

SPDR S&P/ASX 200 Fund

ASX:STW

SPDR ETF Understanding Distributions

The SPDR S&P/ASX 200 Fund is a registered managed investment scheme with two distribution periods, ending on 31 December and 30 June each financial year. The distributable income of the Fund for a distribution period ending on 30 June is generally the balance of the taxable income of the Fund for the financial year. It reflects the total taxable income for the financial year less any gains allocated to redeeming unitholders (see below) and any amounts distributed at 31 December.

In broad terms, when a stock broker redeems units (as opposed to an investor selling units on market) capital gains and other taxable gains associated with the transaction are passed on to that stock broker. This reduces the realised gains that would otherwise have to be distributed at 30 June.

Not all capital gains are attributable to unit redemptions and hence not all capital gains are passed on to stock brokers. Trading associated with corporate actions (take overs, rights issues, placements and so on), trading for index changes, trading to fund cash distribution payments, and distributions from some underlying trust investments can all result in further net capital gains that must be distributed at 30 June each year.

The Performance and Distribution Report on www.spdr.com.au contains a distribution history for the Fund and other SPDR ETFs. The Report includes a summary of distribution components by Income, Capital Gains and Tax Free / Exempt / Deferred. "Income" typically includes dividends and interest and is not normally expected to vary significantly from year to year (although a sharp increase or decrease in unitholders can result in a lower or higher percentage distribution to investors as at 30 June). On the other hand, Capital Gains and Tax Free components can vary from year to year for the reasons discussed.

In the table below we show both the Dollars Per Unit distribution components as per the Report, and the equivalent Distribution Yield components. The table shows a relatively stable pattern of distribution yields attributable to "Income" and a corresponding stability in franking credits. Variations are largely attributable to changes in the capital gains required to be distributed each year.

ETFs are designed to track the index and generally have very low turnover outside applications or redemptions from stock brokers. The SPDR S&P/ASX 200 Fund is a widely diversified portfolio covering shares in the S&P/ASX 200 Index.

Distribution Period	Dollars per Unit Distribution Components				Distribution Yield by Component			
	Income	Total Capital Gains	Tax Free / Exempted / Deferred	Franking & Foreign Tax Credits	Income	Total Capital Gains	Tax Free / Exempted / Deferred	Franking & Foreign Tax Credits
December-05	0.90364	0.16702	0.01009	0.31367	1.942%	0.359%	0.022%	0.674%
June-06	0.83694	0.40709	0.11746	0.28159	1.724%	0.839%	0.242%	0.580%
December-06	0.93274	0.00000	0.02143	0.36380	1.697%	0.000%	0.039%	0.662%
June-07	0.84294	1.40560	0.14981	0.28009	1.379%	2.300%	0.245%	0.458%
December-07	0.86603	0.00000	0.02752	0.33514	1.459%	0.000%	0.046%	0.565%
June-08	0.85093	1.60634	0.12121	0.28931	1.729%	3.264%	0.246%	0.588%
December-08	0.58587	0.47337	0.02327	0.28287	1.776%	1.435%	0.071%	0.857%
June-09	0.69279	0.00000	0.04508	0.22395	1.948%	0.000%	0.127%	0.630%

Source: SSgA

An investment in the SPDR S&P/ASX 200 Fund ("SPDR") does not represent a deposit with or liability of any company in the State Street group of companies including State Street Bank and Trust Company (ABN 70 062 819 630) and is subject to investment risk including possible delays in repayment and loss of income and principal invested. No company in the State Street group of companies, including State Street Global Advisors, Australia Services Limited, State Street Bank and Trust Company and State Street Global Advisors, Australia, Limited ("SSgA") guarantees the performance of SPDR or the repayment of capital or any particular rate of return. Units in SPDR are offered for issue under a PDS by State Street Global Advisors, Australia Services Limited. A stockbroker wishing to apply for units will need to complete the application form accompanying the PDS. Units are only issued in large parcels to stockbrokers acting as principal. Other investors can acquire units on the ASX. This information sheet is not intended to amount to advice or a recommendation to invest in SPDR. It does not take into account your investment objectives, financial situation or particular needs. You should seek professional advice addressing your particular investment needs, objectives and financial circumstances before making an investment decision. Except where indicated, all information is as at date noted and the source of data is SSgA research.

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