.625	05-15-14	1,040,000	1,190,723
Convertible Bonds 1.73% (1.15% of Total Investments)			\$2,839,056	
(Cost \$2,898,799)				
Consumer Discretionary 0.46%				748,880
Media 0.46%				
XM Satellite Radio, Inc. (S)	7.000	12-01-14	\$592,000	748,880
Financials 0.21%				345,488
Real Estate Investment Trusts 0.21%				
Corporate Office Properties LP (S)(Z)	4.250	04-15-30	370,000	345,488
Health Care 0.49%				806,250
Health Care Equipment & Supplies 0.49%				
NuVasive, Inc. (Z)	2.750	07-01-17	1,000,000	806,250
Industrials 0.29%				477,813
Airlines 0.29%				
United Continental Holdings, Inc. (Z)	4.500	06-30-21	550,000	477,813
Materials 0.28%				460,625
Containers & Packaging 0.28%				
Owens-Brockway Glass Container, Inc. (S)(Z)	3.000	06-01-15	500,000	460,625
Capital Preferred Securities (a) 0.37% (0.25% of Total Investments)			\$616,000	
(Cost \$700,000)				
Financials 0.37%				616,000
Commercial Banks 0.37%				
HSBC Finance Capital Trust IX (5.911% to 11-30-15, then 3 month LIBOR + 1.926%) (Z)	5.911	11-30-35	\$700,000	616,000
U.S. Government & Agency Obligations 33.95% (22.55% of Total Investments)			\$55,746,446	
(Cost \$54,933,296)				
U.S. Government 9.18%				15,065,084
U.S. Treasury Bonds				
Bond	4.375	05-15-41	\$390,000	483,358
U.S. Treasury Notes				
Note	1.250	09-30-15	2,800,000	2,865,626
Note	2.000	04-30-16	7,000,000	7,365,890
Note	2.125	02-29-16	2,530,000	2,676,464
Note	2.125	08-15-21	1,120,000	1,119,126
U.S. Treasury Strips, PO (Z)	2.907	11-15-30	1,025,000	554,620
U.S. Government Agency 24.77%				40,681,362
Federal Home Loan Mortgage Corp.				
30 Yr Pass Thru Ctf	5.000	03-01-41	3,302,428	3,545,775
30 Yr Pass Thru Ctf	6.500	06-01-37	43,373	47,796
30 Yr Pass Thru Ctf	6.500	10-01-37	91,124	100,417
30 Yr Pass Thru Ctf	6.500	11-01-37	193,849	213,617

	Rate (%)	Maturity date	Par value	Value
Federal Home Loan Mortgage Corp.				
30 Yr Pass Thru Ctf	6.500	12-01-37	\$84,737	\$93,378
30 Yr Pass Thru Ctf	6.500	03-01-38	365,651	403,739
Federal National Mortgage Association				
30 Yr Pass Thru Ctf	4.000	08-01-40	6,127,822	6,377,960
30 Yr Pass Thru Ctf	4.000	12-01-40	6,779,648	7,103,004
30 Yr Pass Thru Ctf	4.500	10-01-40	3,994,489	4,252,082
30 Yr Pass Thru Ctf	5.000	02-01-41	530,011	570,329
30 Yr Pass Thru Ctf	5.000	04-01-41	982,324	1,076,082
30 Yr Pass Thru Ctf	5.500	06-01-38	8,554,194	9,318,389
30 Yr Pass Thru Ctf	5.500	08-01-40	379,782	412,760
30 Yr Pass Thru Ctf	6.000	05-01-37	2,147,931	2,360,051
30 Yr Pass Thru Ctf	6.500	07-01-36	778,911	861,355
30 Yr Pass Thru Ctf	6.500	10-01-37	514,131	568,068
30 Yr Pass Thru Ctf	6.500	01-01-39	3,058,562	3,376,560

Foreign Government Obligations 3.97% (2.64% of Total Investments) \$6,519,649

(Cost \$6,487,545)

Argentina 1.37% 2,250,400

City of Buenos Aires (S)(Z)	12.500	04-06-15	\$1,700,000	1,768,000
Provincia de Neuquen Argentina (S)	7.875	04-26-21	480,000	482,400

Canada 0.47% 775,565

Province of Ontario	3.150	12-15-17	735,000	775,565
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Georgia 0.12% 204,000

Republic of Georgia (S)(Z)	6.875	04-12-21	200,000	204,000
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Mexico 0.51% 842,535

Government of Mexico				
Bond (Z)	5.125	01-15-20	315,000	350,910
Bond (Z)	5.875	02-17-14	450,000	491,625

Peru 0.14% 228,375

Republic of Peru (Z)	7.350	07-21-25	175,000	228,375
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Poland 0.61% 995,057

Poland Government International Bond	5.000	03-23-22	1,000,000	995,057
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South Korea 0.13% 213,707

Republic of Korea (Z)	4.375	08-10-15	205,000	213,707
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United Kingdom 0.62% 1,010,010

City of Kyiv (S)	9.375	07-11-16	1,285,000	1,010,010
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Term Loans (M) 1.63% (1.08% of Total Investments) \$2,672,204

(Cost \$2,755,790)

Consumer Discretionary 0.54% 878,133

PRIMEDIA, Inc.	7.500	01-12-18	\$947,625	878,133
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Consumer Staples 0.15% 242,249

Revlon Consumer Products Corp.	4.750	11-17-17	244,388	\$242,249
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Health Care 0.19% 319,519

National Mentor Holdings, Inc.	7.000	02-09-17	348,250	319,519
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Industrials 0.41% 677,303

Delta Air Lines, Inc.	5.500	04-20-17	698,250	677,303
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Telecommunication Services 0.34% 555,000

LightSquared LP	12.000	10-01-14	1,000,000	555,000
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	Rate (%)	Maturity date	Par value	Value
Collateralized Mortgage Obligations 6.63% (4.40% of Total Investments)				\$10,886,437

(Cost \$10,786,159)

Commercial & Residential 5.86%	9,616,772
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American Home Mortgage Assets				
Series 2006-6, Class XP IO	2.301	12-25-46	\$7,910,084	474,683
American Tower Trust				
Series 2007-1A, Class C (S)	5.615	04-15-37	195,000	206,768
Bear Stearns Alt-A Trust				
Series 2005-3, Class B2 (P)	2.495	04-25-35	393,093	10,190
Countrywide Alternative Loan Trust				
Series 2006-OA12, Class X IO	2.797	09-20-46	41,464,734	2,553,100
First Horizon Alternative Mortgage Securities				
Series 2004-AA5, Class B1 (P)	2.326	12-25-34	254,057	28,629
GSR Mortgage Loan Trust				
Series 2006-4F, Class 6A1	6.500	05-25-36	2,711,756	1,871,163
Series 2004-9, Class B1 (P)	3.097	08-25-34	766,824	280,786
Harborview Mortgage Loan Trust				
Series 2005-8, Class 1X IO	2.299	09-19-35	4,858,574	237,509
Series 2007-3, Class ES IO	0.350	05-19-47	8,255,322	54,485
Series 2007-4, Class ES IO	0.350	07-19-47	10,270,731	55,770
Series 2007-6, Class ES IO (S)	0.342	08-19-37	6,885,867	44,345
IndyMac Index Mortgage Loan Trust				
Series 2004-AR13, Class B1	5.296	01-25-35	301,733	25,956
Series 2005-AR18, Class 1X IO	2.156	10-25-36	9,674,074	525,399
Series 2005-AR18, Class 2X IO	1.821	10-25-36	9,099,262	478,166
Series 2005-AR5, Class B1 (P)	2.591	05-25-35	235,654	2,355
Morgan Stanley Capital I				
Series 2008-HQ8, Class AM (P)	5.466	03-12-44	995,000	1,020,374
Provident Funding Mortgage Loan Trust				
Series 2005-1, Class B1 (P)	2.658	05-25-35	356,122	54,452
WaMu Mortgage Pass Through Certificates				
Series 2005-AR1, Class X IO	1.548	01-25-45	13,331,488	623,458
Series 2005-AR4, Class B1 (P)	2.585	04-25-35	1,386,787	282,970
Series 2005-AR6, Class X IO	0.649	04-25-45	8,150,743	409,129
Series 2005-AR8, Class X IO	1.647	07-25-45	7,499,316	377,085

U.S. Government Agency 0.77%	1,269,665
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Federal National Mortgage Association				
Series 398, Class C3 IO (Z)	4.500	05-25-39	1,372,028	181,004
Series 402, Class 3 IO (Z)	4.000	11-25-39	1,076,766	161,281
Series 402, Class 4 IO (Z)	4.000	10-25-39	1,882,905	275,114
Series 407, Class 15 IO (Z)	5.000	01-25-40	1,490,012	255,930
Series 407, Class 21 IO (Z)	5.000	01-25-39	1,341,455	162,695
Series 407, Class 7 IO (Z)	5.000	03-25-41	1,044,410	191,678
Series 407, Class 8 IO (Z)	5.000	03-25-41	256,013	41,963

Asset Backed Securities 1.59% (1.05% of Total Investments)	\$2,603,493
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(Cost \$2,592,231)

Asset Backed Securities 1.59%	2,603,493
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Aircraft Certificate Owner Trust				
Series 2003-1A, Class E (S)	7.001	09-20-22	\$170,000	148,750
ContiMortgage Home Equity Loan Trust				
Series 1995-2, Class A-5	8.100	08-15-25	36,226	35,960

	Rate (%)	Maturity date	Par value	Value
Asset Backed Securities (continued)				
Countrywide Asset-Backed Certificates Series 2006-3, Class 2A2 (P)	0.425	06-25-36	\$863,518	\$675,340
Dominos Pizza Master Issuer LLC Series 2007-1, Class M1 (S) (Z)	7.629	04-25-37	1,000,000	1,020,000
Sonic Capital LLC Series 2011-1A, Class A2 (S)	5.438	05-20-41	711,000	723,443
			Shares	Value
Common Stocks 1.80% (1.20% of Total Investments)				\$2,961,884
(Cost \$4,267,052)				
Consumer Discretionary 0.46%				762,592
Hotels, Restaurants & Leisure 0.04%				
Greektown Superholdings, Inc. (I)			977	71,335
Media 0.42%				
Charter Communications, Inc., Class A (I)(Z)			11,505	528,540
Dex One Corp. (I)			20,979	13,051
Vertis Holdings, Inc. (I)			34,015	149,666
Energy 0.31%				504,150
Oil, Gas & Consumable Fuels 0.31%				
YPF SA ADR			15,000	504,150
Materials 1.03%				1,695,142
Containers & Packaging 1.03%				
Rock-Tenn Company, Class A (Z)			28,639	1,695,142
Preferred Securities (b) 3.15% (2.10% of Total Investments)				\$5,180,273
(Cost \$5,526,753)				
Consumer Discretionary 1.31%				2,156,399
Automobiles 0.13%				
General Motors Company, Series B, 4.750% (Z)			5,290	219,851
Hotels, Restaurants & Leisure 0.85%				
Greektown Superholdings, Inc., Series A (I)			19,074	1,392,673
Media 0.33%				
Nielsen Holdings NV, 6.250%			950,000	543,875
Energy 0.24%				392,974
Oil, Gas & Consumable Fuels 0.24%				
Apache Corp., Series D, 6.000% (Z)			6,980	392,974
Financials 1.25%				2,062,400
Commercial Banks 0.64%				
Zions Bancorporation, Series E, 11.000% (Q)(Z)			40,000	1,056,800
Real Estate Investment Trusts 0.61%				
Public Storage, Inc., Depository Shares, Series W, 6.500% (Z)			40,000	1,005,600
Utilities 0.35%				568,500
Electric Utilities 0.35%				
PPL Corp., 9.500%			10,000	568,500

	Par value	Value
Short-Term Investments 1.13% (0.75% of Total Investments)		\$1,855,000
(Cost \$1,855,000)		
Repurchase Agreement 1.13%		1,855,000
Repurchase Agreement with State Street Corp. dated 10-31-11 at 0.010% to be repurchased at \$1,855,001 on 11-1-11, collateralized by \$1,189,000 Federal Home Loan Mortgage Corp., 0.500% due 8-23-13 (valued at \$1,892,363, including interest)	\$1,855,000	1,855,000
Total investments (Cost \$246,922,622)† 150.51%		\$247,159,552
Other assets and liabilities, net (50.51%)		(\$82,949,638)
Total net assets 100.00%		\$164,209,914

The percentage shown for each investment category is the total value of that category as a percentage of the net assets of the Fund.

ADR American Depositary Receipts

IO Interest Only Security — (Interest Tranche of Stripped Security). Rate shown is the annualized yield at the end of the period.

LIBOR London Interbank Offered Rate

PIK Payment-in-kind

PO Principal-Only Security — (Principal Tranche of Stripped Security). Rate shown is the annualized yield on date of purchase.

REIT Real Estate Investment Trust

(a) Includes hybrid securities with characteristics of both equity and debt that trade with, and pay, interest income.

(b) Includes preferred stocks and hybrid securities with characteristics of both equity and debt that pay dividends on a periodic basis.

(H) Non-income producing — Issuer is in default.

(I) Non-income producing security.

(M) Term loans are variable rate obligations. The coupon rate shown represents the rate at period end.

(P) Variable rate obligation. The coupon rate shown represents the rate at period end.

(Q) Perpetual bonds have no stated maturity date. Date shown is next call date.

(S) These securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be resold, normally to qualified institutional buyers, in transactions exempt from registration. Rule 144A securities amounted to \$65,903,764 or 40.16% of the Fund's net assets as of 10-31-11.

(Z) A portion of this security is segregated as collateral pursuant to the Committed Facility Agreement. Total collateral value at 10-31-11 was \$174,888,593.

† At 10-31-11, the aggregate cost of investment securities for federal income tax purposes was \$247,524,010. Net unrealized depreciation aggregated \$364,458, of which \$13,851,499 related to appreciated investment securities and \$14,215,957 related to depreciated investment securities.

The Fund had the following country concentration as a percentage of investments on 10-31-11:

United States	78%
Cayman Islands	4%
Canada	2%
United Kingdom	1%
Mexico	1%
Brazil	1%
Argentina	1%
Luxembourg	1%
Netherlands	1%
Hong Kong	1%
Australia	1%
Switzerland	1%
Peru	1%
China	1%
Other Countries	4%
Short-Term Investments & Other	1%

Financial statements

Statement of assets and liabilities 10-31-11

This Statement of assets and liabilities is the Fund's balance sheet. It shows the value of what the Fund owns, is due and owes. You'll also find the net asset value for each common share.

Assets	
Investments, at value (Cost \$246,922,622)	\$247,159,552
Cash	3,962,130
Cash held at broker for futures contracts	126,300
Receivable for investments sold	738,370
Dividends and interest receivable	3,832,912
Other receivables and prepaid expenses	33,335
Total assets	255,852,599
Liabilities	
Payable for investments purchased	3,500,487
Committed facility agreement payable (Note 8)	87,700,000
Swap contracts, at value (Note 3)	273,958
Payable for futures variation margin (Note 3)	42,610
Interest payable (Note 8)	9,420
Payable to affiliates	
Accounting and legal services fees	1,945
Trustees' fees	16,652
Other liabilities and accrued expenses	97,613
Total liabilities	91,642,685
Net assets	
Paid-in capital	\$175,870,923
Undistributed net investment income	1,433,619
Accumulated net realized loss on investments, futures contracts and foreign currency transactions	(13,069,320)
Net unrealized appreciation (depreciation) on investments, futures contracts and swap contracts	(25,308)
Net assets	\$164,209,914
Net asset value per share	
Based on 8,557,999 shares of beneficial interest outstanding — unlimited number of shares authorized with no par value	\$19.19

Statement of operations For the year ended 10-31-11

This Statement of operations summarizes the Fund's investment income earned and expenses incurred in operating the Fund. It also shows net gains (losses) for the period stated.

Investment income	
Interest	\$18,931,440
Dividends	258,870
Total investment income	19,190,310
Expenses	
Investment management fees (Note 5)	1,352,248
Accounting and legal services fees (Note 5)	21,564
Transfer agent fees	74,766
Trustees' fees (Note 5)	53,264
Printing and postage	63,654
Professional fees	125,811
Custodian fees	30,034
Interest expense (Note 8)	992,522
Stock exchange listing fees	23,805
Other	29,554
Total expenses	2,767,222
Net investment income	16,423,088
Realized and unrealized gain (loss)	
Net realized gain (loss) on	
Investments	(1,611,909)
Futures contracts (Note 3)	(167,217)
Foreign currency transactions	32,193
	(1,746,933)
Change in net unrealized appreciation (depreciation) of	
Investments	(5,648,438)
Futures contracts (Note 3)	108,605
Swap contracts (Note 3)	(273,958)
	(5,813,791)
Net realized and unrealized loss	(7,560,724)
Increase in net assets from operations	\$8,862,364

Statements of changes in net assets

These Statements of changes in net assets show how the value of the Fund's net assets has changed during the last two periods. The difference reflects earnings less expenses, any investment gains and losses, distributions, if any, paid to shareholders and the net of Fund share transactions.

	Year ended 10-31-11	Year ended 10-31-10
Increase (decrease) in net assets		
From operations		
Net investment income	\$16,423,088	\$18,170,832
Net realized gain (loss)	(1,746,933)	880,369
Change in net unrealized appreciation (depreciation)	(5,813,791)	16,096,569
Increase in net assets resulting from operations	8,862,364	35,147,770
Distributions to shareholders		
From net investment income	(16,821,934)	(17,506,522)
From Fund share transactions (Note 6)	1,224,095	1,326,215
Total increase (decrease)	(6,735,475)	18,967,463
Net assets		
Beginning of year	170,945,389	151,977,926
End of year	\$164,209,914	\$170,945,389
Undistributed net investment income	\$1,433,619	\$1,552,131

Statement of cash flows

This Statement of cash flows shows cash flow from operating and financing activities for the period stated.

	For the year ended 10-31-11
Cash flows from operating activities	
Net increase in net assets from operations	\$8,862,364
Adjustments to reconcile net increase in net assets from operations to net cash provided by operating activities:	
Long-term investments purchased	(121,166,636)
Long-term investments sold	112,260,599
Decrease in short term investments	1,036,000
Net amortization of premium (discount)	265,486
Decrease in dividends and interest receivable	277,083
Decrease in payable for investments purchased	(7,826,257)
Decrease in receivable for investments sold	10,654,251
Increase in cash held at broker for futures contracts	(73,950)
Increase in prepaid assets	(1,738)
Increase in unrealized depreciation of swap contracts	273,958
Increase in payable for futures variation margin	33,133
Decrease in payable to affiliates	(7,980)
Decrease in interest payable	(9,060)
Increase in other liabilities and accrued expenses	21,698
Net change in unrealized (appreciation) depreciation on investments	5,648,438
Net realized loss on investments	1,611,909
Net cash provided by operating activities	\$11,859,298
Cash flows from financing activities	
Borrowings from credit facility agreement payable	7,700,000
Distributions to common shareholders net of reinvestments	(15,597,839)
Net cash used by financing activities	(\$7,897,839)
Net increase in cash	\$3,961,459
Cash at beginning of period	\$671
Cash at end of period	\$3,962,130
Supplemental disclosure of cash flow information	
Cash paid for interest	\$1,001,582
Noncash financing activities not included herein consist of reinvestment of distributions	1,224,095

Financial highlights

The Financial highlights show how the Fund's net asset value for a share has changed since the end of the previous period.

COMMON SHARES Period ended	10-31-11	10-31-10	10-31-09	10-31-08 ¹	12-31-07	12-31-06
Per share operating performance						
Net asset value, beginning of year	\$20.11	\$18.03	\$14.51	\$19.21	\$19.90	\$20.04
Net investment income ²	1.93	2.15	1.70	1.49	1.89	1.74
Net realized and unrealized gain (loss) on investments	(0.88)	2.00	3.51	(4.80)	(0.72)	(0.07)
Distributions to Auction Preferred Shares (APS)	—	—	—	(0.19)	(0.55)	(0.50)
Total from investment operations	1.05	4.15	5.21	(3.50)	0.62	1.17
Less distributions to common shareholders						
From net investment income	(1.97)	(2.07)	(1.69)	(1.20)	(1.31)	(1.31)
Net asset value, end of year	\$19.19	\$20.11	\$18.03	\$14.51	\$19.21	\$19.90
Per share market value, end of year	\$21.82	\$21.13	\$17.73	\$13.46	\$17.01	\$19.04
Total return at net asset value (%)³	4.90	23.81	39.26	(18.78)⁴	3.73	6.54
Total return at market value (%)³	13.52	32.29	47.62	(14.91)⁴	(4.00)	15.41
Ratios and supplemental data						
Net assets applicable to common shares, end of year (in millions)	\$164	\$171	\$152	\$121	\$160	\$164
Ratios (as a percentage of average net assets):						
Expenses (excluding interest expense)	1.04	1.12	1.43	1.42 ⁵	1.16 ⁶	1.17 ⁶
Interest expense (Note 8)	0.58	0.81	1.00	0.83 ⁵	—	—
Expenses (including interest expense)	1.62	1.93	2.43	2.25 ⁵	1.16 ⁶	1.17 ⁶
Net investment income	9.63	11.33	11.34	9.93 ⁵	9.55 ⁷	8.80 ⁷
Portfolio turnover (%)	45	71	72	37	46	63
Senior securities						
Total value of APS outstanding (in millions)	—	—	—	—	\$86	\$86
Involuntary liquidation preference per unit (in thousands)	—	—	—	—	25	25
Average market value per unit (in thousands)	—	—	—	—	25	25
Asset coverage per unit ⁸	—	—	—	— ⁹	\$71,364	\$72,917
Total debt outstanding end of year (in millions) (Note 8)	\$88	\$80	\$67	\$58	—	—
Asset coverage per \$1,000 of APS ¹⁰	—	—	—	—	\$2,856	\$2,910
Asset coverage per \$1,000 of debt ¹¹	\$2,871	\$3,136	\$3,268	\$3,090	—	—

¹ For the ten-month period ended 10-31-08. The Fund changed its fiscal year end from December 31 to October 31.

² Based on the average daily shares outstanding.

³ Total return based on net asset value reflects changes in the Fund's net asset value during each period. Total return based on market value reflects changes in market value. Each figure assumes that dividend and capital gain distributions, if any, were reinvested. These figures will differ depending upon the level of any discount from or premium to net asset value at which the Fund's shares traded during the period.

⁴ Not annualized.

⁵ Annualized.

⁶ Ratios calculated on the basis of expenses relative to the average net assets of common shares. Without the exclusion of preferred shares, the ratios of expenses would have been 0.76% and 0.77% for the years ended 12-31-07 and 12-31-06, respectively.

⁷ Ratios calculated on the basis of net investment income relative to the average net assets of common shares. Without the exclusion of preferred shares, the ratios of net investment income would have been 6.26% and 5.77% for the years ended 12-31-07 and 12-31-06, respectively.

⁸ Calculated by subtracting the Fund's total liabilities from the Fund's total assets and dividing that amount by the number of APS outstanding, as of the applicable 1940 Act Evaluation Date, which may differ from the financial reporting date.

⁹ In May 2008, the Fund entered into a Committed Facility Agreement with a third-party commercial bank in order to redeem the APS. The redemption of all APS was completed on 6-12-08.

¹⁰ Asset coverage equals the total net assets plus APS divided by the APS of the Fund outstanding at period end.

¹¹ Asset coverage equals the total net assets plus borrowings divided by the borrowings of the Fund outstanding at period end (Note 8). As debt outstanding changes, level of invested assets may change accordingly. Asset coverage ratio provides a consistent measure of leverage.

Notes to financial statements

Note 1 — Organization

John Hancock Investors Trust (the Fund) is a closed-end diversified management investment company organized as a Massachusetts business trust and registered under the Investment Company Act of 1940, as amended (the 1940 Act).

Note 2 — Significant accounting policies

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Events or transactions occurring after the end of the fiscal period through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Security valuation. Investments are stated at value as of the close of regular trading on the New York Stock Exchange (NYSE), normally at 4:00 P.M., Eastern Time. The Fund uses a three-tier hierarchy to prioritize the pricing assumptions, referred to as inputs, used in valuation techniques to measure fair value. Level 1 includes securities valued using quoted prices in active markets for identical securities. Level 2 includes securities valued using significant observable inputs. Observable inputs may include quoted prices for similar securities, interest rates, prepayment speeds and credit risk. Prices for securities valued using these inputs are received from independent pricing vendors and brokers and are based on an evaluation of the inputs described. Level 3 includes securities valued using significant unobservable inputs when market prices are not readily available or reliable, including the Fund's own assumptions in determining the fair value of investments. Factors used in determining value may include market or issuer specific events, changes in interest rates and credit quality. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the values by input classification of the Fund's investments as of October 31, 2011, by major security category or type:

	TOTAL MARKET VALUE AT 10-31-11	LEVEL 1 QUOTED PRICE	LEVEL 2 SIGNIFICANT OBSERVABLE INPUTS	LEVEL 3 SIGNIFICANT UNOBSERVABLE INPUTS
Corporate Bonds	\$155,279,110	—	\$154,698,167	\$580,943
Convertible Bonds	2,839,056	—	2,839,056	—
Capital Preferred Securities	616,000	—	616,000	—
U.S. Government & Agency Obligations	55,746,446	—	55,746,446	—
Foreign Government Obligations	6,519,649	—	6,519,649	—
Term Loans	2,672,204	—	2,672,204	—
Collateralized Mortgage Obligations	10,886,437	—	10,831,952	54,485
Asset Backed Securities	2,603,493	—	2,454,743	148,750
Common Stocks	2,961,884	\$2,740,883	—	221,001
Preferred Securities	5,180,273	3,243,725	543,875	1,392,673
Short-Term Investments	1,855,000	—	1,855,000	—
Total Investments in Securities	\$247,159,552	\$5,984,608	\$238,777,092	\$2,397,852
Other Financial Instruments				
Futures	\$11,720	\$11,720	—	—
Interest Rate Swaps	(\$273,958)	—	(\$273,958)	—

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. During the year ended October 31, 2011, there were no significant transfers in or out of Level 1 and Level 2 assets.

The following is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value. Transfers in or out of Level 3 represent the beginning value of any security or instrument where a change in the level has occurred from the beginning to the end of the period.

	CORPORATE BONDS	COLLATERALIZED MORTGAGE OBLIGATIONS	ASSET BACKED SECURITIES	COMMON STOCKS	PREFERRED SECURITIES	TOTAL
Balance as of 10-31-10	\$637,920	\$994,286	—	\$108,035	\$2,109,179	\$3,849,420
Realized gain (loss)	(1,740,012)	(308,307)	—	—	—	(2,048,319)
Change in unrealized appreciation (depreciation)	1,521,678	307,453	(\$13,813)	(288,156)	(716,506)	810,656
Purchases	295,200	584	162,563	401,122	—	859,469
Sales	(133,843)	(10,030)	—	—	—	(143,873)
Transfers into Level 3	—	—	—	—	—	—
Transfers out of Level 3	—	(929,501)	—	—	—	(929,501)
Balance as of 10-31-11	\$580,943	\$54,485	\$148,750	\$221,001	\$1,392,673	\$2,397,852
Change in unrealized at period end*	(\$220,754)	(\$854)	(\$13,813)	(\$288,156)	(\$716,506)	(\$1,240,083)

* Change in unrealized appreciation (depreciation) attributable to Level 3 securities held at the period end. This balance is included in the change in unrealized appreciation (depreciation) on the Statement of Operations.

In order to value the securities, the Fund uses the following valuation techniques. Equity securities held by the Fund are valued at the last sale price or official closing price on the principal securities exchange on which they trade. In the event there were no sales during the day or closing prices are not available, then securities are valued using the last quoted bid or evaluated price. Debt obligations are valued based on the evaluated prices provided by an independent pricing service, which utilizes both dealer-supplied and electronic data processing techniques, taking into account factors such as institutional-size trading in similar groups of securities, yield, quality, coupon rate, maturity, type of issue, trading characteristics and other market data. Certain securities traded only in the over-the-counter market are valued at the last bid price quoted by brokers making markets in the securities at the close of trading. Certain short-term securities are valued at amortized cost. Other portfolio securities and assets, where market quotations are not readily available, are valued at fair value, as determined in good faith by the Fund's Pricing Committee, following procedures established by the Board of Trustees.

Repurchase agreements. The Fund may enter into repurchase agreements. When the Fund enters into a repurchase agreement, it receives collateral which is held in a segregated account by the Fund's custodian. The collateral amount is marked-to-market and monitored on a daily basis to ensure that the collateral held is in an amount not less than the principal amount of the repurchase agreement plus any accrued interest. In the event of a default by the counterparty, realization of the collateral proceeds could be delayed, during which time the collateral value may decline.

Security transactions and related investment income. Investment security transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is accrued as earned. Interest income includes coupon interest and amortization/accretion of premiums/discounts on debt securities. Debt obligations may be placed in a non-accrual status and related interest income may be reduced by stopping current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful. Dividend income is recorded on the ex-date, except for dividends of foreign securities where the dividend may not be known until after the ex-date. In those cases, dividend income is recorded when the Fund becomes aware of the dividends. Gains and losses on securities sold are determined on the basis of identified cost and may include proceeds from litigation.

Stripped securities. Stripped mortgage backed securities are financial instruments structured to separate principal and interest cash flows so that one class receives the entire principal from the underlying mortgage assets (PO or principal only), while the other class receives the interest cash flows (IO or interest only). Both PO and IO investments represent an interest in the cash flows of an underlying stripped mortgage backed security. If the underlying mortgage assets experience greater than anticipated prepayments of principal, the Fund may fail to fully recover its initial investment in an IO security. The market value of these securities can be extremely volatile in response to changes in interest rates. In addition, these securities present additional credit risk such that the Fund may not receive all or part of its principal or interest payments because the borrower or issuer has defaulted on its obligation.

Overdrafts. Pursuant to the custodian agreement, the Fund's custodian may, in its discretion, advance funds to the Fund to make properly authorized payments. When such payments result in an overdraft, the Fund is obligated to repay the custodian for any overdraft, including any costs or expenses associated with the overdraft. The custodian has a lien, security interest or security entitlement in any Fund property that is not segregated, to the maximum extent permitted by law, to the extent of any overdraft.

Expenses. The majority of expenses are directly attributable to an individual fund. Expenses that are not readily attributable to a specific fund are allocated among all funds in an equitable manner, taking into consideration, among other things, the nature and type of expense and the fund's

relative net assets. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Federal income taxes. The Fund intends to continue to qualify as a regulated investment company by complying with the applicable provisions of the Internal Revenue Code and will not be subject to federal income tax on taxable income that is distributed to shareholders. Therefore, no federal income tax provision is required.

For federal income tax purposes, the Fund has a capital loss carryforward of \$12,269,717 available to offset future net realized capital gains as of October 31, 2011. The following table details the capital loss carryforward available as of October 31, 2011.

CAPITAL LOSS CARRYFORWARD EXPIRING AT OCTOBER 31					
2013	2014	2015	2016	2017	2019
\$2,727,289	\$2,605,424	\$1,304,634	\$912,660	\$2,675,603	\$2,044,107

Under the Regulated Investment Company Modernization Act of 2010, the Fund will be permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010 for an unlimited period. However, any losses incurred during those future taxable years will be required to be utilized prior to the losses incurred in pre-enactment taxable years. As a result of this ordering rule, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under previous law.

As of October 31, 2011, the Fund had no uncertain tax positions that would require financial statement recognition, derecognition or disclosure. The Fund's federal tax returns are subject to examination by the Internal Revenue Service for a period of three years.

Distribution of income and gains. Distributions to shareholders from net investment income and net realized gains, if any, are recorded on the ex-date. The Fund generally declares and pays dividends quarterly and capital gain distributions, if any, annually. The tax character of distributions for the years ended October 31, 2011 and October 31, 2010 was as follows:

	OCTOBER 31, 2011	OCTOBER 31, 2010
Ordinary Income	\$16,821,934	\$17,506,522

As of October 31, 2011, the components of distributable earnings on a tax basis included \$1,443,456 of undistributed ordinary income.

Such distributions and distributable earnings, on a tax basis, are determined in conformity with income tax regulations, which may differ from accounting principles generally accepted in the United States of America. Material distributions in excess of tax basis earnings and profits, if any, are reported in the Fund's financial statements as a return of capital.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Temporary book-tax differences, if any, will reverse in a subsequent period. Book-tax differences are primarily attributable to straddle loss deferrals, tender fees, derivative transactions and amortization and accretion on debt securities.

Statement of cash flows. Information on financial transactions that have been settled through the receipt and disbursement of cash is presented in the Statement of cash flows. The cash amount shown in the Statement of cash flows is the amount included in the Fund's Statement of assets and liabilities and represents the cash on hand at its custodian and does not include any short-term investments.

New accounting pronouncement. In May 2011, Accounting Standards Update 2011-04 (ASU 2011-04), *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*, was issued and is effective during interim and annual periods beginning after December 15, 2011. ASU 2011-04 amends Financial Accounting Standards Board (FASB) Topic 820, *Fair Value Measurement*. The amendments are the result of the work by the FASB and the International Accounting Standards Board to develop common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP. Management is currently evaluating the application of ASU 2011-04 and its impact, if any, on the Fund's financial statements.

Note 3 — Derivative instruments

The Fund may invest in derivatives in order to meet its investment objectives. The use of derivatives may involve risks different from, or potentially greater than, the risks associated with investing directly in securities. Specifically, the Fund is exposed to the risk that the counterparty to an over-the-counter (OTC) derivatives contract will be unable or unwilling to make timely settlement payments or otherwise honor its obligations. OTC derivatives transactions typically can only be closed out with the other party to the transaction. If the counterparty defaults, the Fund will have contractual remedies, but there is no assurance that the counterparty will meet its contractual obligations or that the Fund will succeed in enforcing them.

The Fund has entered into collateral agreements with certain counterparties to mitigate counterparty risk on over-the-counter derivatives. Subject to established minimum levels, collateral is generally determined based on the net aggregate unrealized gain or loss on contracts with a particular counterparty. Collateral pledged to the Fund is held by the custodian bank for the benefit of the Fund and can be in the form of cash or debt securities issued by the U.S. government or related agencies; collateral posted by the Fund is held in a segregated account at the Fund's custodian and is noted in the accompanying portfolio of investments, or if cash is posted, on the Statement of assets and liabilities. As of October 31, 2011, no collateral was posted by the Fund for the benefit of counterparties to over-the-counter derivatives transactions.

Futures. A futures contract is a contractual agreement to buy or sell a particular commodity, currency, or financial instrument at a pre-determined price in the future. Risks related to the use of futures contracts include possible illiquidity of the futures markets, contract prices that can be highly volatile and imperfectly correlated to movements in hedged security values and/or interest rates and potential losses in excess of the amounts recognized on the Statement of assets and liabilities. Futures contracts are valued at the quoted daily settlement prices established by the exchange on which they trade.

Upon entering into a futures contract, the Fund is required to deposit initial margin with the broker in the form of cash or securities. The amount of required margin is generally based on a percentage of the contract value; this amount is the initial margin for the trade. The margin deposit must then be maintained at the established level over the life of the contract. Futures contracts are marked-to-market daily and an appropriate payable or receivable for the change in value (variation margin) is recorded by the Fund.

During the year ended October 31, 2011, the Fund used futures contracts to manage the duration of the portfolio. The following table summarizes the contracts held at October 31, 2011. During the year ended October 31, 2011, the Fund held futures contracts with absolute notional values ranging from \$7.1 million to \$12.4 million, as measured at each quarter end.

OPEN CONTRACTS	NUMBER OF CONTRACTS	POSITION	EXPIRATION DATE	NOTIONAL VALUE (USD)	UNREALIZED APPRECIATION (DEPRECIATION)
U.S. Treasury 30-Year Bond Futures	10	Long	Dec 2011	\$1,390,313	\$34,809
U.S. Treasury 10-Year Note Futures	51	Short	Dec 2011	(6,582,188)	(16,474)
U.S. Treasury 5-Year Note Futures	27	Short	Dec 2011	(3,310,453)	(6,615)
Total					\$11,720

Interest rate swaps. Interest rate swaps represent an agreement between a Fund and counterparty to exchange cash flows based on the difference between two interest rates applied to a notional amount. The payment flows are usually netted against each other, with the difference being paid by one party to the other. The Fund settles accrued net interest receivable or payable under the swap contracts on a periodic basis. Swaps are marked-to-market daily based upon values from third party vendors or broker quotations, and the change in value is recorded as unrealized appreciation/depreciation of swap contracts. A termination payment by the counterparty or the Fund is recorded as realized gain or loss, as well as the net periodic payments received or paid by a Fund.

Entering into swap agreements involves, to varying degrees, elements of credit, market and documentation risk that may amount to values that are in excess of the amounts recognized on the Statement of assets and liabilities. Such risks involve the possibility that there will be no liquid market for the swap, that a counterparty may default on its obligation or delay payment under the swap terms. The counterparty may disagree or contest the terms of the swap. Market risks may also accompany the swap, including interest rate risk. The Fund may also suffer losses if it is unable to terminate or assign outstanding swaps or reduce its exposure through offsetting transactions.

During the year ended October 31, 2011, the Fund used interest rate swaps in anticipation of rising interest rates. The following table summarizes the interest rate swap contracts held as of October 31, 2011.

COUNTERPARTY	USD NOTIONAL AMOUNT	PAYMENTS MADE BY FUND	PAYMENTS RECEIVED BY FUND	MATURITY DATE	MARKET VALUE
Morgan Stanley Capital Services	\$22,000,000	1.442500%	3 Month LIBOR (a)	Aug 2016	(\$273,958)

(a) At 10-31-11, the 3-month LIBOR rate was 0.42944%.

Interest rate swap positions at October 31, 2011 were entered into on August 5, 2011. No other interest rate swap activity occurred during the year ended October 31, 2011.

Fair value of derivative instruments by risk category

The table below summarizes the fair value of derivatives held by the Fund at October 31, 2011 by risk category:

RISK	STATEMENT OF ASSETS AND LIABILITIES LOCATION	FINANCIAL INSTRUMENTS LOCATION	ASSET DERIVATIVES FAIR VALUE	LIABILITY DERIVATIVES FAIR VALUE
Interest rate contracts	Payable for futures variation margin	Futures	\$34,809†	(\$23,089)†
	Swap contracts at value	Interest rate swaps	—	(273,958)
Total			\$34,809	(\$297,047)

† Reflects cumulative appreciation/depreciation of futures as disclosed above. Only the period end variation margin is separately disclosed on the Statement of assets and liabilities.

Effect of derivative instruments on the Statement of operations

The table below summarizes the net realized gain (loss) included in the net increase (decrease) in net assets from operations, classified by derivative instrument and risk category, for the year ended October 31, 2011:

RISK	STATEMENT OF OPERATIONS LOCATION	FUTURE CONTRACTS
Interest rate contracts	Net realized gain (loss)	(\$167,217)
Total		(\$167,217)

The table below summarizes the net change in unrealized appreciation (depreciation) included in the net increase (decrease) in net assets from operations, classified by derivative instrument and risk category, for the year ended October 31, 2011:

RISK	STATEMENT OF OPERATIONS LOCATION	FUTURES	SWAP CONTRACTS	TOTAL
Interest rate contracts	Change in unrealized appreciation (depreciation)	\$108,605	(\$273,958)	(\$165,353)
Total		\$108,605	(\$273,958)	(\$165,353)

Note 4 — Guarantees and indemnifications

Under the Fund's organizational documents, its Officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. The risk of material loss from such claims is considered remote.

Note 5 — Fees and transactions with affiliates

John Hancock Advisers, LLC (the Adviser) serves as investment adviser for the Fund. The Adviser is an indirect, wholly owned subsidiary of Manulife Financial Corporation (MFC).

Management fee. The Fund has an investment advisory agreement with the Adviser under which the Fund pays a daily management fee to the Adviser equivalent, on an annual basis, to the sum of (a) 0.650% of the first \$150,000,000 of the Fund's average daily net assets and the value attributed to the committed facility agreement (collectively, managed assets), (b) 0.375% of the next \$50,000,000, (c) 0.350% of the next \$100,000,000 and (d) 0.300% of the Fund's average daily managed assets in excess of \$300,000,000. The Adviser has a subadvisory agreement with John Hancock Asset Management a division of Manulife Asset Management (US) LLC (formerly MFC Global Investment Management (U.S.), LLC), an indirectly owned subsidiary of MFC and an affiliate of the Adviser. The Fund is not responsible for payment of the subadvisory fees.

The investment management fees incurred for the year ended October 31, 2011 were equivalent to an annual effective rate of 0.53% of the Fund's average daily managed assets.

Accounting and legal services. Pursuant to a service agreement, the Fund reimburses the Adviser for its expenses associated with providing the administrative, financial, legal, accounting and recordkeeping services of the Fund, including the preparation of fund tax returns, periodic reports to shareholders and regulatory reports, among other services. These accounting and legal services fees incurred for the year ended October 31, 2011 amounted to an annual rate of 0.01% of the Fund's average daily managed assets.

Trustee expenses. The Fund compensates each Trustee who is not an employee of the Adviser or its affiliates. These Trustees may, for tax purposes, elect to defer receipt of this compensation under the John Hancock Group of Funds Deferred Compensation Plan (the Plan). Deferred amounts are invested in various John Hancock funds and remain in the funds until distributed in accordance with the Plan. The investment of deferred amounts and the offsetting liability are included within Other receivables and prepaid expenses and Payable to affiliates — Trustees' fees, respectively, in the accompanying Statement of assets and liabilities.

Note 6 — Fund share transactions

Transactions in Fund shares for the year ended October 31, 2011 and for the year ended October 31, 2010 were as follows:

	Year ended 10-31-11		Year ended 10-31-10	
	Shares	Amount	Shares	Amount
Distributions reinvested	59,392	\$1,224,095	67,824	\$1,326,215

Note 7 — Leverage risk

The Fund utilizes a Committed Facility Agreement to increase its assets available for investment. When the Fund leverages its assets, common shareholders bear the fees associated with the credit facility and have the potential to benefit or be disadvantaged from the use of leverage. The Adviser's fee is also increased in dollar terms from the use of leverage. Consequently, the Fund and the Adviser may have differing interests in determining whether to leverage the Fund's assets. Leverage creates risks that may adversely affect the return for the holders of common shares, including:

- the likelihood of greater volatility of net asset value and market price of common shares
- fluctuations in the interest rate paid for the use of the credit facility
- increased operating costs, which may reduce the Fund's total return
- the potential for a decline in the value of an investment acquired through leverage, while the Fund's obligations under such leverage remains fixed
- the Fund is more likely to have to sell securities in a volatile market in order to meet asset coverage or other debt compliance requirements

To the extent the income or capital appreciation derived from securities purchased with funds received from leverage exceeds the cost of leverage, the Fund's return will be greater than if leverage had not been used, conversely, returns would be lower if the cost of the leverage exceeds the income or capital appreciation derived.

In addition to the risks created by the Fund's use of leverage, the Fund is subject to the risk that it would be unable to timely, or at all, obtain replacement financing if the CFA is terminated. Were this to happen, the Fund would be required to de-leverage, selling securities at a potentially inopportune time and incurring tax consequences. Further, the Fund's ability to generate income from the use of leverage would be adversely affected.

Note 8 — Committed Facility Agreement

The Fund has entered into a Committed Facility Agreement (CFA) with a subsidiary of BNP Paribas (BNP) that allows it to borrow up to \$91 million and to invest the borrowings in accordance with its investment practices. Prior to April 29, 2011, the Fund could borrow up to \$80 million under the CFA.

Borrowings under the CFA are secured by the assets of the Fund as disclosed in the Fund's investments. Interest charged is at the rate of one-month LIBOR plus 0.70% and is payable monthly. Under the terms of the CFA, the Fund also paid a one time arrangement fee of 0.25% of the maximum commitment financing, which was accrued and paid over the first year of the CFA. The Fund also pays a commitment fee of 0.60% per annum on the unused portion of the commitment. Prior to April 29, 2011, the interest rate was one-month LIBOR plus 0.95% and the commitment fee was 0.70% per annum on the unused portion of the commitment. The arrangement fee and commitment fee for the year ended October 31, 2011 totaled \$92,223 and \$11,275, respectively, and are included in the interest expense in the Statement of operations. As of October 31, 2011, the Fund had borrowings of \$87,700,000 at an interest rate of 0.95%, which are reflected on the Statement of assets and liabilities. During the year ended October 31, 2011, the average borrowing under the CFA and the effective average interest rate were \$83,752,055 and 1.05%, respectively.

The Fund may terminate the agreement with 30 days' notice. In addition, if certain asset coverage and collateral requirements, minimum net assets or other covenants are not met, the CFA could be deemed in default and result in termination. Absent a default or a facility termination event, BNP is required to provide the Fund with 360 days' notice prior to terminating or amending the CFA.

The Fund has an agreement with BNP that allows BNP to borrow a portion of the pledged collateral (Lent Securities) in an amount not to exceed the lesser of: (i) outstanding borrowings owed by the Fund to BNP and (ii) thirty-three and one-third percent of the Fund's total assets. The Fund can designate any security within the pledged collateral as ineligible to be a Lent Security and can recall any of the Lent Securities. The Fund also has the right to apply and set-off an amount equal to one-hundred percent (100%) of the then-current fair market value of such Lent Securities against the current borrowings under the CFA in the event that BNP fails to timely return the Lent Securities and in certain other circumstances. In such circumstances, however, the Fund may not be able to obtain replacement financing required to purchase replacement securities and, consequently, the Fund's income generating potential may decrease. Even if the Fund is able to obtain replacement financing, it might not be able to purchase replacement securities at favorable prices. There has been no lending activity under this agreement during year ended October 31, 2011.

Note 9 — Purchase and sale of securities

Purchases and sales of securities, other than short-term securities and U.S. Treasury obligations, aggregated \$105,619,950 and \$74,645,132, respectively, for the year ended October 31, 2011. Purchases and sales of U.S. Treasury obligations aggregated \$15,546,686 and \$37,615,467, respectively, for the year ended October 31, 2011.

Auditor's report

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of John Hancock Investors Trust:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations, of changes in net assets and of cash flows and the financial highlights present fairly, in all material respects, the financial position of John Hancock Investors Trust (the "Fund") at October 31, 2011, and the results of its operations, the changes in its net assets, its cash flows and the financial highlights for each of the periods indicated, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities as of October 31, 2011 by correspondence with the custodian, agent banks and brokers, and the application of alternative auditing procedures where securities purchased confirmations had not been received, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Boston, Massachusetts
December 22, 2011

Tax information

Unaudited

For federal income tax purposes, the following information is furnished with respect to the distributions of the Fund, if any, paid during its taxable year end October 31, 2011.

With respect to the ordinary dividends paid by the Fund for the fiscal year ended October 31, 2011, the Fund designates the maximum amount allowable for the corporate dividends-received deduction.

The Fund designates the maximum amount allowable of its net taxable income as qualified dividend income as provided in the Jobs and Growth Tax Relief Reconciliation Act of 2003. This amount will be reflected on Form 1099-DIV for the calendar year 2011.

Eligible shareholders will be mailed a 2011 Form 1099-DIV in early 2012. This Form will reflect the tax character of all distributions for calendar year 2011.

Additional information

Unaudited

Investment objective and policy

The Fund is a closed-end diversified management investment company, common shares of which were initially offered to the public on January 29, 1971 and are publicly traded on the NYSE. The Fund's primary investment objective is to generate income for distribution to its shareholders, with capital appreciation as a secondary objective. The preponderance of the Fund's assets are invested in a diversified portfolio of debt securities, some of which may carry equity features. Up to 50% of the value of the Fund's assets may be invested in restricted securities acquired through direct placement. The Fund may also invest in repurchase agreements.

On March 9, 2011, the Board of Trustees amended the Fund's investment policy regarding the use of reverse repurchase agreement transactions. The new policy provides the following:

Reverse repurchase agreements. The Fund may engage in reverse repurchase agreement transactions to the extent permitted under the Investment Company Act of 1940, as amended ("1940 Act"), and related guidance of the Securities and Exchange Commission and its staff. The Fund intends to use reverse repurchase agreements to obtain investment leverage either alone and/or in combination with other forms of investment leverage. The Fund may also use reverse repurchase agreement transactions for temporary or emergency purposes. In a reverse repurchase agreement transaction, the Fund temporarily transfers possession of a portfolio instrument to another party in return for cash. At the same time, the Fund agrees to repurchase the instrument at an agreed upon time and price, which reflects an interest payment. The value of the portfolio securities transferred may substantially exceed the purchase price received by the Fund under the reverse repurchase agreement transaction and, during the life of the reverse repurchase agreement transaction, the Fund may be required to transfer additional securities if the market value of those securities initially transferred declines. In engaging in a reverse repurchase transaction, the Fund may transfer ("sell") any of its portfolio securities to a broker-dealer, bank or another financial institution counterparty as determined by the Adviser to be appropriate. In accordance with guidance from the SEC and its staff from time to time in effect, the Fund will earmark or segregate liquid assets equal to repayment obligations under the reverse repurchase agreements.

Reverse repurchase agreement risks. Reverse repurchase agreement transactions involve the risk that the market value of the securities that the Fund is obligated to repurchase under such agreements may decline below the repurchase price. Any fluctuations in the market value of either the securities transferred to the other party or the securities in which the proceeds may be invested would affect the market value of the Fund's assets, thereby potentially increasing fluctuations in the market value of the Fund's assets. In the event the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, the Fund's use of proceeds received under the agreement may be restricted pending a determination by the other party, or its trustee or receiver, whether to enforce the Fund's obligation to repurchase the securities.

On March 9, 2011, the Board of Trustees also approved certain other investment policy changes, as summarized below:

- (i) investment policy stating that "The Fund may also purchase preferred stock and may acquire common stock through the exercise of conversion or exchange rights acquired in connection with other securities owned by the Fund." was replaced with the following: "The Fund may also purchase preferred securities and may acquire common stock through the exercise of conversion or exchange rights acquired in connection with other securities owned by the Fund.";

- (ii) investment policy stating that “The Fund will not acquire any additional preferred or common stock if as a result of that acquisition the value of all preferred and common stocks in the Fund’s portfolio would exceed 20% of its total assets.” was replaced with the following: “The Fund will not acquire any additional preferred securities or common stock if as a result of that acquisition the value of all preferred securities and common stocks in the Fund’s portfolio would exceed 20% of its total assets.”; and
- (iii) investment policy stating that “The Fund may also purchase income producing securities which are convertible into or come with rights to purchase preferred and common stocks.” was replaced with the following: “The Fund may also purchase income producing securities which are convertible into or come with rights to purchase preferred securities and common stocks.”

On September 13, 2011, the Board of Trustees amended the Fund’s investment policy relating to investments in U.S. dollar-denominated foreign securities. Under the revised policy, the Fund is permitted to invest up to 30% of its total assets in securities that are denominated in foreign currencies. In addition, the Board adopted an investment policy to permit the Fund to use forward foreign currency contracts to hedge the currency risk of these foreign currency denominated securities. The new policy provides the following:

Forward foreign currency contracts. The Fund may enter into forward foreign currency contracts involving currencies of the different countries in which it will invest as a hedge against possible variations in the foreign exchange rate between these currencies, or as a substitute for the purchase or sale of currency for hedging purposes. The foreign currency transactions of the Fund may be conducted on a spot (i.e., cash) basis at the spot rate for purchasing or selling currencies prevailing in the foreign exchange market. Forward foreign currency contracts are contractual agreements to purchase or sell a specified currency at a specified future date and price set at the time of the contract. Transaction hedging is the purchase or sale of forward foreign currency contracts with respect to specific receivables for payables of the Fund accruing in connection with the purchase and sale of its portfolio securities denominated in foreign currencies. Portfolio hedging is the use of forward foreign currency contracts to offset portfolio security positions denominated or quoted in such foreign currencies. The Fund will not attempt to hedge all of its foreign portfolio positions and will enter into such transactions only to the extent, if any, deemed appropriate by the Adviser or the Subadviser.

Risks related to investments in foreign currencies and forward foreign currency contracts. The Fund’s investment in foreign securities that are payable in foreign currencies and forward foreign currency contracts will subject the Fund to currency risk. Currency risk is the risk that fluctuations in exchange rates may adversely affect the U.S. dollar value of the Fund’s investments. Currency risk includes both the risk that currencies in which the Fund’s investment are traded, or currencies in which the Fund has taken an active investment position, will decline in value relative to the U.S. dollar and, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly for a number of reasons, including the forces of supply and demand in the foreign exchange markets, actual or perceived changes in interest rates, and intervention (or the failure to intervene) by U.S. or foreign governments or central banks, or by currency controls or political developments in the U.S. or abroad.

Dividends and distributions

During the year ended October 31, 2011, distributions from net investment income totaling \$1.9741 per share were paid to shareholders. The dates of payments and the amounts per share were as follows:

PAYMENT DATE	INCOME DIVIDEND
December 31, 2010	\$0.5054
March 31, 2011	0.4642
June 30, 2011	0.4964
September 30, 2011	0.5081
Total	\$1.9741

Dividend reinvestment plan

The Board of Trustees approved certain amendments to the Fund's Dividend Reinvestment Plan. The Dividend Reinvestment Plan that is in effect as of July 1, 2011 is described below.

The Fund's Dividend Reinvestment Plan (the Plan) provides that distributions of dividends and capital gains are automatically reinvested in common shares of the Fund by The Bank of New York Mellon (the Plan Agent). Every shareholder holding at least one full share of the Fund is entitled to participate in the Plan. In addition, every shareholder who became a shareholder of the Fund after June 30, 2011 and holds at least one full share of the Fund will be automatically enrolled in the Plan. Shareholders may withdraw from the Plan at any time and shareholders who do not participate in the Plan will receive all distributions in cash.

If the Fund declares a dividend or distribution payable either in cash or in common shares of the Fund and the market price of shares on the payment date for the distribution or dividend equals or exceeds the Fund's net asset value per share (NAV), the Fund will issue common shares to participants at a value equal to the higher of NAV or 95% of the market price. The number of additional shares to be credited to each participant's account will be determined by dividing the dollar amount of the distribution or dividend by the higher of NAV or 95% of the market price. If the market price is lower than NAV, or if dividends or distributions are payable only in cash, then participants will receive shares purchased by the Plan Agent on participants' behalf on the New York Stock Exchange (the NYSE) or otherwise on the open market. If the market price exceeds NAV before the Plan Agent has completed its purchases, the average per share purchase price may exceed NAV, resulting in fewer shares being acquired than if the Fund had issued new shares.

There are no brokerage charges with respect to common shares issued directly by the Fund. However, whenever shares are purchased or sold on the NYSE or otherwise on the open market, each participant will pay a pro rata portion of brokerage trading fees, currently \$0.05 per share purchased or sold. Brokerage trading fees will be deducted from amounts to be invested.

The reinvestment of dividends and net capital gains distributions does not relieve participants of any income tax that may be payable on such dividends or distributions.

Shareholders participating in the Plan may buy additional shares of the Fund through the Plan at any time in amounts of at least \$50 per investment, up to a maximum of \$10,000, with a total calendar year limit of \$100,000. Shareholders will be charged a \$5 transaction fee plus \$0.05 per share brokerage trading fee for each order. Purchases of additional shares of the Fund will be made on the open market. Shareholders who elect to utilize monthly electronic fund transfers to buy additional shares of the Fund will be charged a \$2 transaction fee plus \$0.05 per share brokerage trading fee for each automatic purchase. Shareholders can also sell Fund shares held in the Plan account at any time by contacting the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.bnymellon.com/shareowner/equityaccess. The Plan Agent will mail a check to you (less applicable brokerage trading fees) on settlement date, which is three business days after your shares have been sold. If you choose to sell your shares through your stockbroker, you will need to request that the Plan Agent electronically transfer your shares to your stockbroker through the Direct Registration System.

Shareholders participating in the Plan may withdraw from the Plan at any time by contacting the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.bnymellon.com/shareowner/equityaccess. Such termination will be effective immediately if the notice is received by the Plan Agent prior to any dividend or distribution record date; otherwise, such termination will be effective on the first trading day after the payment date for such dividend or distribution, with respect to any subsequent dividend or distribution. If you withdraw, your shares will be credited to your account; or, if you wish, the Plan Agent will sell your full and fractional shares and send you the proceeds, less a transaction fee of \$5.00 and less brokerage trading fees of \$0.05 per share. If a shareholder does not maintain at least one whole share of common stock in the Plan account, the Plan Agent may terminate such shareholder's participation in the Plan after written notice. Upon termination, shareholders will be sent a check for the cash value of any fractional share in the Plan account, less any applicable broker commissions and taxes.

Shareholders who hold at least one full share of the Fund may join the Plan by notifying the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.bnymellon.com/shareowner/equityaccess. If received in proper form by the Plan Agent before the record date of a dividend, the election will be effective with respect to all dividends paid after such record date. If you wish to participate in the Plan and your shares are held in the name of a brokerage firm, bank or other nominee, please contact your nominee to see if it will participate in the Plan for you. If you wish to participate in the Plan, but your brokerage firm, bank or other nominee is unable to participate on your behalf, you will need to request that your shares be re-registered in your own name, or you will not be able to participate. The Plan Agent will administer the Plan on the basis of the number of shares certified from time to time by you as representing the total amount registered in your name and held for your account by your nominee.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Fund and the Plan Agent reserve the right to amend or terminate the Plan. Participants generally will receive written notice at least 90 days before the effective date of any amendment. In the case of termination, participants will receive written notice at least 90 days before the record date for the payment of any dividend or distribution by the Fund.

All correspondence or additional information about the Plan should be directed to The Bank of New York Mellon, c/o BNY Mellon Shareowner Services, c/o Mellon Investor Services, P.O. Box 358035, Pittsburgh, PA 15252-8035 (Telephone: 1-800-852-0218 (within the U.S. and Canada), 1-201-680-6578 (International Telephone Inquiries), and 1-800-231-5469 (For the Hearing Impaired (TDD))).

Shareholder communication and assistance

If you have any questions concerning the Fund, we will be pleased to assist you. If you hold shares in your own name and not with a brokerage firm, please address all notices, correspondence, questions or other communications regarding the Fund to the transfer agent at:

Mellon Investor Services
Newport Office Center VII
480 Washington Boulevard
Jersey City, NJ 07310
Telephone: 1-800-852-0218

If your shares are held with a brokerage firm, you should contact that firm, bank or other nominee for assistance.

Board Consideration of and Continuation of Investment Advisory Agreement and Subadvisory Agreement

The Board of Trustees (the Board, the members of which are referred to as Trustees) of John Hancock Investors Trust (the Fund) met in-person on May 1–3 and June 5–7, 2011 to consider the approval of the Fund's investment advisory agreement (the Advisory Agreement) with John Hancock Advisers, LLC (the Adviser), the Fund's investment adviser. The Board also considered the approval of the investment subadvisory agreement (the Subadvisory Agreement) among the Adviser, Manulife Asset Management (US) LLC (the Subadviser) and the Fund. The Advisory Agreement and the Subadvisory Agreement are referred to as the Agreements.

Activities and composition of the Board

The Board consists of eleven individuals, nine of whom are Independent Trustees. Independent Trustees are generally those individuals who are not employed by or have any significant business or professional relationship with the Adviser or the Subadviser. The Trustees are responsible for the oversight of operations of the Fund and perform various duties required of directors of investment companies by the Investment Company Act of 1940, as amended (the 1940 Act). The Independent Trustees have hired independent legal counsel to assist them in connection with their duties. The Board has appointed an Independent Trustee as Chairperson. The Board has established four standing committees that are composed entirely of Independent Trustees: the Audit Committee; the Compliance Committee; the Nominating, Governance and Administration Committee; and the Contracts/Operations Committee. Additionally, Investment Performance Committee A is a standing committee of the Board that is composed of Independent Trustees and one Trustee who is affiliated with the Adviser. Investment Performance Committee A oversees and monitors matters relating to the investment performance of the Fund. The Board has also designated an Independent Trustee as Vice Chairperson to serve in the absence of the Chairperson. The Board also designates working groups or ad hoc committees as it deems appropriate.

The approval process

Under the 1940 Act, the Board is required to consider the continuation of the Agreements each year. Throughout the year, the Board, acting directly and through its committees, regularly reviews and assesses the quality of the services that the Fund receives under these Agreements. The Board reviews reports of the Adviser at least quarterly, which include Fund performance reports and compliance reports. In addition, the Board meets with portfolio managers and senior investment officers at various times throughout the year. The Board considers at each of its meetings factors that are relevant to its annual consideration of the renewal of the Agreements, including the services and support provided by the Adviser and Subadviser to the Fund and its shareholders.

Prior to the May 1–3, 2011 meeting, the Board requested and received materials specifically relating to the Agreements. The materials provided in connection with the May meeting included information compiled and prepared by Morningstar, Inc. (Morningstar) on Fund fees and expenses, and the investment performance of the Fund. This Fund information is assembled in a format that permits comparison with similar information from a Peer Group, as determined by Morningstar, and with the Fund's benchmark index. The Peer Group represents funds that invest similarly to the way the Fund invests and funds of similar size, excluding passively managed funds and funds-of-funds. The Fund's benchmark index is an unmanaged index of securities that is provided as a basis for comparison with the Fund's performance. Other material provided for the Fund review included (a) information on the profitability of the Agreements to the Adviser and a discussion of any additional benefits to the Adviser or Subadviser or their affiliates that result from being the Adviser or Subadviser to the Fund; (b) a general analysis provided by the Adviser and the Subadviser concerning investment advisory fees charged to other clients, such as institutional clients and other investment companies, having similar investment mandates, as well as the performance of

those other clients and a comparison of the services provided to those other clients and the services provided to the Fund; (c) the impact of economies of scale; (d) a summary of aggregate amounts paid by the Fund to the Adviser; and (e) sales and redemption data regarding the Fund's shares.

At an in-person meeting held on May 1–3, 2011, the Board reviewed materials relevant to its consideration of the Agreements. As a result of the discussions that occurred during the May 1–3, 2011 meeting, the Board asked the Adviser for additional information on certain matters. The Adviser provided the additional information and the Board also considered this information as part of its consideration of the Agreements.

At an in-person meeting held on June 5–7, 2011, the Board, including the Independent Trustees, formally considered the continuation of the Advisory Agreement between the Adviser and the Fund and the Subadvisory Agreement among the Fund, the Adviser and the Subadviser, each for an additional one-year term. The Board considered what it believed were key relevant factors that are described under separate headings presented below.

The Board also considered other matters important to the approval process, such as payments made to and by the Adviser or its affiliates relating to the distribution of Fund shares and other services. The Board reviewed services related to the valuation and pricing of Fund portfolio holdings. Other important matters considered by the Board were the direct and indirect benefits to the Adviser, the Subadviser and their affiliates from their relationship with the Fund and advice from independent legal counsel with respect to the review process and materials submitted for the Board's review.

Nature, extent and quality of services

The Board reviewed the nature, extent and quality of services provided by the Adviser and the Subadviser, including the investment advisory services and the resulting performance of the Fund.

The Board considered the ability of the Adviser and the Subadviser, based on their resources, reputation and other attributes, to attract and retain qualified investment professionals, including research, advisory and supervisory personnel. It considered the background and experience of senior management and investment professionals responsible for managing the Fund. The Board considered the investment philosophy, research and investment decision-making processes of the Adviser and the Subadviser responsible for the daily investment activities of the Fund, including, among other things, portfolio trading capabilities, use of technology, commitment to compliance and approach to training and retaining portfolio managers and other research, advisory and management personnel.

The Board considered the Subadviser's history and experience providing investment services to the Fund. The Board considered the Adviser's execution of its oversight responsibilities. The Board further considered the culture of compliance, resources dedicated to compliance, compliance programs, record of compliance with applicable laws and regulation, with the Fund's investment policies and restrictions and with the applicable Code of Ethics, and the responsibilities of the Adviser's and Subadviser's compliance departments.

In addition to advisory services, the Board considered the quality of the administrative and non-investment advisory services provided to the Fund by the Adviser under a separate agreement. The Board noted that the Adviser and its affiliates provide the Fund with certain administrative services (in addition to any such services provided to the Fund by third parties) and officers and other personnel as are necessary for the operations of the Fund. The Board reviewed the structure and duties of the Adviser's administration, accounting, legal and compliance departments and considered the Adviser's and its affiliate's policies and procedures for assuring compliance with applicable laws and regulations.

The Board also received information about the nature, extent and quality of services provided by and fee rates charged by the Adviser and Subadviser to their other clients, including other registered investment companies, institutional investors and separate accounts. The Board reviewed a general analysis provided by the Adviser and the Subadviser concerning investment advisory fees charged to other clients having similar investment mandates, the services provided to those other clients as compared to the services provided to the Fund, the performance of those other clients as compared to the performance by the Fund and other factors relating to those other clients. The Board considered the significant differences between the Adviser's and Subadviser's services to the Fund and the services they provide to other clients. For other clients that are not closed-end funds, the differences in services relate to the more burdensome regulatory and legal obligations of closed-end funds, the enhanced management and oversight arising from the public trading of Fund shares on an exchange and the generally higher turnover of closed-end fund portfolio holdings. When compared to all clients including mutual funds, the Adviser has greater oversight and supervisory responsibility for the Fund and undertakes greater entrepreneurial risk as the sponsor of the Fund.

Fund performance

The Board was provided with reports, independently prepared by Morningstar, which included a comprehensive analysis of the Fund's performance. The Board also examined materials provided by the Fund's portfolio management team discussing Fund performance and the Fund's investment objective, strategies and outlook. The Board also reviewed a narrative and statistical analysis of the Morningstar data that was prepared by the Adviser, which analyzed various factors that may affect the Morningstar rankings. The Board reviewed information regarding the investment performance of the Fund as compared to its Morningstar Peer Group as well as its benchmark index (see chart below). The Board was provided with a description of the methodology used by Morningstar to select the funds in the Peer Group. The Board also considered updated performance information provided by the Adviser at its May and June 2011 meetings. The Board regularly reviews the performance of the Fund throughout the year and attaches more importance to performance over relatively longer periods of time, typically three to five years.

Set forth below is the performance of the Fund (based on net asset value) over certain time periods ended December 31, 2010 and that of its Peer Group and benchmark index over the same periods:

	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Investors Trust	21.00%	12.69%	9.58%	8.37%
Intermediate-Term Bond	15.21%	9.67%	8.31%	7.50%
Peer Group Median				
BarCap US Agg Bond TR Index	6.54%	5.90%	5.80%	5.84%

The Board noted that the Fund's performance compared favorably to the median performance of its Peer Group and its benchmark index's performance for all periods shown.

Expenses and fees

The Board, including the Independent Trustees, reviewed the Fund's contractual advisory fee rate payable by the Fund to the Adviser as compared with the other funds in its Peer Group. The Board also received information about the investment subadvisory fee rate payable by the Adviser to the Subadviser for investment subadvisory services. The Board considered the services provided and the fees charged by the Adviser and the Subadviser to other clients with similar investment mandates, including separately managed institutional accounts.

In addition, the Board considered the cost of the services provided to the Fund by the Adviser. The Board received and considered expense information regarding the Fund's various components, including advisory fees, distribution fees and fees other than advisory and distribution fees, including transfer agent fees, custodian fees, administration fees and other miscellaneous fees (e.g.,

fees for accounting and legal services). The Board considered comparisons of these expenses to the Peer Group median. The Board also considered expense information regarding the Fund's total operating expense ratio (Gross Expense Ratio) and total operating expense ratio after adjusting for interest expense relating to leverage (Net Expense Ratio (Excluding Leverage Expense)). The Gross Expense Ratio is based on common assets and includes interest expense and the Net Expense Ratio is based on common assets but excludes interest expense. The Board considered information comparing the Gross Expense Ratio and Net Expense Ratio (Excluding Leverage Expense) of the Fund to that of the Peer Group median. As part of its analysis, the Board reviewed the Adviser's methodology in allocating its costs to the management of the Fund and the Fund complex.

The Board noted that the Fund's advisory fee ratio was three basis points above the Peer Group median advisory fee ratio. The Board noted the following information about the Fund's Gross and Net Expense Ratios contained in the Fund's financial statements in relation with the Fund's Peer Group median provided by Morningstar in April 2011:

	FUND	PEER GROUP MEDIAN
Advisory Fee Ratio	0.80%	0.77%
Gross Expense Ratio	1.93%	1.53%
Net Expense Ratio (Excluding Leverage Expense)	1.12%	1.14%

The Board was aware that the Peer Group includes both unleveraged funds, funds with varying amounts of leverage and funds that use borrowing and preferred stocks as leverage; that the Peer Group comparison shows advisory fees and expense ratios as percentages of assets attributable to common shares rather than total managed assets; and that the Fund's fees and expenses are higher than funds in the Peer Group with lower levels of leverage or funds that leverage with preferred stocks. The Board also reviewed comparative information which adjusted expenses of the Fund and the Peer Group for the cost of leverage or interest expense and the Fund compared favorably to peers in this analysis.

The Board received and reviewed statements relating to the Adviser's financial condition and was also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by the Adviser for services under the Advisory Agreement, as well as from other relationships between the Fund and the Adviser and its affiliates. The Board reviewed the Adviser's profitability with respect to the Fund and other funds the Board currently oversees for the year ended December 31, 2010 compared to available aggregate profitability data provided for the year ended December 31, 2009. The Board reviewed the Adviser's profitability with respect to other fund complexes managed by the Adviser and/or its affiliates. The Board reviewed the Adviser's assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products.

The Board also considered a comparison of the Adviser's profitability to that of other similar investment advisers whose profitability information is publicly available. The Board recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Adviser, the types of funds managed, expense allocations and business mix, and therefore comparability of profitability is somewhat limited.

The Board considered the profitability information with respect to the Subadviser, which is affiliated with the Adviser. In addition, as noted above, the Board considered the assumptions and methodology for allocating expenses in the Subadviser's profitability analysis.

Economies of scale

The Board, including the Independent Trustees, considered the extent to which economies of scale might be realized as the assets of the Fund increase. Possible changes in the advisory fee rate or structure in order to enable the Fund to participate in these economies of scale (e.g., through the use of breakpoints in the advisory fee at higher asset levels) are periodically discussed. The Board also considered the Adviser's overall operations and its ongoing investment in its business in order to expand the scale of, and improve the quality of, its operations that benefit the Fund.

The Board recognized the inherent limitations of any analysis of economies of scale, stemming largely from the Board's understanding that most of the Adviser's costs are not specific to individual funds, but rather are incurred across a variety of products and services. To ensure that any economies are reasonably shared with the Fund as its assets increase, the Adviser and the Board agreed to continue the existing breakpoints to the contractual advisory fee rate.

Other benefits to the Adviser and the Subadviser

The Board understands that the Adviser, the Subadviser or their affiliates may derive other ancillary benefits from their relationship with the Fund, both tangible and intangible, such as their ability to leverage investment professionals who manage other portfolios, an increase in their profile in the investment advisory community and the engagement of their affiliates and/or significant shareholders as service providers to the Fund, including for administrative and distribution services. The Board believes that certain of these benefits are difficult to quantify. The Board also was informed that the Subadviser may use third-party research obtained by soft dollars generated by certain mutual fund transactions to assist itself in managing all or a number of its other client accounts.

Board determination

The Board unanimously approved the continuation of the Advisory Agreement between the Adviser and the Fund for an additional one-year term. The Subadvisory Agreement among the Fund, the Adviser and the Subadviser was also approved for an additional one-year term. Based upon its evaluation of relevant factors in their totality, the Board was satisfied that the terms of the Agreements, including the advisory and subadvisory fee rates, were fair and reasonable and in the best interest of the Fund and its shareholders. In arriving at its decision to approve the Agreements, the Board did not identify any single factor or any group of factors as all-important or controlling, but considered all factors together. Different Trustees may have attributed different weights to the various factors considered. The Independent Trustees were also assisted by independent legal counsel in making this determination. The Trustees' conclusions may be based in part on their consideration of these arrangements in prior years and on their ongoing regular review of Fund performance and operations throughout the year.

Trustees and Officers

This chart provides information about the Trustees and Officers who oversee your John Hancock fund. Officers elected by the Trustees manage the day-to-day operations of the Fund and execute policies formulated by the Trustees.

Independent Trustees

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Trustee of the Trust since ¹	Number of John Hancock funds overseen by Trustee
Steven R. Pruchansky , Born: 1944	2005	46
Chairman (since January 2011); Chairman and Chief Executive Officer, Greenscapes of Southwest Florida, Inc. (since 2000); Director and President, Greenscapes of Southwest Florida, Inc. (until 2000); Member, Board of Advisors, First American Bank (until 2010); Managing Director, Jon James, LLC (real estate) (since 2000); Director, First Signature Bank & Trust Company (until 1991); Director, Mast Realty Trust (until 1994); President, Maxwell Building Corp. (until 1991).		
James F. Carlin , Born: 1940	2005	46
Chief Executive Officer, Director and Treasurer, Alpha Analytical Laboratories (environmental, chemical and pharmaceutical analysis) (since 1985); Part Owner and Treasurer, Lawrence Carlin Insurance Agency, Inc. (since 1995); Chairman and Chief Executive Officer, CIMCO, LLC (management/ investments) (since 1987).		
William H. Cunningham , Born: 1944	2005	46
Professor, University of Texas, Austin, Texas (since 1971); former Chancellor, University of Texas System and former President of the University of Texas, Austin, Texas; Director of the following: LIN Television (since 2009); Lincoln National Corporation (insurance) (Chairman since 2009 and Director since 2006); Resolute Energy Corporation (since 2009); Nanomedical Systems, Inc. (biotechnology company) (Chairman since 2008); Yorktown Technologies, LP (tropical fish) (Chairman since 2007); Greater Austin Crime Commission (since 2001); Southwest Airlines (since 2000); former Director of the following: Introgen (manufacturer of biopharmaceuticals) (until 2008); Hicks Acquisition Company I, Inc. (until 2007); Jefferson-Pilot Corporation (diversified life insurance company) (until 2006); and former Advisory Director, JP Morgan Chase Bank (formerly Texas Commerce Bank–Austin) (until 2009).		
Deborah C. Jackson , Born: 1952	2008	46
President, Cambridge College, Cambridge, Massachusetts (since May 2011); Chief Executive Officer, American Red Cross of Massachusetts Bay (2002–May 2011); Board of Directors of Eastern Bank Corporation (since 2001); Board of Directors of Eastern Bank Charitable Foundation (since 2001); Board of Directors of American Student Assistance Corp. (1996–2009); Board of Directors of Boston Stock Exchange (2002–2008); Board of Directors of Harvard Pilgrim Healthcare (health benefits company) (2007–2011).		
Charles L. Ladner , ^{2,3} Born: 1938	2004	46
Vice Chairman (since March 2011); Chairman and Trustee, Dunwoody Village, Inc. (retirement services) (since 2008); Director, Philadelphia Archdiocesan Educational Fund (since 2009); Senior Vice President and Chief Financial Officer, UGI Corporation (public utility holding company) (retired 1998); Vice President and Director for AmeriGas, Inc. (retired 1998); Director of AmeriGas Partners, L.P. (gas distribution) (until 1997); Director, EnergyNorth, Inc. (until 1995); Director, Parks and History Association (Cooperating Association, National Park Service) (until 2005).		

Independent Trustees (continued)

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Trustee of the Trust since ¹	Number of John Hancock funds overseen by Trustee
Stanley Martin,² Born: 1947	2008	46

Senior Vice President/Audit Executive, Federal Home Loan Mortgage Corporation (2004–2006); Executive Vice President/Consultant, HSBC Bank USA (2000–2003); Chief Financial Officer/Executive Vice President, Republic New York Corporation & Republic National Bank of New York (1998–2000); Partner, KPMG LLP (1971–1998).

Dr. John A. Moore,² Born: 1939	1996	46
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President and Chief Executive Officer, Institute for Evaluating Health Risks, (nonprofit institution) (until 2001); Senior Scientist, Sciences International (health research) (until 2003); Former Assistant Administrator & Deputy Administrator, Environmental Protection Agency; Principal, Hollyhouse (consulting) (since 2000); Director, CIIT Center for Health Science Research (nonprofit research) (until 2007).

Patti McGill Peterson,² Born: 1943	1996	46
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Presidential Advisor for Global Initiatives, American Council on Education (since 2011); Chairperson of the Board of the Trust (during 2009 and 2010); Principal, PMP Globalinc (consulting) (2007–2011); Senior Associate, Institute for Higher Education Policy (2007–2011); Executive Director, CIES (international education agency) (until 2007); Vice President, Institute of International Education (until 2007); Former President Wells College, St. Lawrence University and the Association of Colleges and Universities of the State of New York. Director of the following: Mutual Fund Directors Forum (since 2011); Niagara Mohawk Power Corporation (until 2003); Security Mutual Life (insurance) (until 1997); ONBANK (until 1993). Trustee of the following: Board of Visitors, The University of Wisconsin, Madison (since 2007); Ford Foundation, International Fellowships Program (until 2007); UNCF, International Development Partnerships (until 2005); Roth Endowment (since 2002); Council for International Educational Exchange (since 2003).

Gregory A. Russo, Born: 1949	2008	46
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Vice Chairman, Risk & Regulatory Matters, KPMG LLP (KPMG) (2002–2006); Vice Chairman, Industrial Markets, KPMG (1998–2002).

Non-Independent Trustees⁴

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Trustee of the Trust since ¹	Number of John Hancock funds overseen by Trustee
Hugh McHaffie, Born: 1959	2010	46

Executive Vice President, John Hancock Financial Services (since 2006, including prior positions); President of John Hancock Variable Insurance Trust and John Hancock Funds II (since 2009); Trustee, John Hancock retail funds (since 2010); Chairman and Director, John Hancock Advisers, LLC, John Hancock Investment Management Services, LLC and John Hancock Funds, LLC (since 2010); Senior Vice President, Individual Business Product Management, MetLife, Inc. (1999–2006).

Non-Independent Trustees⁴ (continued)

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Trustee of the Trust since ¹	Number of John Hancock funds overseen by Trustee
John G. Vrysen , Born: 1955	2009	46

Senior Vice President, John Hancock Financial Services (since 2006); Director, Executive Vice President and Chief Operating Officer, John Hancock Advisers, LLC, John Hancock Investment Management Services, LLC and John Hancock Funds, LLC (since 2005); Chief Operating Officer, John Hancock Funds II and John Hancock Variable Insurance Trust (since 2007); Chief Operating Officer, John Hancock retail funds (until 2009); Trustee, John Hancock retail funds (since 2009).

Principal officers who are not Trustees

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Officer of the Trust since
Keith F. Hartstein , Born: 1956	2005

President and Chief Executive Officer

Senior Vice President, John Hancock Financial Services (since 2004); Director, President and Chief Executive Officer, John Hancock Advisers, LLC and John Hancock Funds, LLC (since 2005); Director, John Hancock Asset Management a division of Manulife Asset Management (US) LLC (since 2005); Director, John Hancock Investment Management Services, LLC (since 2006); President and Chief Executive Officer, John Hancock retail funds (since 2005); Member, Investment Company Institute Sales Force Marketing Committee (since 2003).

Andrew G. Arnott , Born: 1971	2009
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Senior Vice President and Chief Operating Officer

Senior Vice President, John Hancock Financial Services (since 2009); Executive Vice President, John Hancock Advisers, LLC (since 2005); Executive Vice President, John Hancock Investment Management Services, LLC (since 2006); Executive Vice President, John Hancock Funds, LLC (since 2004); Chief Operating Officer, John Hancock retail funds (since 2009); Senior Vice President, John Hancock retail funds (since 2010); Vice President, John Hancock Funds II and John Hancock Variable Insurance Trust (since 2006); Senior Vice President, Product Management and Development, John Hancock Funds, LLC (until 2009).

Thomas M. Kinzler , Born: 1955	2006
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Secretary and Chief Legal Officer

Vice President, John Hancock Financial Services (since 2006); Secretary and Chief Legal Counsel, John Hancock Advisers, LLC, John Hancock Investment Management Services, LLC and John Hancock Funds, LLC (since 2007); Secretary and Chief Legal Officer, John Hancock retail funds, John Hancock Funds II and John Hancock Variable Insurance Trust (since 2006); Vice President and Associate General Counsel, Massachusetts Mutual Life Insurance Company (1999–2006); Secretary and Chief Legal Counsel, MML Series Investment Fund (2000–2006); Secretary and Chief Legal Counsel, MassMutual Select Funds and MassMutual Premier Funds (2004–2006).

Principal officers who are not Trustees (continued)

Name, Year of Birth <i>Position(s) held with Fund</i> Principal occupation(s) and other directorships during past 5 years	Officer of the Trust since
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Francis V. Knox, Jr. , Born: 1947	2005
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Chief Compliance Officer

Vice President, John Hancock Financial Services (since 2005); Chief Compliance Officer, John Hancock retail funds, John Hancock Funds II, John Hancock Variable Insurance Trust, John Hancock Advisers, LLC and John Hancock Investment Management Services, LLC (since 2005); Vice President and Chief Compliance Officer, John Hancock Asset Management a division of Manulife Asset Management (US) LLC (2005–2008).

Charles A. Rizzo , Born: 1957	2007
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Chief Financial Officer

Vice President, John Hancock Financial Services (since 2008); Senior Vice President, John Hancock Advisers, LLC and John Hancock Investment Management Services, LLC (since 2008); Chief Financial Officer, John Hancock retail funds, John Hancock Funds II and John Hancock Variable Insurance Trust (since 2007); Assistant Treasurer, Goldman Sachs Mutual Fund Complex (2005–2007); Vice President, Goldman Sachs (2005–2007).

Salvatore Schiavone , Born: 1965	2009
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Treasurer

Assistant Vice President, John Hancock Financial Services (since 2007); Vice President, John Hancock Advisers, LLC and John Hancock Investment Management Services, LLC (since 2007); Treasurer, John Hancock retail funds (since 2010); Treasurer, John Hancock closed-end funds (since 2009); Assistant Treasurer, John Hancock Funds II and John Hancock Variable Insurance Trust (since October 2010) and (2007–2009); Assistant Treasurer, John Hancock retail funds (2007–2009); Assistant Treasurer, Fidelity Group of Funds (2005–2007); Vice President, Fidelity Management Research Company (2005–2007).

The business address for all Trustees and Officers is 601 Congress Street, Boston, Massachusetts 02210-2805.

¹ Each Trustee holds office until his or her successor is elected and qualified, or until the Trustee's death, retirement, resignation or removal.

² Member of the Audit Committee.

³ Mr. Ladner's term of office will end when he retires as a Trustee on 12-31-11.

⁴ Because Messrs. McHaffie and Vrysen are senior executives or directors with the Adviser and/or its affiliates, each of them is considered an "interested person," as defined in the Investment Company Act of 1940, of the Fund.

More information

Trustees

Steven R. Pruchansky

Chairman

James F. Carlin

William H. Cunningham

Deborah C. Jackson

Charles L. Ladner*

Vice Chairman

Stanley Martin*

Hugh McHaffie†

Dr. John A. Moore*

Patti McGill Peterson*

Gregory A. Russo

John G. Vrysent

*Member of the
Audit Committee

†Non-Independent Trustee

Officers

Keith F. Hartstein

President and

Chief Executive Officer

Andrew G. Arnott

Senior Vice President

and Chief Operating Officer

Thomas M. Kinzler

Secretary and Chief Legal Officer

Francis V. Knox, Jr.

Chief Compliance Officer

Charles A. Rizzo

Chief Financial Officer

Salvatore Schiavone

Treasurer

Investment adviser

John Hancock Advisers, LLC

Subadviser

John Hancock Asset Management

a division of Manulife Asset

Management (US) LLC

Custodian

State Street Bank and

Trust Company

Transfer agent

Mellon Investor Services

Legal counsel

K&L Gates LLP

Independent registered

public accounting firm

PricewaterhouseCoopers LLP

Stock symbol

Listed New York Stock

Exchange: JHI

For shareholder assistance refer to page 40

You can also contact us:

1-800-852-0218

jhffunds.com

Regular mail:

Mellon Investor Services

Newport Office Center VII

480 Washington Boulevard

Jersey City, NJ 07310

The Fund's proxy voting policies and procedures, as well as the Fund's proxy voting record for the most recent twelve-month period ended June 30, are available free of charge on the Securities and Exchange Commission (SEC) Web site at www.sec.gov or on our Web site.

The Fund's complete list of portfolio holdings, for the first and third fiscal quarters, is filed with the SEC on Form N-Q. The Fund's Form N-Q is available on our Web site and the SEC's Web site, www.sec.gov, and can be reviewed and copied (for a fee) at the SEC's Public Reference Room in Washington, DC. Call 1-800-SEC-0330 to receive information on the operation of the SEC's Public Reference Room.

We make this information on your fund, as well as **monthly portfolio holdings**, and other fund details available on our Web site at www.jhffunds.com or by calling 1-800-852-0218.

The report is certified under the Sarbanes-Oxley Act, which requires closed-end funds and other public companies to affirm that, to the best of their knowledge, the information in their financial reports is fairly and accurately stated in all material respects.

DOMESTIC EQUITY

Balanced Fund
 Classic Value Fund
 Disciplined Value Fund
 Disciplined Value Mid Cap Fund
 Fundamental All Cap Core Fund
 Fundamental Large Cap Core Fund
 Fundamental Large Cap Value Fund
 Large Cap Equity Fund
 Mid Cap Equity Fund
 Rainier Growth Fund
 Small Cap Equity Fund
 Small Cap Intrinsic Value Fund
 Small Company Fund
 Sovereign Investors Fund
 U.S. Equity Fund
 U.S. Global Leaders Growth Fund

ASSET ALLOCATION**TARGET RISK**

Lifestyle Aggressive Portfolio
 Lifestyle Balanced Portfolio
 Lifestyle Conservative Portfolio
 Lifestyle Growth Portfolio
 Lifestyle Moderate Portfolio

TARGET DATE

Lifecycle 2045 Portfolio
 Lifecycle 2040 Portfolio
 Lifecycle 2035 Portfolio
 Lifecycle 2030 Portfolio
 Lifecycle 2025 Portfolio
 Lifecycle 2020 Portfolio
 Lifecycle 2015 Portfolio
 Lifecycle 2010 Portfolio

GLOBAL/INTERNATIONAL EQUITY

Emerging Markets Fund
 Global Opportunities Fund
 Global Shareholder Yield Fund
 Greater China Opportunities Fund
 International Allocation Portfolio
 International Core Fund
 International Growth Fund
 International Value Equity Fund

SPECIALTY

Alternative Asset Allocation Fund
 Currency Strategies Fund
 Financial Industries Fund
 Natural Resources Fund
 Regional Bank Fund
 Technical Opportunities Fund

INCOME

Bond Fund
 Floating Rate Income Fund
 Government Income Fund
 High Yield Fund
 Investment Grade Bond Fund
 Strategic Income Fund
 Strategic Income Opportunities Fund

TAX-FREE INCOME

California Tax-Free Income Fund
 High Yield Municipal Bond Fund
 Massachusetts Tax-Free Income Fund
 New York Tax-Free Income Fund
 Tax-Free Bond Fund

MONEY MARKET

Money Market Fund

CLOSED-END

Bank and Thrift Opportunity Fund
 Hedged Equity & Income Fund
 Income Securities Trust
 Investors Trust
 Preferred Income Fund
 Preferred Income Fund II
 Preferred Income Fund III
 Premium Dividend Fund
 Tax-Advantaged Dividend Income Fund
 Tax-Advantaged Global Shareholder Yield Fund

The Fund's investment objectives, risks, charges and expenses are included in the prospectus and should be considered carefully before investing. For a prospectus, call your financial professional, call John Hancock Funds at 1-800-225-5291 or visit the Fund's Web site at www.jhfunds.com. Please read the prospectus carefully before investing or sending money.



1-800-852-0218
1-800-231-5469 TDD
1-800-843-0090 EASI-Line
www.jhfunds.com

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12/11