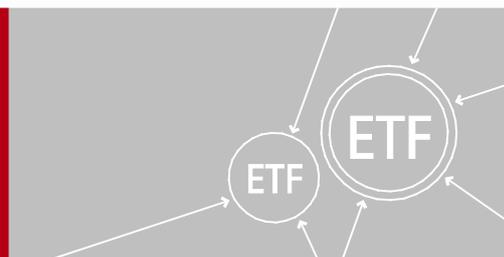


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Interim Report for the Vanguard® Exchange Traded Funds

14 March 2018



Vanguard Investments Australia Ltd announces the following:

ETF	ASX CODE	ANNOUNCEMENT
Vanguard Australian Shares Index ETF	VAS	Interim Report
Vanguard Australian Property Securities Index ETF	VAP	Interim Report
Vanguard Australian Fixed Interest Index ETF	VAF	Interim Report
Vanguard Australian Government Bond Index ETF	VGB	Interim Report
Vanguard Australian Shares High Yield ETF	VHY	Interim Report
Vanguard MSCI Australian Large Companies Index ETF	VLC	Interim Report
Vanguard FTSE Emerging Markets Shares ETF	VGE	Interim Report
Vanguard MSCI Index International Shares ETF	VGS	Interim Report
Vanguard International Fixed Interest Index (Hedged) ETF	VIF	Interim Report
Vanguard International Credit Securities Index (Hedged) ETF	VCF	Interim Report
Vanguard FTSE Asia ex Japan Shares Index ETF	VAE	Interim Report
Vanguard FTSE Europe Shares ETF	VEQ	Interim Report
Vanguard MSCI Australian Small Companies Index ETF	VSO	Interim Report
Vanguard MSCI Index International Shares (Hedged) ETF	VGAD	Interim Report
Vanguard Australian Corporate Fixed Interest Index ETF	VACF	Interim Report
Vanguard Global Aggregate Bond Index (Hedged) ETF	VBND	Interim Report

Vanguard has prepared an interim report for the half year ended 31 December 2017, for the Vanguard Wholesale Funds. The ETFs above are classes of units in the relevant funds. Units in the ETF class are those that are traded on the Australian Securities Exchange (ASX).

The interim report provides financial information for each fund and where indicated, provides specific information for the ETF class.

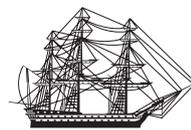
Further Information

If you have any queries on Vanguard ETFs, please visit vanguard.com.au/etf

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Vanguard[®]

Interim report for the half year ended 31 December 2017

Vanguard[®] Wholesale (ETF) Funds

ASX Codes:

(VAE, VCF, VAF, VGB, VLC, VAP, VHY, VAS, VSO, VEQ, VBND, VGE, VGAD, VACF, VIF, VGS)

Vanguard Wholesale (ETF) Funds

Vanguard FTSE Asia ex Japan Shares Index ETF	ARSN 606 451 110	ABN 50 411 576 623
Vanguard Australian Corporate Fixed Interest Index Fund	ARSN 147 938 001	ABN 51 978 865 366
Vanguard Australian Fixed Interest Index Fund	ARSN 090 939 941	ABN 52 931 145 473
Vanguard Australian Government Bond Index Fund	ARSN 134 177 807	ABN 23 499 844 319
Vanguard MSCI Australian Large Companies Index ETF	ARSN 147 936 105	ABN 17 468 108 459
Vanguard Australian Property Securities Index Fund	ARSN 090 939 549	ABN 27 186 332 271
Vanguard Australian Shares High Yield Fund	ARSN 091 751 807	ABN 61 324 061 551
Vanguard Australian Shares Index Fund	ARSN 090 939 718	ABN 65 759 271 740
Vanguard MSCI Australian Small Companies Index ETF	ARSN 147 936 570	ABN 73 969 263 897
Vanguard FTSE Europe Shares ETF	ARSN 606 480 086	ABN 30 252 933 265
Vanguard Global Aggregate Bond Index Fund (Hedged)	ARSN 618 350 539	ABN 14 933 513 845
Vanguard FTSE Emerging Markets Shares ETF	ARSN 147 937 906	ABN 91 542 729 566
Vanguard MSCI Index International Shares (Hedged) ETF	ARSN 165 786 989	ABN 92 314 430 239
Vanguard International Credit Securities Index Fund (Hedged)	ARSN 095 366 055	ABN 15 118 646 737
Vanguard International Fixed Interest Index Fund (Hedged)	ARSN 090 940 337	ABN 59 108 266 812
Vanguard International Shares Index Fund	ARSN 090 939 610	ABN 56 291 101 711

Responsible Entity

Vanguard Investments Australia Ltd
ABN 72 072 881 086
AFSL 227263

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vanguard.com.au

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Directors' report

The Responsible Entity of the Vanguard Wholesale (ETF) Funds (the "Funds") for the half-year ended 31 December 2017 was Vanguard Investments Australia Ltd (the "Responsible Entity").

The directors of Vanguard Investments Australia Ltd present their report together with the financial statements for the half-year ended 31 December 2017.

Principal activities

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Fund Constitutions. The Funds seek to track the returns of the Funds' respective indices, before taking into account Fund fees and expenses.

The Vanguard Global Aggregate Bond Index Fund (Hedged) inception date was 28 March 2017 and commenced trading on 13 July 2017.

The ETF Class units of the Funds operate as Exchange Traded Funds (ETF) listed on the Australian Stock Exchange.

The Funds did not have any employees during the half-year.

There were no significant changes in the nature of the activities of the Funds during the half-year.

Directors

The following persons held office as directors of the Responsible Entity during the half-year and up to the date of this report:

J M Norris

G W Reed (Resigned 31 July 2017)

C R Comegys (Resigned 31 August 2017)

C Kelton

L Carr

C Lui (Appointed 31 August 2017)

J Platt (Appointed 31 October 2017)

Review and results of operations

The Funds invest in listed equity securities, listed unit trusts, listed property trusts, unlisted unit trusts, fixed interest securities, money market securities, derivatives and cash and cash equivalents. The investment policy of the Funds continue to be in accordance with the provisions of the Fund Constitutions.

Results

The results of the operations of the Funds were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	4,107	1,411	2,897	(333)	70,351	(97,934)	5,362	(11,769)
<i>Distributions - Ordinary Class</i>								
Distribution paid and payable (\$'000)	-	-	1,199	1,011	69,818	66,810	4,231	3,917
Distribution (cents per unit)	-	-	1.2174	1.3472	1.6122	1.8273	1.2550	1.3245
<i>Distributions - ETF Class</i>								
Distribution paid and payable (\$'000)	569	356	864	283	9,954	9,130	1,690	1,643
Distribution (cents per unit)	89.7902	77.2881	58.4310	67.9067	71.5112	80.5812	61.2206	64.9104

Directors' report (continued)

Review and results of operations (continued)

Results (continued)

	Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	5,013	6,965	446,236	(173,141)	87,728	166,485	931,366	894,297
<i>Distributions - Ordinary Class</i>								
Distribution paid and payable (\$'000)	-	-	32,492	83,773	32,534	32,700	214,950	213,858
Distribution (cents per unit)	-	-	0.8324	2.1052	5.4892	5.6312	5.1335	5.5351
<i>Distributions - ETF Class</i>								
Distribution paid and payable (\$'000)	2,228	1,930	7,538	16,517	30,965	26,634	56,698	48,684
Distribution (cents per unit)	177.3827	174.2406	60.5237	173.7162	196.4867	224.3036	168.9800	194.7935
	Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	15,513	5,124	6,752	400	36,700	-	14,456	3,059
<i>Distributions - Ordinary Class</i>								
Distribution paid and payable (\$'000)	-	-	-	-	25,869	-	-	-
Distribution (cents per unit)	-	-	-	-	1.0864	-	-	-
<i>Distributions - ETF Class</i>								
Distribution paid and payable (\$'000)	1,457	1,072	978	49	17	-	1,920	790
Distribution (cents per unit)	57.3724	72.7246	40.3118	41.2954	18.5328	-	79.0984	68.0937
	Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Operating profit/(loss) before finance costs attributable to unitholders (\$'000)	31,205	12,358	19,396	(7,708)	24,056	(63,799)	1,109,955	1,110,526
<i>Distributions - Ordinary Class</i>								
Distribution paid and payable (\$'000)	-	-	18,553	-	35,877	-	122,812	123,856
Distribution (cents per unit)	-	-	3.1678	-	2.6426	-	1.9715	1.9844
<i>Distributions - ETF Class</i>								
Distribution paid and payable (\$'000)	3,650	-	4,213	-	4,284	-	6,428	3,279
Distribution (cents per unit)	63.2913	-	170.2058	-	136.3315	-	54.1179	60.4449
<i>Distributions - B Class</i>								
Distribution paid and payable (\$'000)	-	-	-	-	-	-	2,736	1,410
Distribution (cents per unit)	-	-	-	-	-	-	52.8972	60.3091

Directors' report (continued)

Significant changes in state of affairs

The Vanguard Global Aggregate Bond Index Fund (Hedged) inception date was 28 March 2017 and commenced trading on 13 July 2017.

Glenn Reed resigned as a Director of Vanguard Investments Australia Ltd on 31 July 2017.

Rodney Comegys resigned as a Director of Vanguard Investments Australia Ltd on 31 August 2017.

Cynthia Lui was appointed as a Director of Vanguard Investments Australia Ltd on 31 August 2017.

Johanna Platt was appointed as a Director of Vanguard Investments Australia Ltd on 31 October 2017.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Funds that occurred during the financial half-year.

Rounding of amounts to the nearest thousand dollars

Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191*, unless otherwise indicated.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 4.

This report is made in accordance with a resolution of the directors.



C Kelton
Managing Director

Melbourne
8 March 2018



Auditor's Independence Declaration for the Vanguard Wholesale (ETF) Funds

- Vanguard FTSE Asia ex Japan Shares Index ETF
- Vanguard Australian Corporate Fixed Interest Index Fund
- Vanguard Australian Fixed Interest Index Fund
- Vanguard Australian Government Bond Index Fund
- Vanguard MSCI Australian Large Companies Index ETF
- Vanguard Australian Property Securities Index Fund
- Vanguard Australian Shares High Yield Fund
- Vanguard Australian Shares Index Fund
- Vanguard MSCI Australian Small Companies Index ETF
- Vanguard FTSE Europe Shares ETF
- Vanguard Global Aggregate Bond Index (Hedged) Fund
- Vanguard FTSE Emerging Markets Shares ETF
- Vanguard MSCI Index International Shares (Hedged) ETF
- Vanguard International Credit Securities Index Fund (Hedged)
- Vanguard International Fixed Interest Index Fund (Hedged)
- Vanguard International Shares Index Fund

collectively referred to as "the Funds".

As lead auditor for the review of the Funds for the half-year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

Britt Hawkins
Partner
PricewaterhouseCoopers

Melbourne
8 March 2018

Vanguard Wholesale (ETF) Funds
Statements of comprehensive income
For the half-year ended 31 December 2017

Statements of comprehensive income

	Note	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
		31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000
Investment income									
Dividend income		522	282	-	-	-	-	-	-
Distribution income		7	6	-	-	-	-	-	-
Net gains/(losses) on financial instruments held at fair value through profit or loss		3,590	1,177	3,029	(241)	76,876	(92,602)	6,016	(11,207)
Other operating income		109	-	87	44	22	183	3	18
Total net investment income/(loss)		4,228	1,465	3,116	(197)	76,898	(92,419)	6,019	(11,189)
Expenses									
Responsible Entity's fees		73	47	214	132	6,541	5,509	655	577
Custody fees		33	5	5	4	6	5	2	3
Transaction costs		14	-	-	-	-	-	-	-
Other operating expenses		1	2	-	-	-	1	-	-
Total operating expenses		121	54	219	136	6,547	5,515	657	580
Operating profit/(loss)		4,107	1,411	2,897	(333)	70,351	(97,934)	5,362	(11,769)
Finance costs attributable to unitholders									
Distributions to unitholders	5	-	(356)	(2,063)	(1,294)	(79,772)	(75,940)	(5,921)	(5,560)
(Increase)/decrease in net assets attributable to unitholders	4	-	(1,055)	(834)	1,627	9,421	173,874	559	17,329
Profit/(loss) for the half-year		4,107	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the half-year *		4,107	-	-	-	-	-	-	-

* Effective from 1 July 2017, Vanguard FTSE Asia ex Japan Shares Index ETF units have been reclassified from financial liability to equity. Refer note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the statement of changes in equity for the half-year ended 31 December 2017.

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

Vanguard Wholesale (ETF) Funds
Statements of comprehensive income
For the half-year ended 31 December 2017

Statements of comprehensive income

	Note	Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
		31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income									
Interest income		-	-	-	-	27	32	363	457
Dividend income		1,632	1,280	1,452	2,479	51,156	39,226	210,072	174,962
Distribution income		181	151	116,756	108,610	3,814	8,162	31,856	28,161
Net gains/(losses) on financial instruments held at fair value through profit or loss		3,283	5,597	333,812	(278,371)	35,985	121,623	698,957	698,521
Other operating income		1	2	9	16	22	144	45	638
Total net investment income/(loss)		5,097	7,030	452,029	(167,266)	91,004	169,187	941,293	902,739
Expenses									
Responsible Entity's fees		75	63	5,504	5,596	3,012	2,542	9,607	8,222
Custody fees		3	1	15	9	15	8	65	40
Transaction costs		1	-	115	51	249	118	255	123
Other operating expenses		5	1	159	219	-	34	-	57
Total operating expenses		84	65	5,793	5,875	3,276	2,702	9,927	8,442
Operating profit/(loss)		5,013	6,965	446,236	(173,141)	87,728	166,485	931,366	894,297
Finance costs attributable to unitholders									
Distributions to unitholders (Increase)/decrease in net assets attributable to unitholders	5	-	(1,930)	(40,030)	(100,290)	(63,499)	(59,334)	(271,648)	(262,542)
	4	-	(5,035)	(406,206)	273,431	(24,229)	(107,151)	(659,718)	(631,755)
Profit/(loss) for the half-year		5,013	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the half-year *		5,013	-	-	-	-	-	-	-

* Effective from 1 July 2017, Vanguard MSCI Australian Large Companies Index ETF units have been reclassified from financial liability to equity. Refer note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the statement of changes in equity for the half-year ended 31 December 2017.

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

Vanguard Wholesale (ETF) Funds
Statements of comprehensive income
For the half-year ended 31 December 2017

Statements of comprehensive income

	Note	Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
		31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income									
Interest income		-	-	1	-	-	-	2	1
Dividend income		1,482	862	-	-	-	-	-	-
Distribution income		403	223	993	57	-	-	2,085	888
Net gains/(losses) on financial instruments held at fair value through profit or loss		13,782	4,141	5,874	351	39,146	-	12,596	2,263
Other operating income		32	14	26	-	155	-	26	10
Total net investment income/(loss)		15,699	5,240	6,894	408	39,301	-	14,709	3,162
Expenses									
Responsible Entity's fees		169	103	139	8	2,573	-	245	100
Custody fees		13	11	1	-	28	-	1	-
Transaction costs		3	1	2	-	-	-	7	2
Other operating expenses		1	1	-	-	-	-	-	1
Total operating expenses		186	116	142	8	2,601	-	253	103
Operating profit/(loss)		15,513	5,124	6,752	400	36,700	-	14,456	3,059
Finance costs attributable to unitholders									
Distributions to unitholders	5	-	(1,072)	-	(49)	(25,886)	-	-	(790)
(Increase)/decrease in net assets attributable to unitholders	4	-	(4,052)	-	(351)	(10,814)	-	-	(2,269)
Profit/(loss) for the half-year		15,513	-	6,752	-	-	-	14,456	-
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the half-year *		15,513	-	6,752	-	-	-	14,456	-

* Effective from 1 July 2017, Vanguard MSCI Australian Small Companies Index ETF, Vanguard FTSE Europe Shares ETF and Vanguard FTSE Emerging Markets Shares ETF units have been reclassified from financial liability to equity. Refer note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the statement of changes in equity for the half-year ended 31 December 2017.

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

Vanguard Wholesale (ETF) Funds
Statements of comprehensive income
For the half-year ended 31 December 2017

Statements of comprehensive income

	Note	Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
		31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income									
Interest income		90	9	-	-	-	-	119	109
Dividend income		-	-	-	-	-	-	117,266	119,992
Distribution income		2,735	1,410	-	-	-	-	6,055	5,537
Net gains/(losses) on financial instruments held at fair value through profit or loss		28,320	10,927	20,669	(5,714)	26,385	(60,304)	998,929	992,303
Other operating income		148	56	149	217	130	37	570	4,119
Total net investment income/(loss)		31,293	12,402	20,818	(5,497)	26,515	(60,267)	1,122,939	1,122,060
Expenses									
Responsible Entity's fees		59	36	1,369	2,172	2,378	3,516	11,970	11,067
Custody fees		29	8	31	18	50	16	36	36
Transaction costs		-	-	-	-	-	-	944	130
Other operating expenses		-	-	22	21	31	-	34	301
Total operating expenses		88	44	1,422	2,211	2,459	3,532	12,984	11,534
Operating profit/(loss)		31,205	12,358	19,396	(7,708)	24,056	(63,799)	1,109,955	1,110,526
Finance costs attributable to unitholders									
Distributions to unitholders	5	-	-	(22,766)	-	(40,161)	-	(131,976)	(128,545)
(Increase)/decrease in net assets attributable to unitholders	4	-	(12,358)	3,370	7,708	16,105	63,799	(977,979)	(981,981)
Profit/(loss) for the half-year		31,205	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the half-year *		31,205	-	-	-	-	-	-	-

* Effective from 1 July 2017, Vanguard MSCI Index International Shares (Hedged) ETF units have been reclassified from financial liability to equity. Refer note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the statement of changes in equity for the half-year ended 31 December 2017.

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

Balance sheets

	Note	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
		31 Dec 2017	30 Jun 2017	31 Dec 2017	30 Jun 2017	31 Dec 2017	30 Jun 2017	31 Dec 2017	30 Jun 2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets									
Cash and cash equivalents		677	200	1,455	2,562	16,152	53,787	(3,713)	544
Margin accounts		52	30	40	55	849	278	135	107
Receivables		17	13	16	541	1,462	7,494	21	313
Accrued income		79	127	54	15	161	224	1	1
Due from brokers - receivable for securities sold		-	95	2,663	-	39,696	64,851	9,934	5,230
Financial assets held at fair value through profit or loss		51,598	27,290	190,714	100,089	5,547,791	5,555,238	480,690	491,401
Total assets		52,423	27,755	194,942	103,262	5,606,111	5,681,872	487,068	497,596
Liabilities									
Distribution payable	5	174	420	1,273	887	47,691	40,278	3,453	3,412
Payables		17	9	45	22	9,380	3,099	115	212
Due to brokers - payables for securities purchased		2	-	2,393	1,678	23,679	122,335	1,281	5,683
Financial liabilities held at fair value through profit or loss		-	-	1	5	-	131	8	-
Total liabilities (30 June 2017: excluding net assets attributable to unitholders)		193	429	3,712	2,592	80,750	165,843	4,857	9,307
Net assets attributable to unitholders (equity) *	4	52,230	-	-	-	-	-	-	-
Net assets attributable to unitholders (liability) *	4	-	27,326	191,230	100,670	5,525,361	5,516,029	482,211	488,289

* Effective from 1 July 2017, Vanguard FTSE Asia ex Japan Shares Index ETF units have been reclassified from financial liability to equity. Refer note 1 for further details.

The above balance sheets should be read in conjunction with the accompanying notes.

Balance sheets

	Note	Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
		31 Dec 2017 \$'000	30 Jun 2017 \$'000	31 Dec 2017 \$'000	30 Jun 2017 \$'000	31 Dec 2017 \$'000	30 Jun 2017 \$'000	31 Dec 2017 \$'000	30 Jun 2017 \$'000
Assets									
Cash and cash equivalents		92	(513)	(28,194)	32,058	51,446	28,695	78,015	85,627
Margin accounts		5	23	259	1,636	2,333	1,625	3,019	5,986
Receivables		2	2	1,027	2,940	230	1,138	3,284	21,483
Accrued income		119	711	76,938	79,098	3,132	16,677	23,906	84,560
Due from brokers - receivable for securities sold		618	344	33,658	34,727	654	11,452	9,871	167
Financial assets held at fair value through profit or loss		81,282	70,986	4,971,216	4,643,312	1,965,260	1,727,426	12,023,288	10,276,000
Total assets		82,118	71,553	5,054,904	4,793,771	2,023,055	1,787,013	12,141,383	10,473,823
Liabilities									
Distribution payable	5	770	407	12,968	54,291	23,805	48,097	105,792	158,498
Payables		14	13	2,296	54,592	1,268	627	33,059	3,692
Due to brokers - payables for securities purchased		-	-	39,177	9,534	5,402	8,495	25,573	20,496
Financial liabilities held at fair value through profit or loss		-	-	37	1,133	68	-	-	795
Total liabilities (30 June 2017: excluding net assets attributable to unitholders)		784	420	54,478	119,550	30,543	57,219	164,424	183,481
Net assets attributable to unitholders (equity) *	4	81,334	-	-	-	-	-	-	-
Net assets attributable to unitholders (liability) *	4	-	71,133	5,000,426	4,674,221	1,992,512	1,729,794	11,976,959	10,290,342

* Effective from 1 July 2017, Vanguard MSCI Australian Large Companies Index ETF units have been reclassified from financial liability to equity. Refer note 1 for further details.

The above balance sheets should be read in conjunction with the accompanying notes.

Balance sheets

	Note	Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
		31 Dec 2017	30 Jun 2017	31 Dec 2017	30 Jun 2017	31 Dec 2017	30 Jun 2017	31 Dec 2017	30 Jun 2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets									
Cash and cash equivalents		174	401	281	1,220	95,032	-	240	2,566
Margin accounts		-	10	-	-	412	-	-	-
Receivables		6	5	13	526	722	-	674	605
Accrued income		313	334	-	-	8	-	1	-
Due from brokers - receivable for securities sold		993	1,871	453	251	6,488	-	-	-
Financial assets held at fair value through profit or loss		138,789	92,571	140,102	82,400	2,840,302	-	178,051	110,153
Total assets		140,275	95,192	140,849	84,397	2,942,964	-	178,966	113,324
Liabilities									
Margin accounts		-	-	-	-	54,280	-	-	-
Distribution payable	5	1,457	2,724	647	917	9,671	-	667	504
Payables		35	23	35	16	2,918	-	59	28
Due to brokers - payables for securities purchased		-	433	-	1,090	175,331	-	-	2,359
Financial liabilities held at fair value through profit or loss		-	-	-	-	43,754	-	-	-
Total liabilities (30 June 2017: excluding net assets attributable to unitholders)		1,492	3,180	682	2,023	285,954	-	726	2,891
Net assets attributable to unitholders (equity) *	4	138,783	-	140,167	-	-	-	178,240	-
Net assets attributable to unitholders (liability) *	4	-	92,012	-	82,374	2,657,010	-	-	110,433

* Effective from 1 July 2017, Vanguard MSCI Australian Small Companies Index ETF, Vanguard FTSE Europe Shares ETF and Vanguard FTSE Emerging Markets Shares ETF units have been reclassified from financial liability to equity. Refer note 1 for further details.

Balance sheets

	Note	Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
		31 Dec 2017 \$'000	30 Jun 2017 \$'000	31 Dec 2017 \$'000	30 Jun 2017 \$'000	31 Dec 2017 \$'000	30 Jun 2017 \$'000	31 Dec 2017 \$'000	30 Jun 2017 \$'000
Assets									
Cash and cash equivalents		(3,153)	2,154	9,612	22,812	11,623	19,318	170,018	282,304
Margin accounts		680	534	340	753	349	779	6,587	8,542
Receivables		2	621	367	2,856	492	9,356	97,195	33,468
Accrued income		1,608	3,670	2	43	-	-	13,237	13,545
Due from brokers - receivable for securities sold		-	-	3,229	7,484	9,180	31,533	8,575	-
Financial assets held at fair value through profit or loss		388,727	247,254	777,930	1,557,833	1,814,111	3,230,134	14,164,223	11,778,124
Total assets		387,864	254,233	791,480	1,591,781	1,835,755	3,291,120	14,459,835	12,115,983
Liabilities									
Margin accounts		7,578	5,300	-	-	41,370	71,818	-	-
Distribution payable	5	3,650	10,197	6,190	36,673	9,308	40,580	80,065	563,256
Payables		17	11	1,701	419	1,954	1,308	4,429	35,838
Due to brokers - payables for securities purchased		-	-	6,808	36,300	43,505	108,989	138,793	846
Financial liabilities held at fair value through profit or loss		6,362	1,538	3,151	9,431	29,942	3,133	448	1,086
Total liabilities (30 June 2017: excluding net assets attributable to unitholders)		17,607	17,046	17,850	82,823	126,079	225,828	223,735	601,026
Net assets attributable to unitholders (equity) *	4	370,257	-	-	-	-	-	-	-
Net assets attributable to unitholders (liability) *	4	-	237,187	773,630	1,508,958	1,709,676	3,065,292	14,236,100	11,514,957

* Effective from 1 July 2017, Vanguard MSCI Index International Shares (Hedged) ETF units have been reclassified from financial liability to equity. Refer note 1 for further details.

The above balance sheets should be read in conjunction with the accompanying notes.

Statements of changes in equity

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
	31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000
Total equity at the beginning of the financial half-year	-	-	-	-	-	-	-	-
Reclassification due to AMIT tax regime implementation *	27,326	-	-	-	-	-	-	-
Comprehensive income for the half-year								
Profit/(loss) for the half-year	4,107	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the half-year	4,107	-	-	-	-	-	-	-
Transactions with unitholders								
Applications	21,218	-	-	-	-	-	-	-
Redemptions	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions	148	-	-	-	-	-	-	-
Distributions paid and payable	(569)	-	-	-	-	-	-	-
Total transactions with unitholders	20,797	-	-	-	-	-	-	-
Total equity at the end of the financial half-year	52,230	-	-	-	-	-	-	-

* Effective from 1 July 2017, Vanguard FTSE Asia ex Japan Shares Index ETF units have been reclassified from financial liability to equity. Refer note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the above statement for the half-year ended 31 December 2017.

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Statements of changes in equity

	Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the financial half-year	-	-	-	-	-	-	-	-
Reclassification due to AMIT tax regime implementation *	71,133	-	-	-	-	-	-	-
Comprehensive income for the half-year								
Profit/(loss) for the half-year	5,013	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the half-year	5,013	-	-	-	-	-	-	-
Transactions with unitholders								
Applications	7,321	-	-	-	-	-	-	-
Redemptions	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions	95	-	-	-	-	-	-	-
Distributions paid and payable	(2,228)	-	-	-	-	-	-	-
Total transactions with unitholders	5,188	-	-	-	-	-	-	-
Total equity at the end of the financial half-year	81,334	-	-	-	-	-	-	-

* Effective from 1 July 2017, Vanguard MSCI Australian Large Companies Index ETF units have been reclassified from financial liability to equity. Refer note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the above statement for the half-year ended 31 December 2017.

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Vanguard Wholesale (ETF) Funds
Statements of changes in equity
For the half-year ended 31 December 2017

Statements of changes in equity

	Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the financial half-year	-	-	-	-	-	-	-	-
Reclassification due to AMIT tax regime implementation *	92,012	-	82,374	-	-	-	110,433	-
Comprehensive income for the half-year								
Profit/(loss) for the half-year	15,513	-	6,752	-	-	-	14,456	-
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the half-year	15,513	-	6,752	-	-	-	14,456	-
Transactions with unitholders								
Applications	32,374	-	51,995	-	-	-	55,124	-
Redemptions	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions	341	-	24	-	-	-	147	-
Distributions paid and payable	(1,457)	-	(978)	-	-	-	(1,920)	-
Total transactions with unitholders	31,258	-	51,041	-	-	-	53,351	-
Total equity at the end of the financial half-year	138,783	-	140,167	-	-	-	178,240	-

* Effective from 1 July 2017, Vanguard MSCI Australian Small Companies Index ETF, Vanguard FTSE Europe Shares ETF and Vanguard FTSE Emerging Markets Shares ETF units have been reclassified from financial liability to equity. Refer note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the above statement for the half-year ended 31 December 2017.

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Statements of changes in equity

	Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
	31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000	31 Dec 2017 \$'000	31 Dec 2016 \$'000
Total equity at the beginning of the financial half-year	-	-	-	-	-	-	-	-
Reclassification due to AMIT tax regime implementation *	237,187	-	-	-	-	-	-	-
Comprehensive income for the half-year								
Profit/(loss) for the half-year	31,205	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the half-year	31,205	-	-	-	-	-	-	-
Transactions with unitholders								
Applications	104,454	-	-	-	-	-	-	-
Redemptions	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions	1,061	-	-	-	-	-	-	-
Distributions paid and payable	(3,650)	-	-	-	-	-	-	-
Total transactions with unitholders	101,865	-	-	-	-	-	-	-
Total equity at the end of the financial half-year	370,257	-	-	-	-	-	-	-

* Effective from 1 July 2017, Vanguard MSCI Index International Shares (Hedged) ETF units have been reclassified from financial liability to equity. Refer note 1 for further detail. As a result, equity transactions, including distributions have been disclosed in the above statement for the half-year ended 31 December 2017.

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Vanguard Wholesale (ETF) Funds
Statements of cash flows
For the half-year ended 31 December 2017

Statements of cash flows

	Vanguard FTSE Asia ex Japan Shares Index ETF		Vanguard Australian Corporate Fixed Interest Index Fund		Vanguard Australian Fixed Interest Index Fund		Vanguard Australian Government Bond Index Fund	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities								
Proceeds from sale of financial instruments held at fair value through profit or loss	1,443	740	28,186	16,485	928,228	452,555	53,118	51,393
Purchases of financial instruments held at fair value through profit or loss	(21,966)	(625)	(117,718)	(38,376)	(918,108)	(840,115)	(45,518)	(85,722)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	(14)	-	-	-	-	-	-	-
Dividends received	468	383	-	-	-	-	-	-
Distributions received	9	8	-	-	-	-	-	-
Other income received	109	-	87	43	86	188	3	20
Responsible Entity's fees paid	(65)	(46)	(192)	(126)	(6,504)	(5,424)	(653)	(569)
Operating expenses paid	(38)	(7)	(46)	(5)	(13)	(6)	(2)	(7)
Net cash inflow/(outflow) from operating activities	(20,054)	453	(89,683)	(21,979)	3,689	(392,802)	6,948	(34,885)
Cash flows from financing activities								
Proceeds from applications by unitholders	21,218	9	105,245	33,724	802,902	825,595	24,787	83,879
Payments for redemptions by unitholders	-	-	(15,105)	(9,981)	(807,597)	(361,192)	(30,768)	(46,628)
Distributions paid from operating activities	(667)	(481)	(1,564)	(1,323)	(36,629)	(66,557)	(5,224)	(4,527)
Net cash inflow/(outflow) from financing activities	20,551	(472)	88,576	22,420	(41,324)	397,846	(11,205)	32,724
Net increase/(decrease) in cash and cash equivalents	497	(19)	(1,107)	441	(37,635)	5,044	(4,257)	(2,161)
Cash and cash equivalents at the beginning of the half-year	200	132	2,562	976	53,787	15,089	544	4,628
Effects of foreign currency exchange rate changes on cash and cash equivalents	(20)	3	-	-	-	-	-	-
Cash and cash equivalents at the end of the half-year	677	116	1,455	1,417	16,152	20,133	(3,713)	2,467
Non-cash financing activities	148	10	113	106	35,730	54,888	656	527

The above statements of cash flows should be read in conjunction with the accompanying notes.

Vanguard Wholesale (ETF) Funds
Statements of cash flows
For the half-year ended 31 December 2017

Statements of cash flows

	Vanguard MSCI Australian Large Companies Index ETF		Vanguard Australian Property Securities Index Fund		Vanguard Australian Shares High Yield Fund		Vanguard Australian Shares Index Fund	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities								
Proceeds from sale of financial instruments held at fair value through profit or loss	2,249	1,161	346,940	444,571	407,482	366,984	312,644	746,194
Purchases of financial instruments held at fair value through profit or loss	(9,330)	(3,396)	(310,039)	(470,074)	(597,646)	(435,022)	(1,317,494)	(863,938)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	(2)	-	(115)	(51)	(249)	(118)	(255)	(123)
Interest received	-	144	-	-	4	28	367	504
Dividends received	2,050	1,836	1,433	2,252	59,933	52,752	226,410	234,027
Distributions received	167	-	118,935	105,980	3,983	4,820	30,231	27,457
Other income received	1	3	127	22	22	151	45	646
Responsible Entity's fees paid	(73)	(63)	(5,459)	(5,669)	(2,932)	(2,506)	(9,330)	(8,108)
Operating expenses paid	(8)	(5)	(171)	(223)	(11)	(42)	(28)	(97)
Net cash inflow/(outflow) from operating activities	(4,946)	(320)	151,651	76,808	(129,414)	(12,953)	(757,410)	136,562
Cash flows from financing activities								
Proceeds from applications by unitholders	7,321	2,398	586,560	701,441	277,913	106,546	1,531,359	1,092,811
Payments for redemptions by unitholders	-	-	(747,920)	(705,307)	(59,966)	(71,225)	(634,312)	(1,147,948)
Distributions paid from operating activities	(1,770)	(1,526)	(50,543)	(72,868)	(65,782)	(38,975)	(147,249)	(97,568)
Net cash inflow/(outflow) from financing activities	5,551	872	(211,903)	(76,734)	152,165	(3,654)	749,798	(152,705)
Net increase/(decrease) in cash and cash equivalents	605	552	(60,252)	74	22,751	(16,607)	(7,612)	(16,143)
Cash and cash equivalents at the beginning of the half-year	(513)	(448)	32,058	15,560	28,695	29,930	85,627	66,293
Cash and cash equivalents at the end of the half-year	92	104	(28,194)	15,634	51,446	13,323	78,015	50,150
Non-cash financing activities	95	73	30,810	46,412	22,009	13,047	177,104	120,415

The above statements of cash flows should be read in conjunction with the accompanying notes.

Vanguard Wholesale (ETF) Funds
Statements of cash flows
For the half-year ended 31 December 2017

Statements of cash flows

	Vanguard MSCI Australian Small Companies Index ETF		Vanguard FTSE Europe Shares ETF		Vanguard Global Aggregate Bond Index Fund (Hedged)		Vanguard FTSE Emerging Markets Shares ETF	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities								
Proceeds from sale of financial instruments held at fair value through profit or loss	10,320	29,719	1,669	112	1,666,170	-	942	719
Purchases of financial instruments held at fair value through profit or loss	(42,301)	(19,781)	(54,877)	(949)	(4,203,783)	-	(58,674)	(14,998)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	(3)	(1)	(2)	-	-	-	(7)	(2)
Interest received	-	-	1	-	-	-	1	1
Dividends received	1,541	965	-	-	-	-	-	-
Distributions received	365	266	993	57	-	-	2,085	888
Other income received	32	14	26	-	155	-	26	10
Responsible Entity's fees paid	(158)	(105)	(127)	(8)	(2,053)	-	(223)	(96)
Operating expenses paid	(14)	(11)	(3)	-	(426)	-	-	(4)
Net cash inflow/(outflow) from operating activities	(30,218)	11,066	(52,320)	(788)	(2,539,937)	-	(55,850)	(13,482)
Cash flows from financing activities								
Proceeds from applications by unitholders	32,374	13,657	52,517	902	2,660,219	-	55,063	14,301
Payments for redemptions by unitholders	-	(23,339)	-	(114)	(28,172)	-	-	-
Distributions paid from operating activities	(2,383)	(1,247)	(1,224)	-	-	-	(1,610)	(795)
Net cash inflow/(outflow) from financing activities	29,991	(10,929)	51,293	788	2,632,047	-	53,453	13,506
Net increase/(decrease) in cash and cash equivalents	(227)	137	(1,027)	-	92,110	-	(2,397)	24
Cash and cash equivalents at the beginning of the half-year	401	(18)	1,220	6	-	-	2,566	87
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	88	1	2,922	-	71	6
Cash and cash equivalents at the end of the half-year	174	119	281	7	95,032	-	240	117
Non-cash financing activities	341	118	24	5	16,215	-	147	76

The above statements of cash flows should be read in conjunction with the accompanying notes.

Vanguard Wholesale (ETF) Funds
Statements of cash flows
For the half-year ended 31 December 2017

Statements of cash flows

	Vanguard MSCI Index International Shares (Hedged) ETF		Vanguard International Credit Securities Index Fund (Hedged)		Vanguard International Fixed Interest Index Fund (Hedged)		Vanguard International Shares Index Fund	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities								
Proceeds from sale of financial instruments held at fair value through profit or loss	15,267	227	965,805	348,814	1,728,680	418,875	422,150	2,630,648
Purchases of financial instruments held at fair value through profit or loss	(116,668)	(49,261)	(196,269)	(512,501)	(331,030)	(551,209)	(1,671,006)	(1,625,482)
Transaction costs on purchases of financial instruments held at fair value through profit or loss	-	-	-	-	-	-	(944)	(130)
Interest received	90	7	-	-	-	-	123	128
Dividends received	-	-	-	-	-	-	112,831	112,607
Distributions received	-	-	-	-	-	-	4,836	5,151
Other income received	148	56	1,697	301	1,549	118	570	4,119
Responsible Entity's fees paid	(55)	(35)	(1,561)	(2,140)	(2,655)	(3,482)	(11,602)	(11,035)
Operating expenses paid	(29)	(8)	(56)	(64)	(95)	-	(171)	(539)
Net cash inflow/(outflow) from operating activities	(101,247)	(49,014)	769,616	(165,590)	1,396,449	(135,698)	(1,143,213)	1,115,467
Cash flows from financing activities								
Proceeds from applications by unitholders	105,074	46,864	96,997	291,805	248,040	471,610	2,404,901	2,041,015
Payments for redemptions by unitholders	-	-	(856,215)	(109,533)	(1,618,962)	(319,394)	(1,226,593)	(3,134,508)
Distributions paid from operating activities	(9,136)	(1,342)	(23,530)	(8,570)	(31,639)	(14,374)	(146,263)	(57,530)
Net cash inflow/(outflow) from financing activities	95,938	45,522	(782,748)	173,702	(1,402,561)	137,842	1,032,045	(1,151,023)
Net increase/(decrease) in cash and cash equivalents	(5,309)	(3,492)	(13,132)	8,112	(6,112)	2,144	(111,168)	(35,556)
Cash and cash equivalents at the beginning of the half-year	2,154	5,247	22,812	13,765	19,318	8,630	282,304	112,149
Effects of foreign currency exchange rate changes on cash and cash equivalents	2	(41)	(68)	(31)	(1,583)	12	(1,118)	2,383
Cash and cash equivalents at the end of the half-year	(3,153)	1,714	9,612	21,846	11,623	10,786	170,018	78,976
Non-cash financing activities	1,061	142	29,719	41,857	39,793	30,733	468,903	239,526

The above statements of cash flows should be read in conjunction with the accompanying notes.

1 General information

These financial statements cover the Vanguard Wholesale (ETF) Funds (the “Funds”) as registered managed investment schemes. The respective constitution dates are as follows:

- Vanguard FTSE Asia ex Japan Shares Index ETF 16 November 2015
- Vanguard Australian Corporate Fixed Interest Index Fund 17 May 2016
- Vanguard Australian Fixed Interest Index Fund 6 December 1996
- Vanguard Australian Government Bond Index Fund 14 November 2008
- Vanguard MSCI Australian Large Companies Index ETF 17 December 2010
- Vanguard Australian Property Securities Index Fund 10 December 1997
- Vanguard Australian Shares High Yield Fund 21 February 2000
- Vanguard Australian Shares Index Fund 6 December 1996
- Vanguard MSCI Australian Small Companies Index ETF 9 August 2007
- Vanguard FTSE Europe Shares ETF 16 September 2015
- Vanguard Global Aggregate Bond Index Fund (Hedged) 28 March 2017
- Vanguard FTSE Emerging Markets Shares ETF 17 October 2010
- Vanguard MSCI Index International Shares (Hedged) ETF 25 September 2013
- Vanguard International Credit Securities Index Fund (Hedged) 11 December 2000
- Vanguard International Fixed Interest Index Fund (Hedged) 18 May 1999
- Vanguard International Shares Index Fund 6 December 1996

The Responsible Entity of the Vanguard Wholesale Funds is Vanguard Investments Australia Ltd (the “Responsible Entity”). The Responsible Entity’s registered office is Level 34, Freshwater Place, 2 Southbank Boulevard, Southbank Vic 3006.

The Funds invest in accordance with the investment policy of the Funds as set out in their respective Product Disclosure Statements (PDSs) and in accordance with the Fund Constitutions. The Funds seek to track the returns of the Funds’ respective indices, before taking into account Fund fees and expenses.

The ETF Class units of the Funds operate as Exchange Traded Funds (ETF) listed on the Australian Stock Exchange.

Reclassification of units from financial liability to equity

On 5 May 2016, a new tax regime applying to Managed Investment Trusts (“MITs”) was established under the Tax Laws Amendment (New Tax System for Managed Investment Trusts) Act 2016. The Attribution Managed Investment Trust (“AMIT”) regime allows MITs that meet certain requirements to make an irrevocable choice to be an AMIT. In order to allow the Funds to elect into the AMIT tax regime, the Fund Constitutions have been amended and the other conditions to adopt the AMIT tax regime have been met effective 1 July 2017. The Responsible Entity is therefore no longer contractually obligated to pay distributions to unitholders where the Fund meets the criteria set out under AASB 132.

Consequently, the units in the Vanguard FTSE Asia ex Japan Shares Index ETF, Vanguard MSCI Australian Large Companies Index ETF, Vanguard MSCI Australian Small Companies Index ETF, Vanguard FTSE Europe Shares ETF, Vanguard FTSE Emerging Markets Shares ETF and Vanguard MSCI Index International Shares (Hedged) ETF have been reclassified from a financial liability to equity on 1 July 2017. For the remaining Funds, their net assets attributable to unitholders remain disclosed as a liability as their multi-class structure means they have not met the strict criteria for recognition as equity, despite their election into the AMIT tax regime also. See note 4 for further information.

The financial statements were authorised for issue by the directors on 8 March 2018. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2 Basis of preparation of interim report

These interim general purpose financial statements for the half-year ended 31 December 2017 have been prepared in accordance with accounting standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The Funds are for-profit unit trusts for the purpose of preparing the financial statements.

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Funds at any time for cash based on the redemption price, which is equal to a proportionate share of the Funds' net asset value attributable to the unitholders.

The units are carried at the redemption amount that is payable at balance sheet date if the holder exercises the right to put the unit back to the Funds. This amount represents the expected cash flows on redemption of these units.

Units are classified as equity when they satisfy the following criteria under AASB 132 *Financial instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Funds' liquidation
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavorable conditions to the Fund, and it is not a contract settled in the Fund's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

Effective from 1 July 2017, the Vanguard FTSE Asia ex Japan Shares Index ETF, Vanguard MSCI Australian Large Companies Index ETF, Vanguard MSCI Australian Small Companies Index ETF, Vanguard FTSE Europe Shares ETF, Vanguard FTSE Emerging Markets Shares ETF and Vanguard MSCI Index International Shares (Hedged) ETF units have been reclassified from financial liability to equity as they satisfied all the above criteria.

This interim financial report does not include all the notes of the type normally included in an annual report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2017 and any public announcements made in the respect of the Funds during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding half-year reporting period.

New accounting standards or amendments adopted by the Funds

There are no new standards, interpretations or amendments to existing standards that are effective for the first time for the half-year beginning 1 July 2017 that would be expected to have a material impact on the Funds.

3 Fair value measurement

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis:

- Financial assets / liabilities designated at fair value through profit or loss (FVTPL)
- Financial assets / liabilities held for trading
- Derivative financial instruments

The Funds have no assets or liabilities at fair value on a non-recurring basis in the current reporting period.

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

(i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in note 2 to the financial statements. For the majority of investments, the Funds rely on information provided by independent pricing services for the valuation of investments.

The quoted market price used for financial assets held by the Funds is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Funds hold derivatives with offsetting market risks, they use mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

3 Fair value measurement (continued)

(ii) Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. The carrying amounts of the Funds' asset and liabilities at the balance sheet date approximate their fair values.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Funds would receive or pay to terminate the contract at the balance sheet date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date. The fair value of an option contract is determined by applying the Black-Scholes option valuation model.

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such funds.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments.

Recognised fair value measurements

The following tables present the Funds' financial assets and liabilities (by asset class) measured at fair value according to the fair value hierarchy at 31 December 2017 and 30 June 2017.

	Vanguard FTSE Asia ex Japan Shares Index ETF				Vanguard Australian Corporate Fixed Interest Index Fund			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	18	-	-	18	1	-	-	1
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	-	-	-	-	190,713	-	190,713
Equity securities	51,127	5	-	51,132	-	-	-	-
Listed unit trusts	448	-	-	448	-	-	-	-
Total	51,593	5	-	51,598	1	190,713	-	190,714
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	-	-	-	-	1	-	-	1
Total	-	-	-	-	1	-	-	1
30 June 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	-	-	-	-	11	-	-	11
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	-	-	-	-	100,078	-	100,078
Equity securities	26,279	767	-	27,046	-	-	-	-
Listed unit trusts	244	-	-	244	-	-	-	-
Total	26,523	767	-	27,290	11	100,078	-	100,089
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	-	-	-	-	5	-	-	5
Total	-	-	-	-	5	-	-	5

3 Fair value measurement (continued)

Recognised fair value measurements (continued)

	Vanguard Australian Fixed Interest Index Fund				Vanguard Australian Government Bond Index Fund			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	20	-	-	20	-	-	-	-
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	5,547,771	-	5,547,771	-	480,690	-	480,690
Total	20	5,547,771	-	5,547,791	-	480,690	-	480,690
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	-	-	-	-	8	-	-	8
Total	-	-	-	-	8	-	-	8
30 June 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	9	-	-	9	3	-	-	3
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	5,555,229	-	5,555,229	-	491,398	-	491,398
Total	9	5,555,229	-	5,555,238	3	491,398	-	491,401
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	131	-	-	131	-	-	-	-
Total	131	-	-	131	-	-	-	-
	Vanguard MSCI Australian Large Companies Index ETF				Vanguard Australian Property Securities Index Fund			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2017								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Equity securities	73,417	-	-	73,417	58,149	-	-	58,149
Listed unit trusts	7,865	-	-	7,865	4,912,958	109	-	4,913,067
Total	81,282	-	-	81,282	4,971,107	109	-	4,971,216
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	-	-	-	-	37	-	-	37
Total	-	-	-	-	37	-	-	37
30 June 2017								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Equity securities	64,308	-	-	64,308	52,666	-	-	52,666
Listed unit trusts	6,678	-	-	6,678	4,590,646	-	-	4,590,646
Total	70,986	-	-	70,986	4,643,312	-	-	4,643,312
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	-	-	-	-	1,133	-	-	1,133
Total	-	-	-	-	1,133	-	-	1,133

3 Fair value measurement (continued)

Recognised fair value measurements (continued)

	Vanguard Global Aggregate Bond Index Fund (Hedged)				Vanguard FTSE Emerging Markets Shares ETF			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	82	112,412	-	112,494	-	-	-	-
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	2,727,808	-	2,727,808	-	-	-	-
Listed unit trusts	-	-	-	-	178,051	-	-	178,051
Total	82	2,840,220	-	2,840,302	178,051	-	-	178,051
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	66	43,688	-	43,754	-	-	-	-
Total	66	43,688	-	43,754	-	-	-	-
30 June 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	-	-	-	-	-	1	-	1
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	-	-	-	-	-	-	-
Listed unit trusts	-	-	-	-	110,152	-	-	110,152
Total	-	-	-	-	110,152	1	-	110,153
	Vanguard MSCI Index International Shares (Hedged) ETF				Vanguard International Credit Securities Index Fund (Hedged)			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	135	15,893	-	16,028	18	23,460	-	23,478
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	-	-	-	-	754,452	-	754,452
Unlisted unit trusts	-	372,699	-	372,699	-	-	-	-
Total	135	388,592	-	388,727	18	777,912	-	777,930
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	50	6,312	-	6,362	18	3,133	-	3,151
Total	50	6,312	-	6,362	18	3,133	-	3,151
30 June 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	6	7,960	-	7,966	23	46,372	-	46,395
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	-	-	-	-	1,511,438	-	1,511,438
Unlisted unit trusts	-	239,288	-	239,288	-	-	-	-
Total	6	247,248	-	247,254	23	1,557,810	-	1,557,833
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	81	1,457	-	1,538	66	9,365	-	9,431
Total	81	1,457	-	1,538	66	9,365	-	9,431

3 Fair value measurement (continued)

Recognised fair value measurements (continued)

	Vanguard International Fixed Interest Index Fund (Hedged)				Vanguard International Shares Index Fund			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	4	78,825	-	78,829	119	14	-	133
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	1,735,282	-	1,735,282	-	-	-	-
Equity securities	-	-	-	-	14,163,197	893	-	14,164,090
Total	4	1,814,107	-	1,814,111	14,163,316	907	-	14,164,223
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	-	29,942	-	29,942	408	40	-	448
Total	-	29,942	-	29,942	408	40	-	448
30 June 2017								
Financial assets								
Financial assets held for trading:								
Derivatives	30	86,858	-	86,888	-	222	-	222
Financial assets designated at fair value through profit or loss:								
Fixed interest securities	-	3,143,246	-	3,143,246	-	-	-	-
Equity securities	-	-	-	-	11,777,030	872	-	11,777,902
Total	30	3,230,104	-	3,230,134	11,777,030	1,094	-	11,778,124
Financial liabilities								
Financial liabilities held for trading:								
Derivatives	-	3,133	-	3,133	781	305	-	1,086
Total	-	3,133	-	3,133	781	305	-	1,086

The Funds' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Transfers between levels

The following tables present the transfers between levels during the half-year ended 31 December 2017:

	Vanguard FTSE Asia ex Japan Shares Index ETF			Vanguard Australian Property Securities Index Fund			Vanguard Australian Shares Index Fund		
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
31 December 2017									
Transfers between level 1 and 2:									
Equity securities	(5)	5	-	(109)	109	-	(18)	18	-
Transfers between level 2 and 1:									
Equity securities	1,229	(1,229)	-	-	-	-	-	-	-
30 June 2017									
Transfers between level 1 and 2:									
Equity securities	(717)	717	-	-	-	-	(216)	216	-

The equity securities transferred into level 2 relates to the frequency of quoted price valuations. There were no transfers into and out of level 3 during the reporting period.

4 Net assets attributable to unitholders

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. Otherwise the financial instrument should be disclosed as a liability.

On 1 July 2017, the Funds have elected into the AMIT tax regime. The Fund Constitutions have been amended on the same date and they no longer have a contractual obligation to pay distributions to unitholders. The impact of this for the Vanguard FTSE Asia ex Japan Shares Index ETF, Vanguard MSCI Australian Large Companies Index ETF, Vanguard MSCI Australian Small Companies Index ETF, Vanguard FTSE Europe Shares ETF, Vanguard FTSE Emerging Markets Shares ETF and Vanguard MSCI Index International Shares (Hedged) ETF is that their net assets attributable to unitholders is no longer disclosed as a liability, but rather as equity. As a result of the reclassification, the Funds' distributions are no longer classified as finance cost in the statement of comprehensive income, but rather as distributions paid in the statement of changes in equity. For the remaining Funds, their net assets attributable to unitholders remain disclosed as a liability as their multi-class structure means they have not met the strict criteria for recognition as equity, despite their election into the AMIT tax regime also.

Movement in number of units and net assets attributable to unitholders during the half-year were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF				Vanguard MSCI Australian Large Companies Index ETF			
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July *	466	460	27,326	22,985	1,189	1,067	71,133	58,976
Applications	335	-	21,218	-	120	40	7,321	2,326
Redemptions	-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions	3	-	148	10	2	1	95	73
Increase/(decrease) in net assets attributable to unitholders	-	-	-	1,055	-	-	-	5,035
Distributions paid and payable	-	-	(569)	-	-	-	(2,228)	-
Profit/(loss) for the half-year	-	-	4,107	-	-	-	5,013	-
Closing balance as at 31 December *	804	460	52,230	24,050	1,311	1,108	81,334	66,410

	Vanguard MSCI Australian Small Companies Index ETF				Vanguard FTSE Europe Shares ETF			
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July *	1,876	1,671	92,012	76,971	1,600	120	82,374	5,400
Applications	620	280	32,374	13,538	985	20	51,995	897
Redemptions	-	(480)	-	(23,339)	-	(40)	-	(1,908)
Units issued upon reinvestment of distributions	7	3	341	118	1	-	24	5
Increase/(decrease) in net assets attributable to unitholders	-	-	-	4,052	-	-	-	351
Distributions paid and payable	-	-	(1,457)	-	-	-	(978)	-
Profit/(loss) for the half-year	-	-	15,513	-	-	-	6,752	-
Closing balance as at 31 December *	2,503	1,474	138,783	71,340	2,586	100	140,167	4,745

* Net assets attributable to unitholders are classified as equity at 31 December 2017 and as a financial liability at 30 June 2017. Refer to note 2 for further details.

4 Net assets attributable to unitholders (continued)

	Vanguard FTSE Emerging Markets Shares ETF				Vanguard MSCI Index International Shares (Hedged) ETF			
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
	No. '000	No. '000	\$'000	\$'000	No. '000	No. '000	\$'000	\$'000
Balance as at 1 July *	1,859	972	110,433	51,411	3,993	1,890	237,187	97,182
Applications	870	260	55,124	14,225	1,690	860	104,454	46,723
Redemptions	-	-	-	-	-	-	-	-
Units issued upon reinvestment of distributions	2	1	147	76	18	3	1,061	142
Increase/(decrease) in net assets attributable to unitholders	-	-	-	2,269	-	-	-	12,358
Distributions paid and payable	-	-	(1,920)	-	-	-	(3,650)	-
Profit/(loss) for the half-year	-	-	14,456	-	-	-	31,205	-
Closing balance as at 31 December *	2,731	1,233	178,240	67,981	5,701	2,753	370,257	156,405

* Net assets attributable to unitholders are classified as equity at 31 December 2017 and as a financial liability at 30 June 2017. Refer to note 2 for further details.

Vanguard Australian Corporate Fixed Interest Index Fund

	Ordinary Class Units		ETF Class Units		Ordinary Class Units		ETF Class Units		Total
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016		
	No. '000	No. '000	No. '000	No. '000	\$'000	\$'000	\$'000	\$'000	
Balance as at 1 July	61,950	750	72,082	80	100,670	-	-	-	78,191
Applications	57,105	910	12,227	420	59,197	45,521	104,718	12,690	21,030
Redemptions	(14,643)	-	(9,664)	-	(15,105)	-	(15,105)	(9,980)	-
Units issued upon reinvestment of distributions	90	89	98	-	92	21	113	102	4
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-	-	-	834	-	-
Closing balance as at 31 December	104,502	1,749	74,743	500	191,230	-	-	-	100,410

Vanguard Australian Fixed Interest Index Fund

	Ordinary Class Units		ETF Class Units		Ordinary Class Units		ETF Class Units		Total
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016		
	No. '000	No. '000	No. '000	No. '000	\$'000	\$'000	\$'000	\$'000	
Balance as at 1 July	4,359,547	13,192	3,439,691	8,370	5,516,029	-	-	-	4,379,537
Applications	672,711	870	571,849	3,410	754,498	42,365	796,863	654,415	170,695
Redemptions	(719,301)	(150)	(314,660)	-	(806,603)	(7,237)	(813,840)	(360,854)	-
Units issued upon reinvestment of distributions	31,594	10	47,073	13	35,249	481	35,730	54,256	632
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-	-	-	(9,421)	-	-
Closing balance as at 31 December	4,344,551	13,922	3,743,953	11,793	5,525,361	-	-	-	4,724,807

4 Net assets attributable to unitholders (continued)

Vanguard Australian Government Bond Index Fund

	Ordinary Class Units	ETF Class Units	Ordinary Class Units	ETF Class Units	Ordinary Class Units	ETF Class Units		Ordinary Class Units	ETF Class Units	Total
	31 Dec 2017		31 Dec 2016		31 Dec 2017		Total	31 Dec 2016		Total
	No. '000	No. '000	No. '000	No. '000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	344,288	2,680	283,730	2,025			488,288			406,200
Applications	14,132	200	52,761	550	14,711	9,784	24,495	55,990	27,842	83,832
Redemptions	(22,850)	(140)	(44,258)	-	(23,792)	(6,877)	(30,669)	(46,622)	-	(46,622)
Units issued upon reinvestment of distributions	470	4	401	2	487	169	656	430	97	527
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-			(559)			(17,329)
Closing balance as at 31 December	336,040	2,744	292,634	2,577			482,211			426,608

Vanguard Australian Property Securities Index Fund

	Ordinary Class Units	ETF Class Units	Ordinary Class Units	ETF Class Units	Ordinary Class Units	ETF Class Units		Ordinary Class Units	ETF Class Units	Total
	31 Dec 2017		31 Dec 2016		31 Dec 2017		Total	31 Dec 2016		Total
	No. '000	No. '000	No. '000	No. '000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	4,093,080	11,578	4,035,369	8,026			4,674,221			4,811,403
Applications	433,186	2,140	534,560	1,960	415,897	168,868	584,765	540,290	155,533	695,823
Redemptions	(650,765)	(980)	(686,569)	(80)	(616,771)	(78,805)	(695,576)	(674,316)	(6,869)	(681,185)
Units issued upon reinvestment of distributions	31,624	18	44,351	15	29,410	1,400	30,810	45,135	1,277	46,412
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-			406,206			(273,431)
Closing balance as at 31 December	3,907,125	12,756	3,927,711	9,921			5,000,426			4,599,022

Vanguard Australian Shares High Yield Fund

	Ordinary Class Units	ETF Class Units	Ordinary Class Units	ETF Class Units	Ordinary Class Units	ETF Class Units		Ordinary Class Units	ETF Class Units	Total
	31 Dec 2017		31 Dec 2016		31 Dec 2017		Total	31 Dec 2016		Total
	No. '000	No. '000	No. '000	No. '000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	583,232	13,671	582,203	11,155			1,729,794			1,449,845
Applications	62,965	2,900	38,102	820	99,189	177,810	276,999	56,359	47,191	103,550
Redemptions	(38,493)	-	(47,662)	-	(60,519)	-	(60,519)	(70,540)	-	(70,540)
Units issued upon reinvestment of distributions	11,588	69	7,445	40	17,868	4,141	22,009	10,797	2,250	13,047
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-			24,229			107,151
Closing balance as at 31 December	619,292	16,640	580,088	12,015			1,992,512			1,603,053

4 Net assets attributable to unitholders (continued)

Vanguard Australian Shares Index Fund

	Ordinary	ETF	Ordinary	ETF	Ordinary	ETF	Total	Ordinary	ETF	Total
	Class Units	Class Units	Class Units	Class Units	Class Units	Class Units		Class Units	Class Units	
	31 Dec 2017	31 Dec 2017	31 Dec 2016	31 Dec 2016	31 Dec 2017	31 Dec 2017		31 Dec 2016	31 Dec 2016	
	No. '000	No. '000	No. '000	No. '000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	4,048,577	26,773	3,876,164	23,108			10,290,342			8,939,124
Applications	446,908	7,760	371,516	5,000	942,137	570,991	1,513,128	737,516	345,446	1,082,962
Redemptions	(299,514)	(440)	(490,500)	(2,580)	(629,668)	(33,665)	(663,333)	(969,566)	(177,891)	(1,147,457)
Units issued upon reinvestment of distributions	83,394	80	59,678	55	171,309	5,795	177,104	116,548	3,867	120,415
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-	-	-	659,718	-	-	631,755
Closing balance as at 31 December	4,279,365	34,173	3,816,858	25,583			11,976,959			9,626,799

Vanguard Global Aggregate Bond Index Fund (Hedged)

	Ordinary	ETF	Ordinary	ETF	Ordinary	ETF	Total	Ordinary	ETF	Total
	Class Units	Class Units	Class Units	Class Units	Class Units	Class Units		Class Units	Class Units	
	31 Dec 2017	31 Dec 2017	31 Dec 2016	31 Dec 2016	31 Dec 2017	31 Dec 2017		31 Dec 2016	31 Dec 2016	
	No. '000	No. '000	No. '000	No. '000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	-	-	-	-	-	-	-	-	-	-
Applications	2,650,606	90	-	-	2,656,029	4,522	2,660,551	-	-	-
Redemptions	(30,411)	-	-	-	(30,570)	-	(30,570)	-	-	-
Units issued upon reinvestment of distributions	16,181	-	-	-	16,215	-	16,215	-	-	-
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-	-	-	10,814	-	-	-
Closing balance as at 31 December	2,636,376	90	-	-	-	-	2,657,010	-	-	-

Vanguard International Credit Securities Index Fund (Hedged)

	Ordinary	ETF	Ordinary	ETF	Ordinary	ETF	Total	Ordinary	ETF	Total
	Class Units	Class Units	Class Units	Class Units	Class Units	Class Units		Class Units	Class Units	
	31 Dec 2017	31 Dec 2017	31 Dec 2016	31 Dec 2016	31 Dec 2017	31 Dec 2017		31 Dec 2016	31 Dec 2016	
	No. '000	No. '000	No. '000	No. '000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	1,195,748	2,051	953,031	220			1,508,958			1,180,821
Applications	58,694	505	198,616	880	69,634	24,898	94,532	246,495	45,288	291,783
Redemptions	(714,852)	(255)	(79,936)	-	(843,794)	(12,415)	(856,209)	(98,928)	-	(98,928)
Units issued upon reinvestment of distributions	25,051	4	34,041	-	29,517	202	29,719	41,857	-	41,857
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-	-	-	(3,370)	-	-	(7,708)
Closing balance as at 31 December	564,641	2,305	1,105,752	1,100			773,630			1,407,825

4 Net assets attributable to unitholders (continued)

Vanguard International Fixed Interest Index Fund (Hedged)

	Ordinary	ETF	Ordinary	ETF	Ordinary	ETF	Total	Ordinary	ETF	Total
	Class Units	Class Units	Class Units	Class Units	Class Units	Class Units		Class Units	Class Units	
	31 Dec 2017		31 Dec 2016		31 Dec 2017			31 Dec 2016		
	No. '000	No. '000	No. '000	No. '000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	2,487,418	2,098	2,017,890	350			3,065,292			2,629,249
Applications	144,209	1,380	326,452	730	172,045	67,183	239,228	418,836	38,192	457,028
Redemptions	(1,352,781)	(170)	(248,442)	-	(1,610,358)	(8,174)	(1,618,532)	(318,913)	-	(318,913)
Units issued upon reinvestment of distributions	33,343	4	23,743	-	39,603	190	39,793	30,733	-	30,733
Increase/(decrease) in net assets attributable to unitholders	-	-	-	-			(16,105)			(63,799)
Closing balance as at 31 December	1,312,189	3,312	2,119,643	1,080			1,709,676			2,734,298

Vanguard International Shares Index Fund

	Ordinary	ETF	R	B	Ordinary	ETF	R	B
	Class Units	Class Units	Class Units	Class Units	Class Units	Class Units	Class Units	Class Units
	31 Dec 2017		31 Dec 2016		31 Dec 2016		31 Dec 2016	
	No. '000	No. '000	No. '000	No. '000	No. '000	No. '000	No. '000	No. '000
Balance as at 1 July	5,498,219	8,753	31,298	3,756	6,330,423	35,567	4,045	1,666
Applications	1,077,387	3,820	208	1,578	989,915	4,822	1,730	863
Redemptions	(596,739)	-	(984)	-	(1,714,788)	(1,719)	-	(40)
Units issued upon reinvestment of distributions	237,523	18	53	79	129,760	51	16	60
Closing balance as at 31 December	6,216,390	12,591	30,575	5,413	5,735,310	38,721	5,791	2,549

Vanguard International Shares Index Fund

	Ordinary	ETF	R	B	Total	Ordinary	ETF	R	B	Total
	Class Units	Class Units	Class Units	Class Units		Class Units	Class Units	Class Units	Class Units	
	31 Dec 2017					31 Dec 2016				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July					11,514,957					11,814,895
Applications	2,132,613	238,476	415	97,572	2,469,076	1,832,631	8,912	96,974	48,111	1,986,628
Redemptions	(1,192,809)	-	(2,006)	-	(1,194,815)	(3,181,538)	(3,181)	-	(2,372)	(3,187,091)
Units issued upon reinvestment of distributions	462,917	1,086	102	4,798	468,903	235,290	93	865	3,278	239,526
Increase/(decrease) in net assets attributable to unitholders					977,979					981,981
Closing balance as at 31 December					14,236,100					11,835,939

Each unit represents a right to an individual share in the Funds and does not extend to a right to the underlying assets of the Funds.

5 Distributions to unitholders paid and payable

The distributions during the half-year were as follows:

	Vanguard FTSE Asia ex Japan Shares Index ETF				Vanguard MSCI Australian Large Companies Index ETF			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	395	69.0459	309	67.3088	1,458	119.0940	1,075	97.4615
Distribution payable - 31 December	174	20.7443	47	9.9793	770	58.2887	855	76.7791
	569	89.7902	356	77.2881	2,228	177.3827	1,930	174.2406

	Vanguard MSCI Australian Small Companies Index ETF				Vanguard FTSE Europe Shares ETF			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	-	-	-	-	331	15.4419	26	18.6202
Distribution payable - 31 December	1,457	57.3724	1,072	72.7246	647	24.8699	23	22.6752
	1,457	57.3724	1,072	72.7246	978	40.3118	49	41.2954

	Vanguard FTSE Emerging Markets Shares ETF				Vanguard MSCI Index International Shares (Hedged) ETF			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	1,253	55.5631	551	49.7400	-	-	-	-
Distribution payable - 31 December	667	23.5353	239	18.3537	3,650	63.2913	-	-
	1,920	79.0984	790	68.0937	3,650	63.2913	-	-

	Vanguard Australian Corporate Fixed Interest Index Fund							
	Ordinary Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	477	0.5262	519	0.6888	313	25.3446	120	35.3233
Distribution payable - 31 December	722	0.6912	492	0.6584	551	33.0864	163	32.5834
	1,199	1.2174	1,011	1.3472	864	58.4310	283	67.9067

	Vanguard Australian Fixed Interest Index Fund							
	Ordinary Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	28,081	0.6515	33,968	0.9501	4,000	28.9810	4,566	42.0836
Distribution payable - 31 December	41,737	0.9607	32,842	0.8772	5,954	42.5302	4,564	38.4976
	69,818	1.6122	66,810	1.8273	9,954	71.5112	9,130	80.5812

	Vanguard Australian Government Bond Index Fund							
	Ordinary Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	1,763	0.5206	1,767	0.5898	705	25.7579	715	29.1949
Distribution payable - 31 December	2,468	0.7344	2,150	0.7347	985	35.4627	928	35.7155
	4,231	1.2550	3,917	1.3245	1,690	61.2206	1,643	64.9104

5 Distributions to unitholders paid and payable (continued)

Vanguard Australian Property Securities Index Fund

	Ordinary Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	21,620	0.5541	28,502	0.6980	5,442	44.9916	4,914	57.6054
Distribution payable - 31 December	10,872	0.2783	55,271	1.4072	2,096	15.5321	11,603	116.1108
	32,492	0.8324	83,773	2.1052	7,538	60.5237	16,517	173.7162

Vanguard Australian Shares High Yield Fund

	Ordinary Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	19,876	3.2759	16,339	2.8107	19,818	129.8604	13,115	112.1813
Distribution payable - 31 December	12,658	2.2133	16,361	2.8205	11,147	66.6263	13,519	112.1223
	32,534	5.4892	32,700	5.6312	30,965	196.4867	26,634	224.3036

Vanguard Australian Shares Index Fund

	Ordinary Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	132,672	3.2108	113,224	2.8985	33,184	100.8811	24,798	102.0137
Distribution payable - 31 December	82,278	1.9227	100,634	2.6366	23,514	68.0989	23,886	92.7798
	214,950	5.1335	213,858	5.5351	56,698	168.9800	48,684	194.7935

Vanguard Global Aggregate Bond Index Fund (Hedged)

	Ordinary Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	16,215	0.7202	-	-	-	-	-	-
Distribution payable - 31 December	9,654	0.3662	-	-	17	18.5328	-	-
	25,869	1.0864	-	-	17	18.5328	-	-

Vanguard International Credit Securities Index Fund (Hedged)

	Ordinary Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	13,279	2.2337	-	-	3,297	130.6183	-	-
Distribution payable - 31 December	5,274	0.9341	-	-	916	39.5875	-	-
	18,553	3.1678	-	-	4,213	170.2058	-	-

Vanguard International Fixed Interest Index Fund (Hedged)

	Ordinary Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	27,413	1.9976	-	-	3,440	110.9713	-	-
Distribution payable - 31 December	8,464	0.6450	-	-	844	25.3602	-	-
	35,877	2.6426	-	-	4,284	136.3315	-	-

5 Distributions to unitholders paid and payable (continued)

	Vanguard International Shares Index Fund							
	Ordinary and R Class units				ETF Class units			
	31 Dec 2017		31 Dec 2016		31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	48,253	0.7780	56,746	0.8221	2,530	23.7575	1,182	24.9066
Distribution payable - 31 December	74,559	1.1935	67,110	1.1623	3,898	30.3604	2,097	35.5383
	122,812	1.9715	123,856	1.9844	6,428	54.1179	3,279	60.4449

	Vanguard International Shares Index Fund			
	B Class units			
	31 Dec 2017		31 Dec 2016	
	\$'000	CPU	\$'000	CPU
Distribution paid - 30 September	1,128	23.1929	509	24.9623
Distribution payable - 31 December	1,608	29.7043	901	35.3468
	2,736	52.8972	1,410	60.3091

6 Events occurring after the reporting period

There are no significant events that have occurred since balance date which would impact on the financial position of the Funds as disclosed in the balance sheet as at 31 December 2017 or on the results and cash flows of the Funds for the half-year ended on that date.

7 Contingent assets, contingent liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2017 (2016: Nil).

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 5 to 35 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Funds' financial position as at 31 December 2017 and of their performance, as represented by the results of their operations for the financial half-year ended on that date.
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



C Kelton
Managing Director

Melbourne
8 March 2018



Independent auditor's review report to the members of Vanguard Wholesale (ETF) Funds

- Vanguard FTSE Asia ex Japan Shares Index ETF
- Vanguard Australian Corporate Fixed Interest Index Fund
- Vanguard Australian Fixed Interest Index Fund
- Vanguard Australian Government Bond Index Fund
- Vanguard MSCI Australian Large Companies Index ETF
- Vanguard Australian Property Securities Index Fund
- Vanguard Australian Shares High Yield Fund
- Vanguard Australian Shares Index Fund
- Vanguard MSCI Australian Small Companies Index ETF
- Vanguard FTSE Europe Shares ETF
- Vanguard Global Aggregate Bond Index (Hedged) Fund
- Vanguard FTSE Emerging Markets Shares ETF
- Vanguard MSCI Index International Shares (Hedged) ETF
- Vanguard International Credit Securities Index Fund (Hedged)
- Vanguard International Fixed Interest Index Fund (Hedged)
- Vanguard International Shares Index Fund

collectively referred to as “the Funds”.

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report the Funds, which comprises the balance sheets as at 31 December 2017, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Directors' responsibility for the half-year financial report

The directors of Vanguard Investments Australia Ltd (the responsible entity) are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Fund's financial positions as at 31 December 2017 and their performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Fund, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.



A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Funds is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the Funds' financial positions as at 31 December 2017 and of their performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

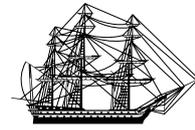
PricewaterhouseCoopers

PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read 'Britt Hawkins', with a long horizontal line extending to the right.

Britt Hawkins
Partner

Melbourne
8 March 2018



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