



Horizons ETFs Announces Estimated 2011 Annual Capital Gains Distributions

TORONTO, December 9, 2011 - Horizons Exchange Traded Funds Inc. (“**Horizons ETFs**”) announces today the estimated capital gains distributable to unitholders of the exchange traded funds managed by its affiliates (the “**ETFs**”) for the 2011 tax year as indicated in the table below. Any ETF **not** listed in the table below is **not** anticipated to have a capital gains distribution for the 2011 tax year. In respect to the Horizons BetaPro family of leveraged, inverse, inverse leveraged, spread and volatility ETFs, this would be the fifth consecutive year with no capital gains distributions.

Please note that these are estimated amounts only. Circumstances may arise which could cause these estimates to change before the ETFs’ tax year ends on December 15, 2011 and December 31, 2011, as applicable.

Each of the ETFs is required to distribute any net income and capital gains that they have earned in the year. The final annual capital gains 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. These estimated amounts are for the annual capital gains distributions and do not include estimates of any regular monthly, quarterly or semi-annual cash distributions, as applicable, including those capital gains that may form part of the monthly distributions for the Horizons Enhanced Income ETFs.

Horizons ETFs expects to announce the final year-end income and capital gains distribution amounts, as well as regular monthly, quarterly or semi-annual distribution amounts, on or about December 19, 2011. The ex-dividend date for these distributions is anticipated to be December 28, 2011, for all unitholders of record on December 30, 2011. In early 2012, the tax characteristics of all distributions for 2011 for the ETFs will be reported to brokers via CDS.

ETF/Fund Name	Ticker Symbol	Estimated Annual Capital Gain per Unit as of Dec. 8, 2011	Net Asset Value per Unit as of Dec. 8, 2011	Estimated Capital Gains as a % of NAV as of Dec. 8, 2011
Horizons Corporate Bond ETF – Class E	HAB	\$0.044	\$10.4252	0.42%
Horizons Corporate Bond ETF – Advisor Class	HAB.A	\$0.044	\$10.4382	0.42%
Horizons Seasonal Rotation ETF – Class E	HAC	\$0.568	\$12.1023	4.69%
Horizons Seasonal Rotation ETF – Advisor Class	HAC.A	\$0.591	\$12.0419	4.91%

Certain statements may constitute a forward looking statement, including those identified by the expressions “estimate” or “expect” and similar expressions (including grammatical variations thereof) to the extent they relate to the ETFs or Horizons ETFs. The forward-looking statements are not historical facts but reflect the ETFs, the ETF’s managers or Horizons ETFs current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. These and other factors should be considered carefully and readers should not place undue reliance on the ETFs’ forward looking statements. These forward-looking statements are made as of the date hereof and the ETFs do not undertake to update any forward-looking statement that is contained herein, whether as a result of new information, future events or otherwise, unless required by applicable law.

About Horizons Exchange Traded Funds Inc. (www.horizonsetfs.com)

Horizons ETFs is an innovative financial services company offering the Horizons ETFs family of ETFs. 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. With approximately \$3.4 billion in assets under management and 75 ETFs listed on the Toronto Stock Exchange, the Horizons ETFs family makes up the largest selection of ETFs in Canada. Horizons ETFs is a subsidiary of Horizons ETFs Management (Canada) Inc. and a member of the Mirae Asset Financial Group.

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