

INTRODUCTION TO BETASHARES NASDAQ 100 ETF

ASX CODE: NDQ



BetaShares

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BetaShares NASDAQ 100 ETF (ASX: NDQ)

The NASDAQ-100 Index has come to represent the new economy – a collection of young, growth enterprises that are on the forefront of innovation

With the launch of BetaShares NASDAQ 100 ETF (ASX NDQ), Australian investors are able to access the NASDAQ-100 Index as simply as buying any share on ASX. NDQ gives Australian investors the chance to invest in many of the world's most innovative companies that continue to revolutionise our everyday lives including Apple, Facebook, Amazon and Google.

NDQ offers investors a simple and cost-effective way to diversify their investment portfolio into high growth potential US equities, with a strong focus on technology, and the opportunity to gain exposure to one of the world's most actively traded indices.

Fund Objective

The BetaShares NASDAQ 100 ETF aims to track the performance of the NASDAQ-100 Index, before fees and expenses.

What is the NASDAQ-100 Index?

Launched in February 1985, the NASDAQ-100 Index provides investors with exposure to the performance of the 100 largest non-financial companies listed on the Nasdaq Stock Market, by market capitalisation. The Index contains category defining companies across major industry groups such as technology, telecommunications and retail.

Since its launch, the NASDAQ-100 Index has evolved into a leading barometer for strong, growth companies at the forefront of innovation. Companies included in the NASDAQ-100 Index have helped drive the modern economy and the evolution of the Index, and, in many ways, the Index is a reflection of how the business world has shifted in the 21st century.

Access to Technology & Innovation

Australian investors wanting to take advantage of the significant growth currently taking place in the global technology sector have, to date, been severely restricted, with only a very small number of large-cap technology companies available on the ASX.

NDQ offers exposure to a sector under-represented in both the Australian S&P/ASX 200 Index and, for that matter, the benchmark US Index, the S&P 500. As an illustration, the table below provides a breakdown of the index weightings by Industry.

INDEX INDUSTRY BREAKDOWN: 30 APRIL 2015

INDUSTRY	NASDAQ	S&P	ASX
Technology	62.7	21.4	1.3
Consumer Discretionary	13.0	10.9	4.0
Consumer Staples	6.3	9.5	6.9
Energy	0.0	8.5	5.2
Health Care	14.6	14.6	5.9
Telecommunication Services	0.8	2.3	5.7
Utilities	0.0	3.0	2.0
Material	0.3	3.2	14.8
Industrials	2.2	10.2	7.0
Financials	0.0	16.1	47.1

Source: Bloomberg

Technology sector includes GICS sector "Information Technology" plus for NASDAQ-100 and S&P 500 includes GICS Industry "Internet & Catalog Retail"; for S&P/ASX 200 includes Seek Ltd, REA Ltd, Trade Me Ltd & Ozforex Group

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The NASDAQ-100 Index offers investors a significant technology allocation and contains household names such as:

- Apple
- Microsoft
- Google
- Amazon
- Ebay
- Netflix

Performance

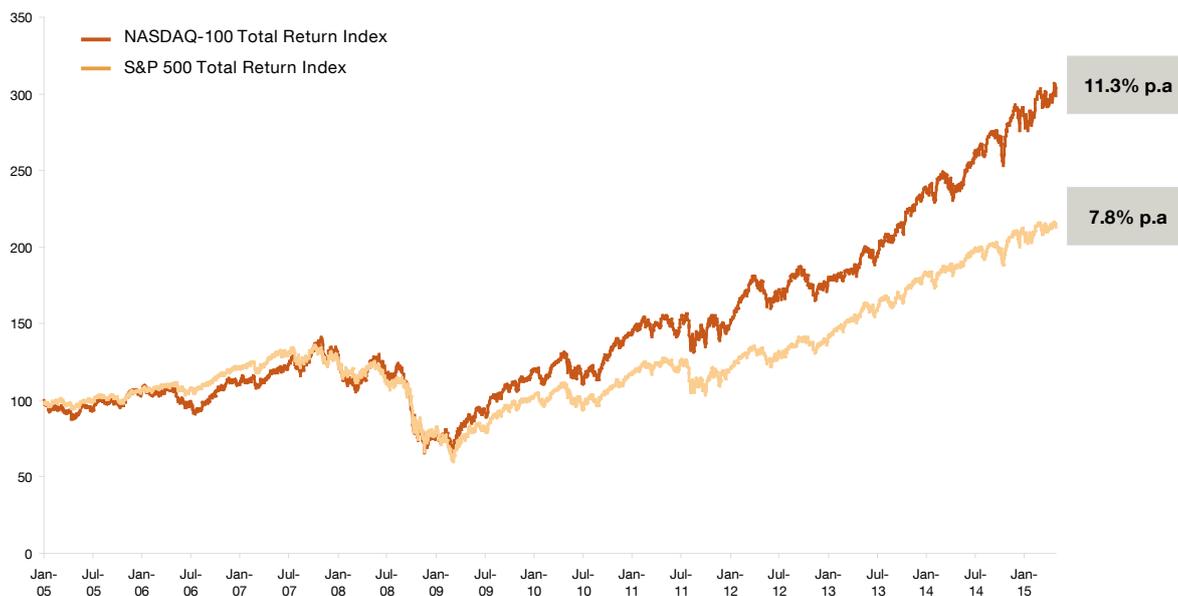
Over time, the companies that make up the NASDAQ-100 Index have matured substantially, which has seen the fundamentals of the Index improve dramatically. Since 2003 to 31 December 2014 the NASDAQ-100 Index has had an annual compound growth rate of:

- +26% p.a. in earnings
- +13% p.a. in revenue
- +33% p.a. in dividend value
- -15% p.a. in Price-to-earnings ratio

Source: Nasdaq. Past performance is not an indicator of future performance

This improvement in Index fundamentals has corresponded to strong investment performance by the NASDAQ-100 Index over the last decade. For example, since January 2005 to April 2015 the NASDAQ-100 Index has outperformed the S&P 500 by ~3.5% per year.

NASDAQ-100 INDEX V S&P 500 INDEX PERFORMANCE; JANUARY 2005 - APRIL 2015



Source: Bloomberg, BetaShares. Past performance is not an indicator of future performance. Graph shows performance of underlying index, not ETF performance. Investors cannot invest directly in an index. Indexes have no fees.

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Benefits of BetaShares NASDAQ 100 ETF

- **Access** - simple and cost-effective way to access a diversified portfolio of some of the world's most revolutionary companies
- **Technology exposure** - obtain exposure to some of the largest, most innovative companies in the global technology sector including Apple, Google and Facebook
- **US exposure** - exposure to US equities and US currency
- **Low cost** – cost of ETF is lower than traditional active managers focusing on US equities
- **Reduced administrative burden** – as an Australian domiciled fund, investors do not need to fill out W-8 BEN forms, or risk any potential U.S. estate tax issues.
- **Accessible** – the ETF can be bought or sold like any share, and is not platform dependent
- **Liquid** – trades on ASX throughout the day
- **Transparent** – portfolio holdings, value of the ETF's assets and net asset value per unit available daily on BetaShares' website

Uses of BetaShares NASDAQ 100 ETF

The ETF should have broad appeal and may be suitable for a variety of investors and uses:

- A core portfolio holding for US growth equities providing transparency and diversification benefits
- Tactical exposure to the global technology sector
- A low cost complement and/or alternative to investments with active fund managers focusing on the US equity market

Trading Information

BetaShares Funds can be bought or sold throughout the trading day on the ASX, and trade like ordinary shares.

EXCHANGE	ASX
ASX CODE	NDQ
CURRENCY	AUD
TRADING	10:00-16:00 (AEST)
BLOOMBERG CODE	NDQ AU
IRESS CODE	NDQ.AXW

About BetaShares

BetaShares Capital Ltd ("BetaShares") is a leading provider of exchange traded products ("ETPs") which are traded on the Australian Securities Exchange. BetaShares offers a range of ETPs which cover Australian equities, cash, currencies, commodities and alternative strategies. As at 30 April 2015, BetaShares has approximately \$2.3 billion in assets under management.

BetaShares is a member of the Mirae Asset Global Investments Group, one of Asia's largest asset management firms. Mirae currently manages in excess of US\$70B, including over US\$9B in ETFs

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There are risks associated with an investment in the Fund, including market risk, sector concentration risk and foreign exchange risk. For more information on risks and other features of the Fund please see the Product Disclosure Statement.

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