

## Taxation - Capital Gains Cost Bases

### If I sell my stapled securities, how do I apportion my cost base for capital gains tax?

An ALE stapled security comprises two separate assets for capital gains tax purposes:

- 1 Australian Leisure and Entertainment Property Management Limited (Company) share; and
- 1 Australian Leisure and Entertainment Property Trust (Trust) unit.

For capital gains tax purposes you need to apportion the cost of each stapled security and the proceeds on sale of each stapled security over the separate assets that make up the stapled security. This apportionment should be done on a reasonable basis.

One possible method of apportionment is on the basis of the relative Net Assets of the individual entities.

### Relative Net Assets (NAs) of entities in the ALE Property Group

Period	Relative NTA - \$			Relative NTA - %		
	Company	Trust	Total	Company	Trust	Total
31-Dec-03	\$0.10	\$0.91	\$1.01	9.9%	90.1%	100.0%
30-Jun-04	\$0.10	\$1.31	\$1.41	7.1%	92.9%	100.0%
30-Jun-05	\$0.10	\$2.07	\$2.17	4.6%	95.4%	100.0%
30-Jun-06	\$0.09	\$2.55	\$2.64	3.4%	96.6%	100.0%
30-Jun-07	\$0.09	\$3.28	\$3.37	2.7%	97.3%	100.0%
30-Jun-08	\$0.09	\$2.99	\$3.08	2.9%	97.1%	100.0%
30-Jun-09	\$0.09	\$2.99	\$3.08	2.9%	97.1%	100.0%
30-Jun-10	\$0.07	\$2.03	\$2.10	3.3%	96.7%	100.0%
30-Jun-11	\$0.07	\$2.15	\$2.22	3.2%	96.8%	100.0%
30-Jun-12	\$0.07	\$1.88	\$1.95	3.7%	96.3%	100.0%
30-Jun-13	\$0.07	\$1.83	\$1.90	3.9%	96.1%	100.0%
30-Jun-14	\$0.07	\$1.86	\$1.93	3.8%	96.2%	100.0%
30-Jun-15	\$0.07	\$2.20	\$2.27	3.3%	96.7%	100.0%
30-Jun-16	\$0.07	\$2.46	\$2.53	2.9%	97.1%	100.0%
30-Jun-17	\$0.07	\$2.92	\$2.99	2.3%	97.7%	100.0%
30-Jun-18	\$0.07	\$3.10	\$3.17	2.2%	97.8%	100.0%
30-Jun-19	\$0.07	\$3.02	\$3.09	2.3%	97.7%	100.0%
30-Jun-20	\$0.07	\$2.92	\$2.99	2.3%	97.7%	100.0%

**ALE stapled securities were issued on or before 7 November 2003 at \$1.00 each, comprising one Company share at \$0.10 and one Trust unit at \$0.90.**

Security holders who have held their investment since ALE's initial listing in 2003 are informed that the total trust tax deferred distributions paid by ALE to 5 September 2017 totals \$2.3282. This total of tax deferred distributions is in excess of the initial trust investment cost base of \$0.90. Security holders are advised to seek professional advice on the resulting taxation implications.

### What are the taxation implications of a negative cost base?

Security holders are referred to the Taxation Report on pages 79-82 of the ALE Property Group Stapled Security Prospectus and Product Disclosure Statement for information on the taxation consequences of distributions. Security holders are advised to seek professional advice on the taxation implications of their investment.

## **Stapled Securities and Capital Gains Tax**

General information can be found on the [ATO](#) website.

*This information is not intended to be tax advice; investors should consult a professional tax advisor, if necessary, for tax advice in connection with the completion of tax returns.*