

## **Horizons ETFs Launches the Horizons EURO STOXX 50<sup>®</sup> Index ETF**

*The first ETF in Canada to provide exposure to the performance of Europe's blue chip benchmark.*

**TORONTO – December 7, 2016** – Horizons ETFs Management (Canada) Inc. (“**Horizons ETFs**”) is pleased to announce the launch of the Horizons EURO STOXX 50<sup>®</sup> Index ETF (“**HXX**”). The first of its kind in Canada, HXX will provide investors with low-cost, tax-efficient exposure to the performance of 50 of the largest, sector-leading companies in Europe.

Units of the exchange traded fund (“**ETF**”) will begin trading today on the Toronto Stock Exchange (“**TSX**”) under the ticker symbol HXX.

HXX seeks to replicate, to the extent possible, the performance of the EURO STOXX 50<sup>®</sup> Futures Roll Index (Total Return), net of expenses. The EURO STOXX 50<sup>®</sup> Futures Roll Index (Total Return) is designed to reflect the returns generated, over time, through notional investments in a long position in a series of futures contracts on the EURO STOXX 50<sup>®</sup> Index.

Currently, there are no other Canadian ETFs that track this index. The introduction of HXX also represents the first time that a Canadian ETF provider has licensed an index from STOXX Ltd. to provide exposure to the EURO STOXX 50<sup>®</sup> Index – its most widely followed index strategy.

The EURO STOXX 50<sup>®</sup> is a leading blue-chip index for the 19 European Union countries that have adopted the Euro as their currency. It currently covers 50 stocks from 19 super-sectors in 12 Eurozone countries: Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain.

HXX uses Horizons ETFs’ innovative total return index (“**TRI**”) structure to provide tax-efficient exposure to the total return of the EURO STOXX 50<sup>®</sup> Futures Roll Index.

TRI ETFs are low-cost, index-replicating ETFs 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 ETF. Instead, the value of any dividend or interest income is directly reflected in the performance of the 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.

*“The EURO STOXX 50<sup>®</sup> provides exposure to some of Europe’s largest and most well-known brand names, including Anheuser-Busch InBev, Bayer, BASF and Daimler,” says Steve Hawkins, President and Co-CEO of Horizons ETFs. “Using our innovative TRI structure, HXX investors will get exposure to the total return of these sector-leading European stocks. European*

*stocks currently offer higher dividends on average than would currently be earned on similar North American stocks. Taxes, which include foreign withholding tax, eliminate a lot of the yield advantage of these stocks. HXX's unique TRI structure largely eliminates immediate taxation of these distributions which should result in a better after-tax return for holders of HXX versus other Canadian-listed European equity index ETFs."*

HXX has closed its initial offering of units and will begin trading on the TSX when the market opens this morning.

**About Horizons ETFs Management (Canada) Inc. ([www.HorizonsETFs.com](http://www.HorizonsETFs.com))**

Horizons ETFs Management (Canada) Inc. and its affiliate AlphaPro Management Inc. are innovative financial services companies offering the Horizons ETFs family of exchange traded funds. The Horizons ETFs family includes a broadly diversified range of investment tools with solutions for investors of all experience levels to meet their investment objectives in a variety of market conditions. Horizons ETFs has more than \$7 billion of assets under management. With 76 ETFs listed on the Toronto Stock Exchange, the Horizons ETFs family makes up one of the largest families of ETFs in Canada. Horizons ETFs Management (Canada) Inc. and AlphaPro Management Inc. are members of the Mirae Asset Global Investments Group.

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*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 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.*