## (December 2011) Department of the Treasury

## **Report of Organizational Actions Affecting Basis of Securities**

▶ See separate instructions.

OMB No. 1545-2224

Internal Revenue Service Reporting Issuer Part I 2 Issuer's employer identification number (EIN) Issuer's name ABERDEEN AUSTRALIA EQUITY FUND, INC 13-3304681 3 Name of contact for additional information Telephone No. of contact 5 Email address of contact ABERDEEN ASSET MANAGEMENT, INC. 215-405-5700 6 Number and street (or P.O. box if mail is not delivered to street address) of contact 7 City, town, or post office, state, and Zip code of contact C/O ABERDEEN ASSET MANAGEMENT, INC., 1735 MARKET ST., 32ND FLOOR PHILADELPHIA, PA 19103 8 Date of action 9 Classification and description 3/16/2016, 6/16/2016, 9/19/2016 COMMON STOCK- REGULATED INVESTMENT COMPANY 10 CUSIP number 11 Serial number(s) 12 Ticker symbol 13 Account number(s) IAF 003011103 Organizational Action Attach additional statements if needed. See back of form for additional guestions. Part II Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► A PERCENTAGE OF THE DISTRIBUTIONS PAID IN MARCH, JUNE, AND SEPTEMBER 2016 WERE RETURN OF CAPITAL DISTRIBUTIONS AND NOT DISTRIBUTIONS OF DIVIDEND INCOME AS DEFINED UNDER INTERNAL REVENUE CODE SECTIONS 301(c)(2) AND 316. SEE ATTACHMENT. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► SEE ATTACHMENT. THE RETURN OF CAPITAL DISTRIBUTIONS WILL REDUCE THE TAX BASIS OF THE SHAREHOLDERS' SHARES IN THE ABERDEEN AUSTRALIA EQUITY FUND, INC. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► SEE ATTACHMENT.

Page 2 Form 8937 (Rev. 12-2011) Part II **Organizational Action** (continued) List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ INTERNAL REVENUE CODE SECTIONS 316, 301(c)(1) AND 301(c)(2). 18 Can any resulting loss be recognized? ► NO LOSS WILL BE RECOGNIZED AS A RESULT OF THE RETURN OF CAPITAL DISTRIBUTIONS. THE RETURN OF CAPITAL DISTRIBUTIONS WILL REDUCE THE TAX BASIS OF THE SHAREHOLDERS' SHARES IN THE ABERDEEN AUSTRALIA EQUITY FUND, INC Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ THE RETURN OF CAPITAL DISTRIBUTIONS DESCRIBED ABOVE ARE REPORTABLE IN TAX YEAR 2016. Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge. Sign 1/17/2017 Here /s/ Sharon Ferrari Signature ▶ Date > ASSISTANT TREASURER Print your name ► SHARON FERRARI Title ► Preparer's signature Print/Type preparer's name Date PTIN Check if Paid /s/ Brandon Andres self-employed 1/17/2017 **BRANDON ANDRES Preparer** 

Firm's EIN ▶

267-256-7000

Phone no.

Firm's name ► KPMG LLP

Firm's address ► 1601 MARKET STREET, PHILADELPHIA, PA 19103-2499

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Use Only** 

Aberdeen Australia Equity Fund, Inc.

EIN: 13-3304681

FORM 8937 ATTACHMENT

CUSIP (BOX 10)	TICKER SYMBOL (BOX 12)	EX-DATE	RECORD DATE	PAYABLE DATE	DISTRIBUTION AMOUNT PER SHARE	TAXABLE DIVIDEND PERCENTAGE	RETURN OF CAPITAL PERCENTAGE
3011103	IAF	3/16/2016	3/18/2016	3/28/2016	0.1700	13.222%	86.778%
CUSIP (BOX 10)	TICKER SYMBOL (BOX 12)	EX-DATE	RECORD DATE	PAYABLE DATE	DISTRIBUTION AMOUNT PER SHARE	TAXABLE DIVIDEND PERCENTAGE	RETURN OF CAPITAL PERCENTAGE
3011103	IAF	6/16/2016	6/20/2016	6/27/2016	0.1600	13.222%	86.778%
CUSIP (BOX 10)	TICKER SYMBOL (BOX 12)	EX-DATE	RECORD DATE	PAYABLE DATE	DISTRIBUTION AMOUNT PER SHARE	TAXABLE DIVIDEND PERCENTAGE	RETURN OF CAPITAL PERCENTAGE
3011103	IAF	9/19/2016	9/21/2016	9/28/2016	0.1600	13.222%	86.778%