



SPDR[®] MSCI Australia Select High Dividend Yield Fund

Frequently Asked Questions

ASX:SYI

What are SPDR[®] Exchange Traded Funds?

SPDR[®] Exchange Traded Funds (ETFs) are funds that hold a “basket” of shares that typically track a specific market index. SPDR ETFs are listed on one or more stock exchanges and are traded like individual shares.

How can I buy or sell SPDR Exchange Traded Funds?

Investors can buy or sell SPDR ETFs through a broker, the same as stocks.

How does the performance of an SPDR ETF compare with the performance of its underlying index?

SPDR ETFs are designed to provide investment results that generally correspond to their underlying benchmark index. The SPDR MSCI Australia Select High Dividend Yield Fund (“SYI”) seeks to closely track, before fees and expenses, the returns of the MSCI Australia Select High Dividend Yield Index.

Do I get paid dividends/distributions on SPDR MSCI Australia Select High Dividend Yield (ASX Ticker: SYI)?

Unitholders on the register of SYI at the end of a quarterly distribution period are entitled to a pro-rata share of the distributable income (if any) for that period based on the number of units held at the end of the distribution period. The quarterly income paid from the fund may not match the income yield of the index. For example, if there are new units in SYI created just prior to a distribution, this will reduce the cents per unit that would otherwise be paid. Similarly if units in SYI are redeemed just prior to a distribution, this will increase the cents per unit paid to remaining unitholders.

When are distributions paid for SPDR MSCI Australia Select High Dividend Yield (SYI)?

Distributions are generally paid to unitholders within 10 business days of the end of the distribution period, and must be paid within 60 days of the end of the period.

Can I reinvest the distributions?

Distributions may be reinvested for SYI.

Is there any franking credits tax advantage associated with the strategy?

Any franking credits SYI receives can be distributed to unitholders. The underlying index of SYI is tilted toward high dividend paying shares, which usually includes high quality companies that tend to pay dividends with franking credits attached. The higher embedded franking credits are beneficial for Australian resident tax payers. Please consult a tax advisor to discuss how tax might affect your investment.

What are the tax implications of trading ETFs for Australian resident tax payers?

Similar to trading shares, disposing of SPDR ETFs will trigger a capital gain or loss for investors holding SYI on capital account. A discount may be available on the capital gain on ETFs held for 12 months or more by individuals, trusts, or complying superannuation entities. The discount is one half for individuals and trusts, and one third for complying superannuation entities. The discount may be denied in certain circumstances. Please consult a tax advisor to discuss how tax might affect your investment.



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Will my tax position be affected by gains realised by SYI in meeting redemptions by other unitholders?

Unlike traditional managed investment funds, a design feature of SYI is that a unitholder's level of distributions is not affected by gains realised should other unitholders redeem. This is done by attributing those gains to the redeeming unitholders. Note however, distributions paid from SYI may still include some capital gains resulting from portfolio rebalancing required to manage corporate actions, fund quarterly cash distributions or the semi-annual index changes. Please consult a tax advisor to discuss how tax might affect your investment.

Can I expect to realise yields that match the underlying index?

The cents per unit distributions paid for SYI will not necessarily be the same as the yield on the underlying index. Firstly, the distribution income received from SYI is net of fees and expenses, while the indicative yield on the underlying index does not reflect any fees or expenses. Secondly, cents per unit distributions are based on the number of units at the end of the distribution period. Cents per unit distributions will be lower if new parcels of units are issued close to the end of the period. Similarly, cents per unit distributions will be higher if parcels of units are redeemed close to the end of the period. Neither impacts total return, only the component represented by distributions as opposed to capital appreciation. Thirdly, distributions may include a component of capital gains, typically due to trading for corporate actions, funding of cash distributions, or index rebalances in May and November.

What are the risks of investing in SPDR ETFs?

SPDR ETFs are subject to risks similar to those of shares. Investment returns will fluctuate and are subject to market volatility. At time of disposal, an investor's shares may be worth more or less than original cost. Additional risks are also applicable to SPDR ETFs. Please refer to section 5 of the PDS. Past performance is no guarantee of future results.

Is there any minimum holding period for SPDR ETFs?

No. You have full flexibility and control on your investment. You can buy and sell SPDR ETFs during trading hours on any trading days with price determined by the market. Please refer to the PDS for risks associated with trading SPDR ETFs on the Australian Securities Exchange.

About SPDR[®] ETFs

Offered by State Street Global Advisors, SPDR ETFs are a family of exchange traded funds that provide professional investors with the flexibility to select investments that are precisely aligned to their investment strategy. Recognised as the industry pioneer, State Street Global Advisors created the first ever ETF in 1993 (SPDR S&P[®] 500) as well as the first and largest ETF in Australia (SPDR S&P/ASX 200 Fund) and manages more than US \$200 billion of ETF assets worldwide¹.

For comprehensive information on our ETFs, visit us at www.spdrs.com.au.

Sales and Marketing

For more information about our ETFs or how to invest, please call +612 9240 7600, visit www.spdrs.com.au, or email info@spdrs.com.au

¹ As of 30 June 2010

An investment in the SPDR MSCI Australia Select High Dividend Yield Fund ("SPDR") does not represent a deposit with or liability of any company in the State Street group of companies including State Street Bank and Trust Company (ABN 70 062 819 630) and is subject to investment risk including possible delays in repayment and loss of income and principal invested.

No company in the State Street group of companies, including State Street Global Advisors, Australia Services Limited, State Street Bank and Trust Company and State Street Global Advisors, Australia, Limited ("SSgA") guarantees the performance of SPDR or the repayment of capital or any particular rate of return.

Units in SPDR are offered for issue under a PDS by State Street Global Advisors, Australia Services Limited. A stockbroker wishing to apply for units will need to complete the application form accompanying the PDS. Units are only issued in large parcels to stockbrokers acting as principal. Other investors can acquire units on the ASX.



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This information sheet is not intended to amount to advice or a recommendation to invest in SPDR. It does not take into account your investment objectives, financial situation or particular needs. You should seek professional advice addressing your particular investment needs, objectives and financial circumstances before making an investment decision.

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Except where indicated, all information is as at date noted and the source of data is SSgA research.

For more information, please visit www.spdrs.com.au

Please read the current PDS carefully and seek independent specialist advice before you invest.

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