

# **Tax Statement Guide 2019**

Essential information to help  
you complete your 2019  
Australian income tax return

# SYD

## **Disclaimer**

The information provided in this 2019 SYD Tax Statement Guide is given in good faith from sources believed to be accurate at 15 August 2019 but, to the extent permitted by law, no warranty of accuracy or reliability is given and no responsibility arising in any other way including by reason of negligence for errors or omissions herein is accepted by Sydney Airport Limited (ACN 165 056 360) and The Trust Company (Sydney Airport) Limited (ACN 115 967 087) (AFSL 301162) as responsible entity for Sydney Airport Trust 1 (ARSN 099 597 921) or any other person.

This Guide is not intended to be tax advice and investors should consult a professional tax adviser, if necessary, for tax advice required in connection with completion of tax returns.

# Chief Executive Officer's message

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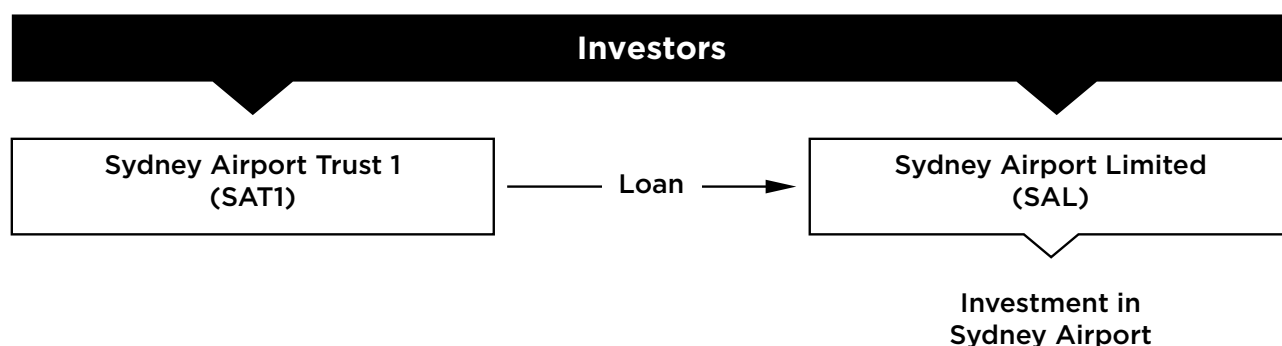
Dear SYD Investor,

We have sent you your 2019 SYD Tax Statement, which contains information you need to help you complete your 2019 Australian income tax return. This 2019 SYD Tax Statement Guide will help you to use that information to complete that return.

If you were a holder of SYD securities at 29 June 2018 and/or 31 December 2018, you received distributions from Sydney Airport Trust 1 (“**SAT1**”) and dividends from Sydney Airport Limited (“**SAL**”) that were paid on 14 August 2018 and/or 14 February 2019. These amounts need to be taken into account for the purposes of your 2019 Australian income tax return.

Parts A and B of this Guide will assist in relation to this.

SYD consists of two entities listed on the Australian Securities Exchange (“**ASX**”): SAT1 and SAL. The units in SAT1 and the shares in SAL are stapled, meaning they cannot be traded separately. SAT1 and SAL have a 31 December tax year end. The following illustrates a summarised structure of SYD and its investment in Sydney Airport.



This Guide has been prepared specifically for individuals who were tax residents of Australia throughout the year ended 30 June 2019 and who held their SYD securities on capital account.

However, the information in the Guide should also be of assistance to other investors.

If you are an individual who was a resident of Australia for income tax purposes throughout the year ended 30 June 2019, you will need:

- Your 2019 SYD Tax Statement;
- This 2019 SYD Tax Statement Guide; and
- A copy of the Australian Taxation Office (“**ATO**”) Individual tax return instructions 2019 (“the **ATO instructions**”) and the ATO Individual tax return instructions supplement 2019 (“the **online ATO instructions supplement**”) available from the ATO website, and (possibly) copies of certain other ATO publications.

If you disposed of any or all of your SYD stapled securities during the year ended 30 June 2019 (or entered into a contract on or before 30 June 2019 to do so) you also need to address the income tax (including Capital Gains Tax (“**CGT**”)) consequences of that disposal. Part B of this Guide will give you information which will assist you. Please note that the 2011 Simplification<sup>1</sup> affected the cost base of SYD stapled securities held by investors at that time. You may have already calculated the cost base of your SYD securities as at 19 December 2011 as part of preparing your income tax return for a subsequent year. If you did not, then we recommend you refer to section B4 of your 2012 SYD Tax Statement Guide to assist you to calculate the cost base of your SYD stapled securities as at 19 December 2011.

<sup>1</sup> The 2011 Simplification relates to SYD disposing of its interests in Brussels and Copenhagen airports and increasing its interest in Sydney Airport. SYD changed its name from MAp (MAp Airports) to SYD (Sydney Airport) and simplified its structure. For further information on the 2011 Simplification, please refer to the 2012 SYD Tax Statement Guide.

## Chief Executive Officer's message (continued)

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If you are preparing a tax return for an entity that is NOT an individual, but it was a resident of Australia for income tax purposes throughout the year ended 30 June 2019, you will need to:

- Reflect distributions from SYD appropriately in your 2019 Australian income tax return. Your 2019 SYD Tax Statement should give you the information you need; and
- Reflect any relevant gain or loss on disposal of any or all of your SYD stapled securities during the year in your 2019 Australian income tax return. Part B of this Guide will give you information which will assist you in computing any CGT results.

If you were NOT a resident of Australia throughout the year ended 30 June 2019, you will need to decide whether to lodge a 2019 Australian income tax return. The information in your 2019 SYD Tax Statement and in this Guide will assist you to complete your tax return, if necessary.

If you need further factual information please contact the SYD Investor Relations team on the toll free number 1800 181 895. You should consult your tax adviser if you require tax advice on any of the points discussed.

You should keep your 2019 SYD Tax Statement and a copy of this Guide with your tax papers in case the ATO wishes to see them.

Yours sincerely,



**Geoff Culbert**  
Chief Executive Officer

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### Pictorial overview:

Australian resident individuals reporting their distributions from SYD

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The pictorial overview on the next page shows where the relevant parts of an investor's distributions from SYD are to be included in the [Individual tax return 2019](#) and [Tax return for individuals \(supplementary section\) 2019](#). Alternatively, an investor can choose to follow Sections 1 to 4 of Part A of this Guide to report the relevant parts of their distributions in the [Individual tax return 2019](#) and [Tax return for individuals \(supplementary section\) 2019](#).

#### Comments about capital gains and losses

All SYD investors will need to go to Part B of this Guide to address their CGT results in relation to SYD for the year ended 30 June 2019.

Part B assists an investor in calculating their overall CGT results for the year in relation to their SYD investment. The overall CGT results in relation to their SYD investment are then to be taken into account, along with any other capital gains and losses of the investor, in working out the amounts to be reported at item 18 of the [Tax return for individuals \(supplementary section\) 2019](#).

Pictorial overview:

Australian resident individual reporting their distributions from SYD (continued)

**2019 SYD Tax Statement  
Information for your 2019 Tax Return**

2019 SYD Tax Statement Guide can be downloaded at  
<https://www.sydneyairport.com.au/investor/investors-centre/stock-information/tax-tools>

This statement has been prepared for persons who were residents of Australia for income tax purposes throughout the year ended 30 June 2019 and held their SYD investments on capital account. It will assist those persons with the completion of their 2019 income tax returns. This statement should be read together with the 2019 SYD Tax Statement Guide. Should you have any questions relating to your personal tax position, it is recommended that you contact your accountant or taxation adviser.

**SYD Distributions for the year ended 31 December 2018  
- paid on 14 August 2018 and 14 February 2019**

	Cash Distributions	Taxable Income	Tax Return for Individuals (Supplementary section)
<b>Australian Income</b>			
Interest income	\$0.000000	\$0.000000 <sup>(1)</sup>	13U
<b>Tax-deferred distributions</b>			
Paid on 14 August 2018	\$0.000000 <sup>(2)</sup> (A)		
Paid on 14 February 2019	\$0.000000 <sup>(3)</sup> (A)		
<b>Gross Cash Distribution from SAT1</b>	\$ xxx		
Less TFN tax withheld - SAT1	\$ xxx <sup>(4)</sup> (B)		13R
<b>Unfranked dividend paid by SAL</b>	\$0.00 (C)	\$0.000000 <sup>(5)</sup>	11S
Less TFN tax withheld - SAL	\$0.00 <sup>(6)</sup> (B)		11V
Less Non-resident tax withheld (SAT1 & SAL)	\$ xxx (D)		
<b>Net Cash Distributions</b>	\$ xxx		

### Income

**13 Partnerships and trusts** Include any deferred non-commercial business losses from a prior year at **X** or **Y** as appropriate and insert the relevant code in the **TYPE** box.

**Primary production**

Distribution from partnerships **N** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ]

Share of net income from trusts **L** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ]

Landcare operations and deduction for decline in value of water facility, fencing asset and fodder storage asset **I** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ]

Other deductions relating to amounts shown at **N** and **L** **X** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ] **TYPE**

Net primary production amount [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 **LOSS**

**Non-primary production**

Distribution from partnerships, less foreign income **O** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ]

Share of net income from trusts, less capital gains, foreign income and franked distributions **U** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ]

Franked distributions from trusts **C** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ]

Landcare operations expenses **J** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ]

Other deductions relating to amounts shown at **O**, **U** and **C** **Y** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ] **TYPE**

Net non-primary production amount [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 **LOSS**

Partnership share of net small business income less deductions attributable to that share **D** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ]

Trust share of net small business income less deductions attributable to that share **E** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .00 [ ]

**Share of credits from income and tax offsets**

Share of credit for tax withheld where Australian business number not quoted **P** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] . [ ] [ ]

Share of franking credit from franked dividends **Q** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] . [ ] [ ]

Share of credit for tax file number amounts withheld from interest, dividends and unit trust distributions **R** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] . [ ] [ ]


Credit for TFN amounts withheld from payments from closely held trusts **M** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] . [ ] [ ]

Share of credit for tax paid by trustee **S** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] . [ ] [ ]

Share of credit for foreign resident withholding amounts (excluding capital gains) **A** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] . [ ] [ ]

Share of National rental affordability scheme tax offset **B** [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] . [ ] [ ]

Show amounts of:  
 capital gains from trusts at item 18 and  
 foreign income at item 19 or 20.

26790619 

Show amounts of:  
 credit for foreign resident capital gains withholding from trusts at item 18.

**11 Dividends** If you are a foreign-resident make sure you have printed your country of residence on page 1.

Unfranked amount **S** \$ [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .~~X~~

Franked amount **T** \$ [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .~~X~~

Tax file number amounts withheld from dividends **V** \$ [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .~~X~~

Franking credit **U** \$ [ ][ ][ ][ ][ ][ ][ ][ ][ ][ ] .~~X~~

Extract from 2019 SYD Tax Statement

Extract from Tax Return

## Part A: How to complete your Individual tax return 2019 using your 2019 SYD Tax Statement

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The relevant sections in this Guide depend on where amounts appear on your 2019 SYD Tax Statement.

If there is an amount next to the number below on your 2019 SYD Tax Statement, you can go to the relevant section of Part A of this Guide.

<b>Reference number on 2019 SYD Tax Statement</b>	<b>Nature of item</b>	<b>Part and Section of this Guide</b>
(1)	Australian non-primary production income	Part A, Section 1
(2) & (3)	Tax-deferred amount	Part A, Section 2
(4) & (6)	Tax withheld	Part A, Section 3
(5)	Unfranked dividends	Part A, Section 4



## **Part A:** How to complete your Individual tax return 2019 using your 2019 SYD Tax Statement (continued)

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### **Section 1 – Australian non-primary production income**

This amount is shown beside (1) on your 2019 SYD Tax Statement.

#### **Step A**

Go to question 13 on the [online ATO instructions supplement](#) and answer 'YES' to the question on that page.

#### **Step B**

Work through question 13. The amount shown beside (1) on your 2019 SYD Tax Statement is covered at Step 2 of Part B of question 13 of the [online ATO instructions supplement](#). It is to be included in the amount to be shown at U in item 13 of your [Tax return for individuals \(supplementary section\) 2019](#).

#### **Step C**

Continue working through question 13 of the [online ATO instructions supplement](#). When you come to Part F, see Section 3 (page 10).

### **Section 2 – Tax-deferred amounts**

On your SYD Tax Statement, you will find (2) and (3) beside any tax-deferred amounts you received from SAT1. Assuming you held your SYD investment on capital account for income tax purposes, these parts of SAT1's distributions were "tax-deferred". This means that they should not form part of your assessable income for tax purposes, and do not have to be reported in your 2019 Australian income tax return, except possibly as described below.

Receipt of a tax-deferred amount reduces the cost base and reduced cost base of the units on which it is received for CGT purposes. To the extent that a tax-deferred amount exceeds your cost base, then you will make an immediate capital gain equal to that excess. Investors should check whether they have a capital gain by going to Part B, Sections B2 and B3.

### **Part A:** How to complete your Individual tax return 2019 using your 2019 SYD Tax Statement (continued)

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#### **Section 3 – Share of credits from income and tax offsets (for tax withheld)**

If tax was withheld from your distribution(s), it is shown beside (4) and (6) on your 2019 SYD Tax Statement.

If there is an amount beside (4) on your 2019 SYD Tax Statement, the amount relates to a distribution from SAT1 and it is relevant at Part F (as you are working through question 13 of the [online ATO instructions supplement](#)).

If the amount of tax withheld shown beside item (4) on your 2019 SYD Tax Statement has not previously been refunded to you, you should include it at R, question 13 of your [Tax return for individuals \(supplementary section\) 2019](#).

This amount represents Tax File Number (“TFN”) withholding tax deducted from your distribution from SAT1 because you did not provide a TFN or (where relevant) an Australian Business Number (“ABN”) and you did not claim an exemption for your SYD investment.

If there is an amount beside (6) on your 2019 SYD Tax Statement, the amount relates to the unfranked dividend paid by SAL and it is relevant at Step 4 (as you are working through question 11 of the [ATO instructions](#)). If the amount of tax withheld shown beside (6) on your 2019 SYD Tax Statement has not previously been refunded to you, you should include it at V, question 11 on page 3 of your [Individual tax return 2019](#).

This amount represents TFN withholding tax deducted from your unfranked dividend paid by SAL because you did not provide a TFN or (where relevant) an ABN and you did not claim an exemption for your SYD investment.

#### **Section 4 – Unfranked dividends**

This amount is shown beside (5) on your 2019 SYD Tax Statement.

##### **Step A**

Go to question 11 of the [ATO instructions](#) and answer ‘YES’ to the question on that page.

##### **Step B**

Work through question 11. The amount shown beside (5) on your 2019 SYD Tax Statement is covered at Step 1 of question 11 of the [ATO instructions](#). It is to be included in the amount to be shown at S in Item 11 on page 3 of your [Individual tax return 2019](#).

## Part B:

### Capital gains and losses

- Capital gains (if any) arising in respect of tax-deferred distributions made by SYD
- Capital gains or losses on disposals of your SYD investment

### Section B1: Summary of capital gains and losses from your SYD investment

There are various matters you need to work through in order to compute your CGT outcomes for the year ended 30 June 2019 in relation to your SYD investment. This Part B has been prepared to assist you to do this, on the assumptions that you are an individual who was a resident of Australia<sup>1</sup> for income tax purposes throughout the year ended 30 June 2019 and that you held your investment in SYD on capital account.

#### Step A

You should complete the following summary table:

	Discount capital gains	Non-discount capital gains	Capital losses
<p><b>Row 1: Did you receive the distribution that SYD paid on 14 August 2018?</b></p> <p>If you did, it is possible that the tax-deferred amount included in that distribution gave rise to a capital gain for you. If necessary, Section B2 will assist you to work out if you had such a capital gain (and, if you had, whether it was a discount capital gain or a non-discount capital gain). If you had such a capital gain, you should copy your answer from Section B2 to here.</p>			N/A
<p><b>Row 2: Did you receive the distribution that SYD paid on 14 February 2019?</b></p> <p>If you did, it is possible that the tax-deferred amount included in that distribution gave rise to a capital gain for you. If necessary, Section B3 will assist you to work out if you had such a capital gain (and, if you had, whether it was a discount capital gain or a non-discount capital gain). If you had such a capital gain, you should copy your answer from Section B3 to here.</p>			N/A
<p><b>Row 3: Did you dispose of any or all of your SYD investment during the year ended 30 June 2019?</b></p> <p>If so, Section B4 will assist you to work out your capital gains or capital losses. You should work through Section B4 and copy your answer from Section B4 to here.</p>			
<b>Totals:</b> add up each column and insert the totals here.			

<sup>1</sup> If you were not a resident of Australia for tax purposes at any time in the year ended 30 June 2019 and held your investment in SYD on capital account, it is likely that any capital gains or losses you made on your SYD investment should be disregarded for Australian CGT purposes – but you should consider this for yourself in light of your own circumstances. If you were a tax resident of Australia but were not an individual (e.g. a company), the information in this Guide and in the 2019 SYD Tax Statement should still assist you.

## Part B:

### Capital gains and losses (continued)

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#### Step B

Go to question 18 of the [online ATO instructions supplement](#) and answer 'YES' to the question on that page. Use the publication [Personal investors guide to capital gains tax 2019](#) (NAT4152) to assist you to calculate your capital gain. Work through question 18 of that supplement. Doing this will assist you to report all your capital gains and losses, including from your SYD investment, at question 18 of your [Tax return for individuals \(supplementary section\) 2019](#).

When you come to Step 2 of question 18 of the [online ATO instructions supplement](#), take into account the totals from Part B, Section B1, Step A (on page 11 of this Guide). Those amounts represent, for your SYD investment, the totals of:

- your discount capital gains, if any (these are eligible for a CGT discount);<sup>2</sup>
- your non-discount capital gains, if any (these are not eligible for a CGT discount); and
- your capital losses, if any.

At Step 3 of question 18 of the [online ATO instructions supplement](#) remember that, when working out how to apply any unapplied net capital losses from earlier years and/or any current year capital losses, it is usually advantageous to apply them first against any capital gains that are not eligible for a CGT discount. After that is done, any remaining capital losses are applied against capital gains eligible for a CGT discount. After that is done, for any capital gains that remain, the 50% discount is taken into account (for individuals who are tax residents of Australia) i.e. those remaining capital gains are reduced by 50%.<sup>2</sup>

#### Other comments that may assist you

The following comments may assist you as you address your capital gains or losses.

#### Revenue vs capital account

As stated above, Part B of this Guide has been prepared to assist individuals who were investors in SYD who held their SYD investment on capital account and who were tax residents of Australia throughout the year ended 30 June 2019.

While many investors hold investments such as SYD stapled securities on capital account, in certain circumstances, including where such an investment was held as part of the assets of a business, the investment may have been held on revenue account.

If you held your SYD investment on revenue account, you may have a revenue gain or loss which you will need to compute.

If you believe that you held your SYD investment on revenue account, or you are in any doubt, you should consult your tax adviser.

#### Time of disposal

Row 3 in the table from Part B, Section B1, Step A (on page 11 of this Guide) asked whether you had disposed of some or all of your SYD investment. For CGT purposes, the time of disposal of an investment under a contract is the time of the contract to make the disposal. For example, if you entered into such a contract by 30 June 2019 but it did not settle until after that date, you need to take the resultant capital gain or loss into account for the year ended 30 June 2019 (in Section B4).<sup>2</sup>

#### Discount capital gain

A discount capital gain is a capital gain that arises on an investment that has been held for 12 months<sup>3</sup> or more such that it is eligible for a 50% CGT discount if you are an individual that is a tax resident of Australia. This means that, after you apply any available capital losses against a discount capital gain, the part (if any) of the discount capital gain remaining is then reduced (or discounted) by half for purposes of working out the amount to be included in your taxable income.<sup>2</sup>

<sup>2</sup> If you were not a resident of Australia for tax purposes at any time in the year ended 30 June 2019 and held your investment in SYD on capital account and made a capital gain, you will need to seek independent advice in relation to the CGT discount.

<sup>3</sup> The ATO measures the period of 12 months for this purpose exclusive of both the acquisition date and the disposal date.

## Part B:

### Capital gains and losses (continued)

#### Section B2: Tax-deferred amount paid by SAT1 on 14 August 2018

If you received the distribution that SYD paid on 14 August 2018, you will find (2) on your 2019 SYD Tax Statement beside the tax-deferred amount you received in that distribution. You received this from SAT1. This part of that SAT1 distribution was tax-deferred. Assuming you held your SYD investment on capital account for income tax purposes, the tax deferred part of the distribution does not form part of your assessable income for tax purposes and does not have to be reported in your 2019 Australian income tax return, except possibly as described below.

The tax-deferred amounts reduce the “cost base” and “reduced cost base” of your units in SAT1 for CGT purposes. To the extent that a tax-deferred amount exceeds your cost base, then you will make an immediate capital gain equal to that excess.

The capital gain may be a discount capital gain where the SAT1 units had been held for more than 12 months.<sup>4</sup>

You should complete the following table (by inserting “0”, or the appropriate positive amounts, in the boxes).

	Discount capital gains	Non-discount capital gains	Capital losses
<b>Row 1: Did you receive the distribution that SYD paid on 14 August 2018?</b>  If you did, it is possible that the tax-deferred amount included in that distribution gave rise to a capital gain for you. If you had such a capital gain, insert it in the relevant box or boxes here; otherwise insert “0”.			N/A

You should copy the amounts in the boxes above to Row 1 in the table in Section B1.

<sup>4</sup> The ATO measures the period of 12 months for this purpose exclusive of both the acquisition date and the disposal date.

## Part B:

Capital gains and losses (continued)

### Section B3: Tax-deferred amount paid by SAT1 on 14 February 2019

If you received the distribution that SYD paid on 14 February 2019, you will find (3) on your 2019 SYD Tax Statement beside the tax-deferred amount you received in that distribution. You received this from SAT1. This part of that SAT1 distribution was tax-deferred. Assuming you held your SYD investment on capital account for income tax purposes, the tax deferred part of the distribution does not form part of your assessable income for tax purposes and does not have to be reported in your 2019 Australian income tax return, except possibly as described below.

The tax-deferred amounts reduce the “cost base” and “reduced cost base” of your units in SAT1 for CGT purposes. To the extent that a tax-deferred amount exceeds your cost base, then you will make an immediate capital gain equal to that excess.

The capital gain may be a discount capital gain where the SAT1 units had been held for more than 12 months.<sup>5</sup>

You should complete the following table (by inserting “0”, or the appropriate positive amounts, in the boxes).

	Discount capital gains	Non-discount capital gains	Capital losses
<p><b>Row 2: Did you receive the distribution that SYD paid on 14 February 2019?</b></p> <p>If you did, it is possible that the tax-deferred amount included in that distribution gave rise to a capital gain for you. If you had such a capital gain, insert it in the relevant box or boxes here; otherwise insert “0”.</p>			N/A

You should copy the amounts in the boxes above to Row 2 in the table in Section B1.

<sup>5</sup> The ATO measures the period of 12 months for this purpose exclusive of both the acquisition date and the disposal date.

## Part B:

### Capital gains and losses (continued)

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#### Section B4: Capital gains or losses on a disposal of SYD stapled securities after the 2013 Simplification

Since the 2013 Simplification, a SYD stapled security has comprised one share in SAL stapled to one unit in SAT1. For CGT purposes, a unit in SAT1 and a share in SAL are two separate CGT assets.

If you disposed of SYD stapled securities by a trade made on the ASX during the year ended 30 June 2019, you will need to perform separate CGT calculations for each of your investments in SAT1 and SAL.

This means that, for each SYD stapled security, you will need to know the cost base, reduced cost base and date of acquisition (for CGT purposes) of the unit in SAT1 and of the share in SAL.

##### 1) Establishing your cost base

###### a. SYD stapled securities held on completion of the 2011 Simplification

For any SYD stapled securities that you held on completion of the 2011 Simplification on 19 December 2011, you need to know:

- the cost base, reduced cost base, and date of acquisition (for CGT purposes) of each parcel of SAT1 units as at 19 December 2011 (immediately after the 2011 Simplification); and
- the cost base, reduced cost base, and date of acquisition (for CGT purposes) of each parcel of SAL shares (formerly Sydney Airport Trust 2 (“SAT2”) units) as at 19 December 2011 (immediately after the 2011 Simplification).

You may already have all of this information from your 30 June 2012 tax return if you followed Section B4 of your 2012 SYD Tax Statement Guide<sup>6</sup>. If you do not, then we recommend you refer to Section B4 of the 2012 SYD Tax Statement Guide<sup>6</sup> to assist you to obtain the information required above.

Provided that you obtained all of the information recommended in Section B4 of the 2012 SYD Tax Statement Guide<sup>6</sup>, you do not need to do anything further in relation to any tax-deferred distributions you received (on your SAT1 units) prior to 19 December 2011. This is because the cost base and reduced cost base of those units that were worked out at Section B4 of the 2012 SYD Tax Statement Guide<sup>6</sup> have already taken any such distributions into account.

###### b. Splitting your acquisition cost for acquisitions after the 2011 Simplification but before the 2013 Simplification

If you acquired SYD stapled securities by subscription, Appendix 3 will help you to split your SYD stapled security acquisition cost between a unit in SAT1 and a unit in SAT2. Appendix 3 sets out all the dates and prices at which SYD stapled securities have been issued and shows the proportion of the price of each SYD stapled security that related to a unit in SAT1 and a unit in SAT2.

If you acquired SYD stapled securities under a trade made on the ASX on or after 6 December 2011<sup>7</sup>, you will need to decide the proportion of your purchase price for each SYD stapled security that related to the unit in SAT1 and the unit in SAT2. Appendix 1 is an allocation of value between SAT1 and SAL that you may choose to use for this purpose. SYD considers that Appendix 1 reflects the allocation implied by the traded prices on the ASX. Note that the SAL column represents the SAT2 value allocation prior to the 2013 Simplification.

<sup>6</sup> Available on SYD's website at <https://www.sydneyairport.com.au/investor/investors-centre/stock-information/tax-tools>.

<sup>7</sup> If you entered into a trade on the ASX on or after 6 December 2011 but before 3 December 2013 to acquire your SYD investment, then: (i) you did not participate in the 2011 Simplification; and (ii) in respect of that investment on settlement of the trade, you received SAT1 units and SAT2 units.

## Part B:

### Capital gains and losses (continued)

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#### c. Cost base of your SAL shares that you received from the 2013 Simplification

The first element of your cost base (or reduced cost base, if applicable) for the SAL shares received by you under the 2013 Simplification will be equal to the cost base (or reduced cost base) of your SAT2 units that were disposed of. Section B3 of the [2014 SYD Tax Statement Guide](#) provides guidance on how to calculate your cost base of your SAT2 units.<sup>8</sup>

For the purposes of determining whether the CGT discount is available on a subsequent disposal of the SAL shares, you will be taken to have acquired your SAL shares at the time that your SAT2 units were originally acquired.

#### d. Splitting your acquisition cost for acquisitions on the ASX after the 2013 Simplification

If you acquired SYD stapled securities under the SYD Distribution Reinvestment Plan (“DRP”), Appendix 3 will help you to split your SYD stapled security acquisition cost between a unit in SAT1 and a share in SAL. Appendix 3 sets out all the dates and prices at which SYD stapled securities have been issued, or provided under the DRP, and shows the proportion of the price of each SYD stapled security that related to a unit in SAT1 or a share in SAL.

If you acquired SYD stapled securities under a trade made on the ASX, you will need to decide the proportion of your purchase price for each SYD stapled security that related to a unit in SAT1 and a share in SAL. Appendix 1 is an allocation of value between the entities that you may choose to use for this purpose. SYD considers that Appendix 1 reflects the allocation implied by the traded prices on the ASX. Note that the SAL column represents the SAT2 value allocation prior to the 2013 Simplification.

#### e. Tax-deferred distributions

Appendix 2 shows the tax-deferred amounts distributed by SAT1 since 19 December 2011. If you received any of these distributions, reduce the “cost base” and the “reduced cost base” of your units in SAT1 (if you held those units on capital account) in respect of that tax-deferred distribution. Parts of the distributions made by SAT1 on 14 August 2018 and 14 February 2019 were tax-deferred.

Please note that SAT2 has never made any tax-deferred distributions. From 3 December 2013, SAL (as a company) has not made any capital payments in respect of its shares that would result in a cost base reduction.

Remember that, provided you obtained all the recommended information in Section B4 of your [2012 SYD Tax Statement Guide](#),<sup>8</sup> you should not need to address any tax-deferred distributions you received before 19 December 2011 – see “(a) SYD stapled securities held on completion of the 2011 Simplification” earlier in this Section B4 on page 15 of this Guide.

#### f. Inclusions in cost base

Remember that any incidental costs of acquisition and disposal (such as broker fees) should be included in the cost base and the reduced cost base of your SAT1 and SAT2 units (SAL shares from 3 December 2013) acquired (either on the ASX or otherwise) or sold on the ASX.

<sup>8</sup> Available on SYD's website at <https://www.sydneyairport.com.au/investor/investors-centre/stock-information/tax-tools>.



## Part B:

### Capital gains and losses (continued)

#### 2) Sales proceeds

##### a. Splitting your sales proceeds

You will need to split the sales proceeds of each SYD stapled security into the part referable to the unit in SAT1 and the part referable to a share in SAL. Appendix 1 is an allocation of value between the entities that you may choose to use for this purpose. SYD considers that Appendix 1 reflects the allocation implied by the traded prices on the ASX. Note that the SAL column represents the SAT2 value allocation prior to the 2013 Simplification.

##### b. Reduction of sales proceeds where attribution credits had arisen

If you disposed of SYD stapled securities during the 30 June 2019 year and you had a credit balance in your attribution account(s) in respect of any of the Controlled Foreign Companies (“CFCs”) held by SAT1 (previously known as Macquarie Airports Trust 1) in prior years, you should be entitled to reduce the sales proceeds in respect of your SAT1 units by the amount(s) of those credit balances.

The information in your [2005 MAP Tax Statement Guide](#)<sup>9</sup> will assist you if you wish to work out whether you had a credit balance in your attribution account(s) from 2005 or earlier years in respect of CFCs of SAT1. Please note that no further CFC attribution credits arose after the 2005 year.

If you choose to explore this further, you should seek professional assistance.

#### 3) Working out your capital gains or losses on a disposal of SYD stapled securities by a trade on the ASX during the year ended 30 June 2019 if you are an individual holding your SYD securities on capital account.

If you are an individual and you entered into a trade on the ASX to sell some or all of your SYD investment, your CGT result in respect of that sale should generally be as follows in respect of your unit in SAT1 and share in SAL:

- If you held your units and shares for less than 12 months<sup>10</sup>: your capital gain or loss is the difference between your sales proceeds and your cost base or reduced cost base (after adjusting, in both cases, for any tax-deferred amounts); or
- If you held your units and shares for 12 months<sup>10</sup> or more, and your sales proceeds were less than your reduced cost base (after adjusting for any tax-deferred amounts): your capital loss is the difference between the two amounts; or
- If you held your units and shares for 12 months<sup>10</sup> or more, and your sales proceeds exceeded your cost base (after reduction for any tax-deferred amounts): your capital gain is the difference between the two amounts and is called a discount capital gain.

If you participated in the 2013 Simplification, note that for the purposes of determining whether “you held your SAL shares for 12 months or more”, you will be taken to have acquired these SAL shares at the time that your SAT2 units were originally acquired.

“Sales proceeds” is the amount after any reduction in respect of CFC attribution account credit balances.

After working out your discount capital gains, non-discount capital gains, and capital losses (if any) from your disposal of SYD stapled securities in the year ended 30 June 2019, you should complete the following table by inserting relevant amounts, or “0” if applicable, in the boxes.

	Discount capital gains	Non-discount capital gains	Capital losses
<b>Row 3: Did you dispose of any or all of your SYD investment during the year ended 30 June 2019?</b>			
If so, insert your capital gains or capital losses on disposal here, otherwise insert “0”.			

You should copy the amounts in the boxes above to Row 3 in the table in Section B1.

<sup>9</sup> Available on SYD’s website at <https://www.sydneyairport.com.au/investor/investors-centre/stock-information/tax-tools>.

<sup>10</sup> The ATO measures the period of 12 months for this purpose exclusive of both the acquisition date and the disposal date.

## Definitions

<b>ABN</b>	Australian Business Number
<b>ASX</b>	Australian Securities Exchange
<b>ATO</b>	Australian Taxation Office
<b>ATO instructions</b>	The ATO Individual tax return instructions 2019 <a href="https://www.ato.gov.au/uploadedFiles/Content/IND/downloads/Individual-tax-return-instructions-2019.pdf">https://www.ato.gov.au/uploadedFiles/Content/IND/downloads/Individual-tax-return-instructions-2019.pdf</a>
<b>CGT</b>	Capital Gains Tax
<b>DRP</b>	SYD Distribution Reinvestment Plan
<b>Guide</b>	2019 Sydney Airport Tax Statement Guide
<b>online ATO instructions supplement</b>	The ATO Individual tax return instructions supplement 2019 (this is only available online from <a href="https://www.ato.gov.au/Individuals/Tax-return/2019/Supplementary-tax-return/">https://www.ato.gov.au/Individuals/Tax-return/2019/Supplementary-tax-return/</a> )
<b>SAL</b>	Sydney Airport Limited
<b>SAT1</b>	Sydney Airport Trust 1
<b>SAT2</b>	Sydney Airport Trust 2
<b>SYD</b>	ASX-listed Sydney Airport comprising SAL and SAT1
<b>TFN</b>	Tax File Number
<b>2011 Simplification</b>	The 2011 Simplification relates to SYD disposing of its interests in Brussels and Copenhagen airports and increasing its interest in Sydney Airport. SYD changed its name from MAp (MAp Airports) to SYD (Sydney Airport) and simplified its structure. For further information on the 2011 Simplification, please refer to the <a href="https://www.sydneyairport.com.au/investor/investors-centre/stock-information/tax-tools">2012 SYD Tax Statement Guide</a> available on Sydney Airport's website at <a href="https://www.sydneyairport.com.au/investor/investors-centre/stock-information/tax-tools">https://www.sydneyairport.com.au/investor/investors-centre/stock-information/tax-tools</a> .
<b>2013 Simplification</b>	Following SYD moving to 100% ownership of Sydney Airport, further structural simplification was possible. Under the simplification of 3 December 2013, all SYD investors received shares in SAL in exchange for their units in SAT2. For further information on the 2013 Simplification please refer to the <a href="https://www.sydneyairport.com/investor/investors-centre/asx-newsroom">Explanatory Memorandum</a> available on Sydney Airport's website at <a href="https://www.sydneyairport.com/investor/investors-centre/asx-newsroom">https://www.sydneyairport.com/investor/investors-centre/asx-newsroom</a> .

## Appendix 1

Allocation of value of each SYD stapled security between a unit in SAT1 and a share in SAL<sup>1</sup> (since the 2011 Simplification)

Value of SYD stapled security which related to:	A unit in SAT1	A share in SAL <sup>1</sup>	Value of SYD stapled security which related to:	A unit in SAT1	A share in SAL <sup>1</sup>
December 2011	30.53%	69.47%	October 2015	17.76%	82.24%
January 2012	31.04%	68.96%	November 2015	17.95%	82.05%
February 2012	31.50%	68.50%	December 2015	14.80%	85.20%
March 2012	32.02%	67.98%	January 2016	14.80%	85.20%
April 2012	32.52%	67.48%	February 2016	14.96%	85.04%
May 2012	33.05%	66.95%	March 2016	15.13%	84.87%
June 2012	30.63%	69.37%	April 2016	15.07%	84.93%
July 2012	31.16%	68.84%	May 2016	15.24%	84.76%
August 2012	31.72%	68.28%	June 2016	14.82%	85.18%
September 2012	32.25%	67.75%	July 2016	14.75%	85.25%
October 2012	32.80%	67.20%	August 2016	14.92%	85.08%
November 2012	33.36%	66.64%	September 2016	15.08%	84.92%
December 2012	30.43%	69.57%	October 2016	15.03%	84.97%
January 2013	30.78%	69.22%	November 2016	15.16%	84.84%
February 2013	31.31%	68.69%	December 2016	14.15%	85.85%
March 2013	31.85%	68.15%	January 2017	14.11%	85.89%
April 2013	32.38%	67.62%	February 2017	14.26%	85.74%
May 2013	32.97%	67.03%	March 2017	14.42%	85.58%
June 2013	31.35%	68.65%	April 2017	14.35%	85.65%
July 2013	32.32%	67.68%	May 2017	14.49%	85.51%
August 2013	32.95%	67.05%	June 2017	14.11%	85.89%
September 2013	34.32%	65.68%	July 2017	14.06%	85.94%
October 2013	34.92%	65.08%	August 2017	14.22%	85.78%
November 2013	35.39%	64.61%	September 2017	14.38%	85.62%
December 2013	21.42%	78.58%	October 2017	14.32%	85.68%
January 2014	21.68%	78.32%	November 2017	14.47%	85.53%
February 2014	21.93%	78.07%	December 2017	11.47%	88.53%
March 2014	22.19%	77.81%	January 2018	11.44%	88.56%
April 2014	21.76%	78.24%	February 2018	11.55%	88.45%
May 2014	22.01%	77.99%	March 2018	11.68%	88.32%
June 2014	21.36%	78.64%	April 2018	11.64%	88.36%
July 2014	21.04%	78.96%	May 2018	11.76%	88.24%
August 2014	21.54%	78.46%	June 2018	11.43%	88.57%
September 2014	21.78%	78.22%	July 2018	11.42%	88.58%
October 2014	21.66%	78.34%	August 2018	11.54%	88.46%
November 2014	21.90%	78.10%	September 2018	11.66%	88.34%
December 2014	17.51%	82.49%	October 2018	11.63%	88.37%
January 2015	17.49%	82.51%	November 2018	11.74%	88.26%
February 2015	17.68%	82.32%	December 2018	11.02%	88.98%
March 2015	17.88%	82.12%	January 2019	10.98%	89.02%
April 2015	17.81%	82.19%	February 2019	11.09%	88.91%
May 2015	18.01%	81.99%	March 2019	11.21%	88.79%
June 2015	17.45%	82.55%	April 2019	11.17%	88.83%
July 2015	17.43%	82.57%	May 2019	11.29%	88.71%
August 2015	17.63%	82.37%	June 2019	10.26%	89.74%
September 2015	17.83%	82.17%			

Assumption: it is assumed that the value of a SYD stapled security during a month or other period may fairly be allocated between a unit in SAT1 and a share in SAL (previously a unit in SAT2 prior to 3 December 2013) based on the respective net asset backings of the SYD stapled securities at the end of the month or other period.

<sup>1</sup> Prior to the 2013 Simplification that was implemented on 3 December 2013, a share in SAL was a unit in SAT2.

## Appendix 2

Tax-deferred distributions made by SAT1 since 19 December 2011

<b>Date</b>	<b>Tax-deferred distribution made per unit</b>
16 February 2012	3.2508 cents
16 August 2012	3.5910 cents
14 February 2013	2.2674 cents
16 August 2013	0.2060 cents
14 February 2014	0.1779 cents
15 August 2014	0.0047 cents
12 February 2015	0.0046 cents
14 August 2015	0.0221 cents
12 February 2016	0.0227 cents
12 August 2016	0.0086 cents
14 February 2017	0.0086 cents
14 August 2017	0.0210 cents
14 February 2018	0.0214 cents
14 August 2018	0.0054 cents
14 February 2019	0.0055 cents

More information is included on the SYD website at [www.sydneyairport.com.au/investors](http://www.sydneyairport.com.au/investors)

### **Tax-deferred distributions made by SAL since 19 December 2011**

Please note that SAT2 did not make any tax-deferred distributions to investors between 19 December 2011 and 3 December 2013. From 3 December 2013, SAL (as a company) has not made any capital payments in respect of its shares that would result in a cost base reduction.

## Appendix 3

Date of issue	Type of issue	Issue price per stapled security		Issue price of share in SAL (prior to 3 December 2013 a unit in SAT2)		Issue price of unit in SAT1	
		\$	%	\$	%	\$	%
21 August 2013	Institutional Placement <sup>1</sup>	3.60	100	2.44	67.68	1.16	32.32
21 August 2013	Allotment <sup>2</sup>	3.55	100	2.40	67.68	1.15	32.32
23 September 2013	Allotment <sup>3</sup>	4.06	100	2.72	67.05	1.34	32.95
14 February 2014	DRP	3.65	100	2.82	77.34	0.83	22.66
15 August 2014	DRP	4.34	100	3.41	78.64	0.93	21.36
12 February 2015	DRP	4.96	100	4.09	82.49	0.87	17.51
14 August 2015	DRP	5.46	100	4.51	82.55	0.95	17.45
12 February 2016	DRP	6.15	100	5.24	85.20	0.91	14.80
12 August 2016	DRP	6.99	100	5.95	85.18	1.04	14.82
14 August 2017	DRP	6.91	100	5.94	85.89	0.97	14.11
14 February 2018	DRP	6.84	100	6.05	88.53	0.78	11.47
14 August 2018	DRP	7.15	100	6.33	88.57	0.82	11.43
14 February 2019	DRP	6.60	100	5.88	88.98	0.73	11.02

<sup>1</sup> A placement was successfully completed, issuing 85.6 million ASX-listed SYD stapled securities to institutional investors.

<sup>2</sup> 180.2 million ASX-listed SYD stapled securities were issued to Hochtief AirPort and The Future Fund Board of Guardians as consideration for their remaining unlisted indirect 8.2% ownership of Sydney Airport.

<sup>3</sup> 67.3 million ASX-listed SYD stapled securities were issued to MTA and UniSuper as consideration for their remaining unlisted indirect 3.1% ownership of Sydney Airport.

## **Corporate directory**

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ASX-listed Sydney Airport is comprised of Sydney Airport Limited (ACN 165 056 360) and Sydney Airport Trust 1 (ARSN 099 597 921).

The Trust Company (Sydney Airport) Limited (ACN 115 967 087) (AFSL 301162) is the responsible entity of SAT1.

10 Arrivals Court  
Sydney International Airport NSW 2020  
Within Australia: 1800 181 895  
Outside Australia: +61 2 9667 9871  
Web: [www.sydneyairport.com.au/investors](http://www.sydneyairport.com.au/investors)

### **Registry**

Computershare Investor Services Pty Ltd  
GPO Box 2975  
Melbourne, VIC 3001  
Within Australia: 1800 102 368  
Outside Australia: +61 3 9415 4195

**Sydney's Airport**

[sydneyairport.com.au](https://sydneyairport.com.au)

**SYD**