
Market Announcement

Investor Update

SPDR S&P/ASX 200 Fund (STW)

State Street Global Advisors,
Australia Services Limited

www.spdrs.com.au

July 29, 2019

Further to the announcement made on July 26, 2019 we have provided an additional investor update on [STW's internet page](#) a copy of which, is attached.

If you have any queries, please contact the registrar, Link Market Services Limited on 1300 665 385.

Peter Hocking

Company Secretary
State Street Global Advisors, Australia Services Limited

Investor Update: STW June 2019 Franking Credits

26 July 2019

This update should be read in conjunction with the [Investor Update dated 18 July 2019](#). The application of the benchmark rule, as explained in our initial update, has served the SPDR S&P/ASX 200 Fund ("STW") well in the past, protecting investors from denials of franking credits under the tax rules applicable to managed funds. This is a highly complex matter and we have been working hard with our tax advisers to better understand exactly why there was an unexpected outcome for the last quarter. We are also continuing to work with our taxation advisers to address this issue as best as possible, to prevent a recurrence and achieve the best possible outcome for our investors. We appreciate that this must be a very frustrating issue for investors and will provide additional information to assist investors in their understanding of the matter and what it means for the STW moving forward.

How did STW allocate franking credits for the September 2018, December 2018 and March 2019 quarters?

For each of the first three quarters of the financial year, we calculated the taxable income of STW to determine the amount available for distribution. This is based upon dividends and distributions received by STW from the underlying securities in that quarter. Franking credits associated with these dividends and distributions were allocated to unitholders.

What happened for the June 2019 quarter?

At the end of the year we aggregated the full 12 months of franking credits from dividends and distributions and tested it against the capped amount under the ATO's benchmark rule. The annual rate used to calculate this capped amount is published on the [ATO's website](#) (with a slight lag). We are not permitted by the ATO to distribute any franking credits above this capped amount.

We then calculated the franking distribution for June 2019 as the total capped amount less what was already distributed in September 2018, December 2018 and March 2019.

What credits were allocated during the 2018/19 financial year?

STW allocated **\$0.82 per unit** in franking credits to investors over the **first three quarters** of the financial year:

Period	Franking credits per unit
September 2018	\$0.364533
December 2018	\$0.201745
March 2019	\$0.253854

Our calculations for June showed that the amount distributed in the first three quarters was very close to the capped amount under the ATO rule. As a result, we were unable to distribute any further franking credits for the June quarter. The surplus franking credits we have been unable to distribute amounted to approximately \$0.18 per unit.

Are the undistributed franking credits carried forward?

We are not permitted to carry surplus franking credits under the ATO benchmark rule to the next financial year. The only franking credits allotted for the September 2019 quarter will be those linked to the dividends or distributions received during that quarter.

Important Risk Information:

Issued by State Street Global Advisors, Australia Services Limited (AFSL Number 274900, ABN 16 108 671 441) ("SSGA, ASL"). Registered office: Level 17, 420 George Street, Sydney, NSW 2000, Australia · Telephone: 612 9240-7600 · Web: www.ssga.com.

SSGA, ASL is the issuer of interests and the Responsible Entity for the ETFs which are Australian registered managed investment schemes quoted on the AQUA market of the ASX or listed on the ASX.

This material is general information only and does not take into account your individual objectives, financial situation or needs and you should consider whether it is appropriate for you. You should seek professional advice and consider the product disclosure document, available at www.spdrs.com.au, before deciding whether to acquire or continue to hold units in an ETF. This material should not be considered a solicitation to buy or sell a security.

ETFs trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETF's net asset value. ETFs typically invest by sampling an index, holding a range of securities that, in the aggregate, approximates the full index in terms of key risk factors and other characteristics. This may cause the fund to experience tracking errors relative to performance of the index.

Investing involves risk including the risk of loss of principal.

Diversification does not ensure a profit or guarantee against loss. Sector ETF products are also subject to sector risk and non-diversification risk, which generally results in greater price fluctuations than the overall market.

SPDR and Standard & Poor's® S&P® indices are trademarks of Standard & Poor's Financial Services LLC and have been licensed for use by State Street Corporation. ASX®, a registered trademark of ASX Operations Pty Limited, has been licensed for use by SSGA, ASL. SPDR products are not sponsored, endorsed, sold or promoted by any of these entities and none of these entities bear any liability with respect to the ETFs or make any representation, warranty or condition regarding the advisability of buying, selling or holding units in the ETFs issued by SSGA, ASL.

The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without SSGA, ASL's express written consent.

© 2019 State Street Corporation. All Rights Reserved.