

Horizons ETFs Launches Two New Currency Hedged ETFs

New ETFs provide currency hedged exposure to the S&P 500[®] and U.S. Treasuries

TORONTO, September 20, 2016 — Horizons ETFs Management (Canada) Inc. is pleased to announce the launch of the Horizons S&P 500[®] CAD Hedged Index ETF (“**HSH**”) and the Horizons US 7-10 Year Treasury Bond CAD Hedged ETF (“**HTH**”), which offer currency hedged exposure to two of the largest U.S. asset classes.

The ETFs will begin trading today on the Toronto Stock Exchange under the following symbols:

ETF Name	Ticker
Horizons S&P 500 [®] CAD Hedged Index ETF	HSH
Horizons US 7-10 Year Treasury Bond CAD Hedged ETF	HTH

HSH seeks to replicate, to the extent possible, the performance of the S&P 500[®] CAD Hedged Index (Total Return), net of expenses. The S&P 500[®] CAD Hedged Index (Total Return) is designed to measure the performance of the large-cap segment of the U.S. equity market, hedged to the Canadian dollar. HSH complements Horizons S&P 500[®] ETF (“HXS”), which provides non-hedged exposure to the S&P 500[®] Index (Total Return).

HTH seeks to replicate, to the extent possible, the performance of the Solactive US 7-10 Year Treasury Bond CAD Hedged Index (Total Return), net of expenses. The Solactive US 7-10 Year Treasury Bond CAD Hedged Index (Total Return) is designed to measure the performance of the US 7-10 Year Treasury Bond market, hedged to the Canadian dollar. HTH complements the Horizons US 7-10 Year Treasury Bond ETF (“HTB”), which provides non-hedged exposure to U.S. 7-10 Year Treasury Bonds.

“At Horizons, we have historically been of the view that having non-hedged exposure to U.S. securities markets can be more beneficial than currency hedging over the long term, given the diversification benefits of having direct exposure to the U.S. dollar, and the fact that currency hedging can add additional portfolio management costs,” said Steve Hawkins, President and Co-CEO of Horizons ETFs. *“However, we also recognize that there are many investors who are averse to foreign currency exposure, and even more investors who want the ability to dynamically allocate between hedged and non-hedged versions of U.S. securities ETFs, in order to take advantage of currency fluctuations between the Canadian and U.S. dollars. HSH and HTH have been launched specifically to meet this demand.”*

HSH and HTH join the Horizons ETFs’ suite of low-cost, tax-efficient TRI (Total Return Index) ETFs, which also includes HXS and HTB.

TRI ETFs are low-cost, index-replicating investments that use a synthetic replication structure to receive the pre-tax total return of an index. Unlike physically replicated ETFs, no distributions are expected to be paid by the TRI ETFs. Instead, the value of the dividend or interest income is

reflected in the returns of each ETF. This leads to greater tax efficiency for investors who hold the ETF in non-registered investment accounts. In addition, tracking error is also reduced in TRI ETFs since there are no portfolio trading costs.

“Our family of TRI ETFs have been one the fastest-growing areas of our ETF business, increasing our assets under management in TRI ETFs by more than 30% this year, as investors look for lower-cost and more tax-efficient ways to get index exposure,” said Mr. Hawkins. *“HSH and HTH have the same management fees as their non-hedged counterparts and provide the same tax benefits.”*

HSH and HTH have closed their offerings of initial units and will begin trading on the TSX when the market opens this morning.

About Horizons ETFs Management (Canada) Inc. (www.HorizonsETFs.com)

Horizons ETFs Management (Canada) Inc. and its affiliate AlphaPro Management Inc. are innovative financial services companies, which combined make up one of the largest families of exchange traded funds in Canada. The Horizons ETFs’ product suite includes a broadly diversified range of solutions for investors of all experience levels to meet their investment objectives in a variety of market conditions. Horizons ETFs currently has more than \$6.5 billion of assets under management and has 75 ETFs listed on the Toronto Stock Exchange. Horizons ETFs Management (Canada) Inc. and AlphaPro Management Inc. are members of the Mirae Asset Global Investments Group.

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*Horizons ETFs is a Member of Mirae Asset Global Investments. Commissions, trailing commissions, management fees and expenses all may be associated with an investment in exchange traded products managed by AlphaPro Management Inc. and Horizons ETFs Management (Canada) Inc. (the "Horizons Exchange Traded Products"). The Horizons Exchange Traded Products are not guaranteed, their values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the Horizons Exchange Traded Products. **Please read the relevant prospectus before investing.***

Certain statements contained in this news release constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to a future outlook and anticipated distributions, events or results and may include statements regarding future financial performance. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "anticipate", "believe", "intend" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information. Horizons ETFs undertakes no

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obligation to update publicly or otherwise revise any forward-looking statement whether as a result of new information, future events or other such factors which affect this information, except as required by law.