

## HORIZONS ETFs CONFIRMS 2018 ANNUAL NON-CASH DISTRIBUTIONS

**TORONTO – December 31, 2018** - Horizons ETFs Management (Canada) Inc. (“**Horizons ETFs**”) confirmed today the annual non-cash distributions (the “**Non-Cash Distributions**”) to unitholders of certain of the exchange traded funds (the “**ETFs**”) that it manages for the 2018 tax year as indicated in the table below. Please note that this is a further update to the estimated annual Non-Cash Distributions previously announced on December 6, 2018, and updated on December 20, 2018.

Each of the ETFs is required to distribute any net income and capital gains that they have earned in the year. The annual Non-Cash Distributions will not be paid in cash but will be reinvested and reported as taxable distributions and will be used to increase each unitholder’s adjusted cost base for the respective ETF. The nature of the Non-Cash Distributions for the respective ETFs as either income or capital gains is disclosed in the footnotes to the table below. The Non-Cash Distributions will be reinvested automatically in additional units of the respective ETFs and immediately consolidated so that the number of units held by the unitholder, the units outstanding of the ETFs, and the net asset value of the ETFs, will not change as a result of the Non-Cash Distributions. These amounts do not include the regular monthly or quarterly cash distributions, as applicable, announced on December 20, 2018.

The ex-dividend date for these distributions was December 28, 2018, for all unitholders of record on December 31, 2018. The nominal payment date applied to these Non-Cash distributions will be January 11, 2019, though in actuality there will be no physical payment made as would be the case with cash distributions. In early 2019, the tax characteristics of all distributions for 2018 for the ETFs will be reported to brokers via the CDS Clearing and Depository Services Inc. (“**CDS**”) and will be posted on our website shortly thereafter.

ETF Name	Ticker Symbol	Final Confirmed Annual Non-Cash Distribution per Unit	Final Non-Cash Distribution As a % of Dec. 28, 2018 NAV	Estimated Annual Non-Cash Distribution per Unit announced on Dec. 20, 2018
Horizons Seasonal Rotation ETF <sup>(1)</sup>	HAC	\$1.34839	7.15%	\$1.33911
Horizons Active Emerging Markets Dividend ETF <sup>(2)</sup>	HAJ	\$0.12114	0.96%	\$0.11797
Horizons Active US Dividend ETF <sup>(3)</sup>	HAU	\$0.09085	0.79%	\$0.08652
	HAU.U	\$0.09085	0.79%	\$0.08652
Horizons Active Global Dividend ETF <sup>(4)</sup>	HAZ	\$0.17347	0.87%	\$0.17347
Horizons China High Dividend Yield Index ETF <sup>(5)</sup>	HCN	\$1.64109	6.70%	\$1.64109
Horizons Enhanced Income US Equity (USD) ETF <sup>(6)</sup>	HEA.U	\$0.17635	1.67%	\$0.18363
	HEA	\$0.17635	1.67%	\$0.18363

As disclosed above, the final determination of the nature of these Non-Cash Distributions will be reported to brokers via CDS in early 2019. The **expected** nature of the Non-Cash Distributions for each of the ETFs in the table above is as follows:

- (1) Horizons Seasonal Rotation ETF (HAC) – 100% capital gains.
- (2) Horizons Active Emerging Markets Dividend ETF (HAJ) – 100% income.
- (3) Horizons Active US Dividend ETF (HAU/HAU.U) – 100% capital gains. Please note that distributions for Horizons Active US Dividend ETF are declared and paid in Canadian dollars, including those listed under the U.S. dollar

traded ticker HAU.U. The approximate U.S. dollar equivalent distribution rate for HAU.U is \$0.06652 per unit. For unitholders who hold the U.S. dollar traded HAU.U, distribution payments will typically be converted to U.S. dollars by the unitholder's account holder.

- (4) Horizons Active Global Dividend ETF (HAZ) – 100% capital gains.
- (5) Horizons China High Dividend Yield Index ETF (HCN) – 100% capital gains.
- (6) Horizons Enhanced Income US Equity (USD) ETF (HEA.U/HEA) – 100% capital gains. Please note that distributions for Horizons Enhanced Income US Equity (USD) ETF are declared and paid in U.S. dollars, including those listed under the Canadian dollar traded ticker HEA. The approximate Canadian dollar equivalent distribution rate for HEA is \$0.24087 per unit. For unitholders who hold the Canadian dollar traded HEA, distribution payments will typically be converted to Canadian dollars by the unitholder's account holder.

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

Horizons ETFs Management (Canada) Inc. is an innovative financial services company and offers one of the largest suites of exchange traded funds in Canada. The Horizons ETFs product family 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 has more than \$9.5 billion of assets under management and 85 ETFs listed on major Canadian stock exchanges. Horizons ETFs Management (Canada) Inc. is a member of the Mirae Asset Global Investments Group.

**For further information:**

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*Horizons ETFs is a member of Mirae Asset Global Investments. Commissions, management fees and expenses all may be associated with an investment in exchange traded products managed by 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.***