

# Results for Announcement to the Market

## SPDR S&P/ASX 200 Financials EX A-REIT Fund

(ARSN 149 870 020)

ASX Preliminary final report – 30 June 2014

Lodged with the ASX under Listing Rule 4.3A

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**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**For the year ended 30 June 2014**  
**(Previous corresponding year ended 30 June 2013)**

Results for Announcement to the Market

	2014 \$	\$ Change on last year	% Change	2013 \$
<b>Total investment income/(loss)</b> <i>(Appendix 4E item 2.1)</i>	6,377,942	Down by 1,651,394	Down by 20.56	8,029,336
<b>Operating profit/(loss)</b> <i>(Appendix 4E item 2.2)</i>	6,233,208	Down by 1,695,590	Down by 21.38	7,928,798
<b>Profit/(loss) for the year</b> (see explanation below) <i>(Appendix 4E item 2.3)</i>	-	N/A	N/A	-

<b>Distributions</b> <i>(Appendix 4E item 2.4)</i>	Amount per unit	Imputation credit per unit
31 December 2013 Interim distribution	67.2413	29.3065
30 June 2014 Final distribution	34.3640	8.3202

**Record dates** for determining entitlements to the distribution  
*(Appendix 4E item 2.5)*

31 December 2013
30 June 2014

**Explanation of Investment income/(loss)** *(Appendix 4E item 2.6)*

The Fund maintains its investment strategy in S&P/ASX 200 Financials EX-A REIT Index equities, and the investment policy of the Fund continues to be that detailed in the current Product Disclosure Statement and in accordance with the provisions of the governing documents of the Fund.

The Fund earns revenue predominantly from the following elements:

- Net gains/(losses) on financial instruments held at fair value through profit or loss, and
- Investment income such as dividend and interest.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented.

**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**For the year ended 30 June 2014**  
**(Previous corresponding year ended 30 June 2013)**  
**(continued)**

**(i) Classification**

The Fund's investments are categorised as at fair value through profit or loss. They comprise:

- Financial instruments held for trading  
These include derivative financial instruments including futures. The Fund does not designate any derivatives as hedges in a hedging relationship.
- Financial instruments designated at fair value through profit or loss upon initial recognition  
These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange traded equity instruments.

Financial instruments designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is for the Responsible Entity to evaluate the information about these financial instruments on a fair value basis together with other related financial information

**(ii) Recognition/derecognition**

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

**(iii) Measurement**

Financial assets and liabilities held at fair value through profit or loss.

At initial recognition, the Fund measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within net gains / (losses) on financial instruments held at fair value through profit or loss in the period in which they arise. This also includes dividend expense on short sales of securities, which have been classified at fair value through profit or loss.

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the Fund is the current bid price and the quoted market price for financial liabilities is the current asking price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques. Accordingly, there may be a difference between the fair value at initial recognition and amounts determined using a valuation technique. If such a difference exists, the Fund recognises the difference in profit or loss to reflect a change in factors, including time, that market participants would consider in setting a price.

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense.

**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**For the year ended 30 June 2014**  
**(Previous corresponding year ended 30 June 2013)**  
**(continued)**

**(iv) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**Explanation of Operating profit/(loss)** *(Appendix 4E item 2.6)*

Refer to above commentary.

**Explanation of Profit/(loss)** *(Appendix 4E item 2.6)*

Given the adoption of AASB 132 and the recognition of net assets attributable to unitholders as a liability, the (increase)/decrease in net assets attributable to unitholders and distributions to unitholders are reflected as a financing cost.

**Explanation of Distributions** *(Appendix 4E item 2.6)*

In accordance with the Fund Constitution, the Fund distributes income adjusted for amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. Distributable income is determined by reference to the taxable income of the Fund. The distributions are payable at the end of December and June each year and recognised in profit or loss as finance costs attributable to unitholders.

**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**Preliminary abridged statement of comprehensive income**  
**For the year ended 30 June 2014**

**Statement of comprehensive income**

	Notes*	Year ended	
		30 June 2014 \$	30 June 2013 \$
<b>Investment income</b>			
Dividend income		1,894,115	1,420,184
Interest income		2,711	3,070
Net gains/(losses) on financial instruments held at fair value through profit or loss		4,480,946	6,606,063
Other operating income		<u>170</u>	<u>19</u>
<b>Total net investment income/(loss)</b>		<u><b>6,377,942</b></u>	<u><b>8,029,336</b></u>
<b>Expenses</b>			
Responsible Entity's fees		3,734	2,643
Investment Manager's fees		136,146	96,388
Transaction costs		4,830	1,507
Other operating expenses		<u>24</u>	<u>9</u>
<b>Total operating expenses</b>		<u><b>144,734</b></u>	<u><b>100,547</b></u>
<b>Operating profit/(loss)</b>		<u><b>6,233,208</b></u>	<u><b>7,928,789</b></u>
<b>Finance costs attributable to unitholders</b>			
Distributions to unitholders		(1,862,937)	(1,188,546)
(Increase)/decrease in net assets attributable to unitholders		<u>(4,370,271)</u>	<u>(6,740,243)</u>
<b>Profit/(loss) for the year</b>		-	-

\* Supporting notes to the statement of comprehensive income will be available in the audited Financial Accounts which will be lodged separately with ASIC.

**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**Preliminary abridged statement of financial position**  
**As at 30 June 2014**

**Statement of financial position**

	As at	
	Notes*	
	30 June 2014 \$	30 June 2013 \$
<b>Assets</b>		
Cash and cash equivalents	266,602	834,776
Margin accounts	69,171	97,716
Receivables	563,735	459,105
Financial assets held at fair value through profit or loss	<u>35,352,463</u>	<u>26,124,580</u>
<b>Total assets</b>	<u><b>36,224,971</b></u>	<u><b>27,516,177</b></u>
<b>Liabilities</b>		
Payables	18,963	13,958
Distributions payable	<u>584,871</u>	<u>294,751</u>
Total liabilities (excluding net assets attributable to unitholders)	<u><b>603,834</b></u>	<u><b>308,709</b></u>
<b>Net assets attributable to unitholders - liability</b>	<u><b>35,621,137</b></u>	<u><b>27,207,468</b></u>

\* Supporting notes to the statement of financial position will be available in the audited Financial Accounts which will be lodged separately with ASIC.

**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**Preliminary abridged statement of changes in equity**  
**For the year ended 30 June 2014**

	<b>30 June 2014 \$</b>	<b>30 June 2013 \$</b>
<b>Total equity at the beginning of the financial year</b>	-	-
Profit/(loss) for the year	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
Transactions with owners in their capacity as owners		
<b>Total equity at the end of the financial year</b>	-	-

Under Australian Accounting Standards, net assets attributable to unitholders is classified as a liability rather than equity. As a result, there was no equity at the beginning or end of the year.

**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**Preliminary abridged statement of cash flows**  
**For the year ended 30 June 2014**

**Statement of cash flows**

	Notes*	Year ended	
		30 June 2014 \$	30 June 2013 \$
<b>Cash flows from operating activities</b>			
Proceeds from sale of investments		874,877	1,498,066
Purchase of investments		(1,639,060)	(735,896)
Amounts received from/(paid to) brokers for margin		58,345	(82,870)
Dividends received		1,815,361	1,229,740
Interest received		3,735	1,513
Other income received		270	398
Responsible Entity's fees paid		(3,638)	(2,536)
Other operating expenses		(3,435)	-
Investment Manager's fees paid		(132,656)	(92,466)
<b>Net cash inflow/(outflow) from operating activities</b>		<u>973,799</u>	<u>1,815,949</u>
<b>Cash flows from financing activities</b>			
Proceeds from units issued		-	-
Payment for redemption of units		-	-
Distributions paid		(1,541,973)	(990,338)
<b>Net cash inflow/(outflow) from financing activities</b>		<u>(1,541,973)</u>	<u>(990,338)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(568,174)</b>	<b>825,611</b>
Cash and cash equivalents at the beginning of the year		<u>834,776</u>	<u>9,165</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>266,602</u>	<u>834,776</u>

\* Supporting notes to the statement of cash flows will be available in the audited Financial Accounts which will be lodged separately with ASIC.



**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**Notes to the preliminary abridged financial statements**  
**For the year ended 30 June 2014**

**Material factors affecting the revenues and expenses of the economic entity for the current period**

The revenues are largely driven by the underlying performance of the constituent stocks of the S&P/ASX 200 Financials EX-A REIT Index. The performance is determined by the market prices and the dividend yields of those stocks. Expenses are accrued at 40 basis points per annum of the net asset value on a daily basis. Certain transaction costs are expenses in addition to the aforementioned expense accruals.

**Material factors affecting the assets, liabilities and equity of the economic entity for the current period**

The assets of the Fund comprise the constituent stocks, cash proceeds for open sell trades not yet received, accrued dividends not yet received and other sundry receivables. Liabilities consist of open buy trades not yet paid, accrued expenses not yet paid, the unpaid distribution based on the taxable income of the Fund and sundry items.

**Material factors affecting the cash flows of the economic entity for the current period**

No material factors outside of the normal operational process of investment affects the cash flows.

**Correction of errors, changes in accounting policies and revision of accounting estimates**

N/A.

**Reconciliation of income tax expense**

Under current income tax legislation, the Fund is not subject to income tax as unitholders are presently entitled to the income of the Fund.

**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**Notes to the preliminary abridged financial statements**  
**For the year ended 30 June 2014**  
**(continued)**

**Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities**

	30 June 2014 \$	30 June 2013 \$
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>		
Profit/(loss) for the year	-	-
Increase/(decrease) in net assets attributable to unitholders	4,370,271	6,740,243
Distribution to unitholders	1,862,937	1,188,546
Proceeds from sale of financial instruments held at fair value through profit or loss	874,877	1,498,066
Payment for purchase of financial instruments held at fair value through profit or loss	(1,639,060)	(735,896)
Net (gains)/losses on financial instruments held at fair value through profit or loss	(4,480,946)	(6,606,063)
Amounts received from/(paid to) brokers for margin	58,345	(82,870)
Net change in receivables	(77,630)	(192,279)
Net change in payables	5,005	6,202
<b>Net cash inflow/(outflow) from operating activities</b>	<b>973,799</b>	<b>1,815,949</b>
<b>Non-cash financing activities</b>		
During the year, the following applications were satisfied by in-specie asset transfer	(8,126,751)	10,726,478
During the year, the following redemptions were satisfied by in-specie asset transfer	4,114,197	3,987,540
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	30,843	5,083

**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**Notes to the preliminary abridged financial statements**  
**For the year ended 30 June 2014**  
**(continued)**

**Segment note**

The Fund is organised into one main segment which operates solely in the business of investment management within Australia.

The Fund operates solely in Australia and holds investments in Australia.

**Discontinuing operations**

N/A.

**Events occurring after reporting date**

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the statement of financial position as at 30 June 2013 or on the results and cash flows of the Fund for the year ended on that date.

**SPDR S&P/ASX 200 Financials EX A-REIT Fund  
Supplementary Appendix 4E information  
For the year ended 30 June 2014**

**Additional distribution information** *(Appendix 4E item 6)*

Details of distributions declared or paid during or subsequent to the year ended 30 June 2014 are as follows:

Record date	Payment date	Type	Amount per unit in cents	Total distribution \$	Imputation credit per unit in cents	Foreign sourced distribution amount per unit in cents
31 December 2013	8 January 2014	Interim	67.2413	1,278,066	29.3065	0.0832
30 June 2014	9 July 2014	Final	34.3640	584,871	8.3202	0.2686

Under current legislation, the Fund is not subject to income tax as unitholders are presently entitled to the income of the Fund). As a result the Fund does not have a franking account and therefore the distributions are not franked. Unitholders receive imputation credits (if any) attached to distributions.

**Distribution reinvestment plans** *(Appendix 4E item 7)*

Investors can elect to reinvest at the net asset value of the Fund under the terms of the current Distribution Reinvestment Plan. No discount applies to the issue of units under the Distribution Reinvestment Plan. An application to participate in the plan will be effective in respect of the first Distribution after receipt of the application form provided it is received on or before the books closing date for that Distribution.

**Retained Earnings** *(Appendix 4E item 8)*

N/A.

**NTA Backing** *(Appendix 4E item 9)*

	2014 \$	2013 \$
Net tangible asset backing per ordinary share	20.93	18.14

**Controlled entities acquired or disposed of** *(Appendix 4E item 10)*

N/A.

**Associates and Joint Venture entities** *(Appendix 4E item 11)*

N/A.

**Other significant information** *(Appendix 4E item 12)*

N/A.

**SPDR S&P/ASX 200 Financials EX A-REIT Fund**  
**Supplementary Appendix 4E information**  
**For the year ended 30 June 2014**  
**(continued)**

**Commentary on results** *(Appendix 4E item 14)*

**Operating profit per unit attributable to unitholders**

Operating profit per unit was 366.23 cents per unit.

The Fund allocates net operating profit to unitholders on a daily basis for the purpose of determining daily unit prices. Net operating profit per unit is represented by the movement in the Fund's daily unit redemption price for the year plus distributions per unit.

Because net operating profit has been allocated to unitholders on a daily basis, the actual daily number of units on issue has been used in the calculation of earnings per unit. This approach does not require the calculation of a weighted average number of units on issue for the year.

**Returns to unitholders**

In accordance with the Fund Constitution, the Fund distributes income adjusted for amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. The distributions are payable at the end of December and June each year and recognised in profit or loss as finance costs attributable to unitholders.

**Significant features of operating performance**

N/A.

**Results of segments**

The Fund operates solely in the business of investment management within Australia and the Fund operates in Australia and holds investments in Australia.

**Trends in performance**

Investment performance has tracked to the performance of the S&P/ASX 200 Financials EX-A REIT Index.

**Other factors that affected results in the period or which are likely to affect results in the future**

No other factors affect the current year's results.

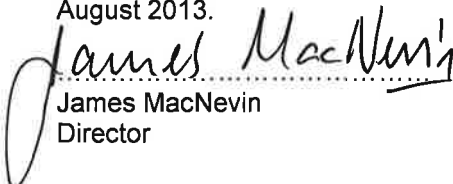
**Foreign Accounting standards** *(Appendix 4E item 13)*

N/A.

**Audit** *(Appendix 4E items 15 - 17)*

This report is based on accounts which are currently being audited. The audit report will be made available with the Fund's financial statements.

Approved by the directors of State Street Global Advisors, Australia Services Limited on 26 August 2013.

  
James MacNevin  
Director

