

TAX COST BASE OF YOUR STAPLED SECURITY

SEPARATE CGT ASSETS

A Thakral Holdings Group (**THG**) security is a stapled security, meaning that you own one share in Thakral Holdings Limited (**THL**) and one unit in Thakral Holdings Trust (**THT**) that are legally bound together so that they cannot be sold separately.

Although a stapled security must be dealt with as a whole, for tax purposes the individual securities that are stapled are treated separately. For example, if a share in a company and a unit in a unit trust are stapled, you:

- separately include in your assessable income dividends from the company and trust distributions from the trust, and
- work out any capital gain or capital loss separately for the unit and the share.

Each security that makes up your stapled security is a separate CGT asset and you must work out a cost base and reduced cost base for each. You do this by apportioning, on a reasonable basis, the amount you paid to acquire the stapled security (and any other relevant costs) between the various securities that are stapled. One reasonable basis of apportionment is to have regard to the portion of the value of the stapled security that each security represented in the financial year you acquired the security.

REASONABLE BASIS OF APPORTIONMENT

A reasonable basis of apportionment, for the value of the share and unit making up one THG stapled security, can be expressed as the net assets of the THL group as a proportion of the net assets of the consolidated group in determining the value of one THL share; and the net assets of the THT group as a proportion of the net assets of the consolidated group in determining the value of one THT unit. The table below lists the apportionment of the THG stapled security for the financial years ended 30 June 2000 to 30 June 2012, on a reasonable basis between one share and one unit.

Year ended	One THL share	One THT unit
30 June 2012	35.5%	64.5%
30 June 2011	35.6%	64.4%
30 June 2010	31.8%	68.2%
30 June 2009	35.2%	64.8%
30 June 2008	31.0%	69.0%
30 June 2007	33.0%	67.0%
30 June 2006	38.1%	61.9%
30 June 2005	44.7%	55.3%
30 June 2004	47.5%	52.5%
30 June 2003	52.5%	47.5%
30 June 2002	61.7%	38.3%
30 June 2001	63.8%	36.2%
30 June 2000	63.6%	36.4%

The above table will be updated and posted on our website each financial year.

EXAMPLE

You acquired 1,000 THG stapled securities on 1 May 2006 for 0.76 cents each (total cost \$760.00), the cost base apportionment for CGT purposes using the percentages listed in the table above are:

Tax cost base of 1,000 THL shares:	$38.1\% \times \$0.76 \times 1,000 =$	\$289.56
Tax cost base of 1,000 THT units:	$61.9\% \times \$0.76 \times 1,000 =$	\$470.44
	TOTAL	\$760.00

Note: Your brokerage fees and other incidental costs of acquiring your securities can be added to the total purchase price and apportioned in the same manner as demonstrated in the example.

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