



Press Release

S&P Rates SPDR MSCI Australia Select High Dividend Fund As 'SOUND'

Sydney, Feb. 22, 2012—Standard & Poor's Fund Services today rated the SPDR MSCI Australia Select High Dividend Fund (SYI) as 'SOUND'. Manager, State Street Global Advisors Australia Ltd. offers the product as an exchange-traded fund (ETF) that aims to track the underlying index, specifically the MSCI Australia Select High Dividend Yield Index.

MSCI constructs and maintains the index, which is intended to reflect the performance of Australian equities (excluding REITs) with higher-than-average dividend yields that are both sustainable and persistent. Based on historical back-testing, the benchmark index has recorded an average long-term yield around 100 basis points higher than the broader market.

The rating reflects a cost-efficient and simple and transparent ETF structure. However, these positive attributes are partly offset by the underlying index that exhibits high concentration and volatility risk which, in turn, may translate into income variability risk. S&P considers the high degree of risk as somewhat inconsistent with the general purpose of an enhanced income product as it may erode the stability of income.

S&P Fund Services analyst Rodney Lay said: "We view SYI as a sound offering and a welcome addition to the ETF market. This is a cost- and tax-efficient vehicle based on a clear and transparent portfolio-construction methodology. However, we do believe that the sector concentration and consequent volatility risk is somewhat inconsistent with the needs of the target market, specifically a relatively stable and predictable level of income".

About S&P ETF Ratings

An S&P ETF rating is a qualitative assessment to provide an efficient after-tax performance outcome. The methodology addresses the key determinants of performance efficiency—fees and costs, the portfolio construction and management process, tax event efficiency, risk management, historical performance, and the quality of the management team. For further information, select "Fund Rating Definitions" at www.standardandpoors.com.au/funds.

About Standard & Poor's

Standard & Poor's, a subsidiary of The McGraw-Hill Companies (NYSE:MHP), is the world's foremost provider of independent credit ratings, indices, risk evaluation, investment research and data. With offices in 23 countries and markets, Standard & Poor's is an essential part of the world's financial infrastructure and has played a leading role for 150 years in providing investors with the independent benchmarks they need to feel more confident about their investment and financial decisions. For more information, visit <http://www.standardandpoors.com.au>

For more information contact:

Rodney Lay, Fund Services
(61) 2 9255 9831 Tel

Amber Fitzpatrick, Media
(61) 2 9255 9815 Tel

Leanne Milton, Fund Services
(61) 2 9255 9884 Tel