



ADELAIDE MANAGED FUNDS
ASSET BACKED YIELD TRUST

February 2012

Adelaide Managed Funds

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1. HIGHLIGHTS

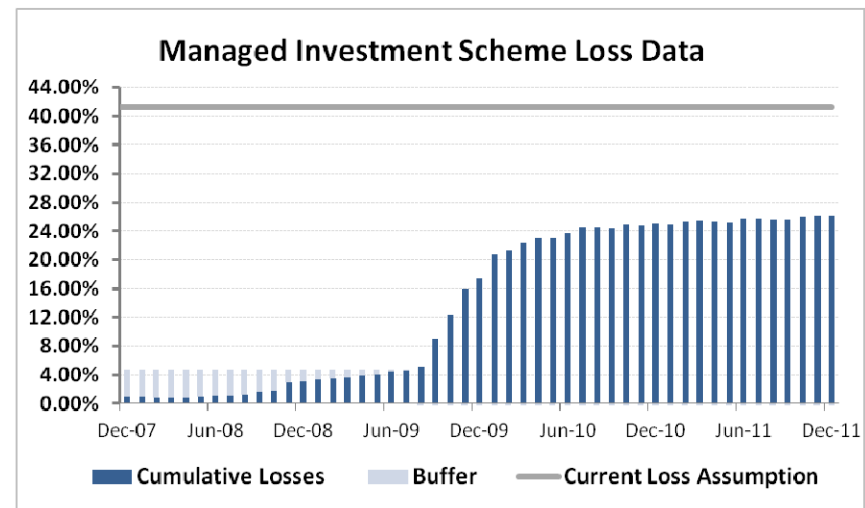
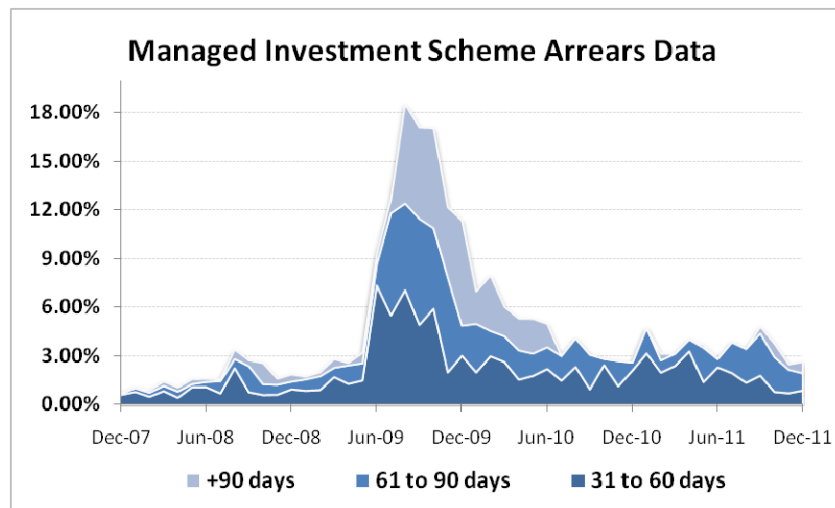
HIGHLIGHTS

- > Wind down of Fund progressing well and in line with expectations
- > Unitholders received total capital returns of 27.00 cents per Unit during 1H12
- > Unitholders received total income distributions of 0.94 cents per Unit during 1H12
- > Impairment provision raised against MIS Notes reduced by \$916,756 as at 30 November 2011
- > Fund delisted from ASX on 15 December 2011
- > APIR code (AMF0005AU) assigned on 29 December 2011
- > Computershare Investor Services now providing an 'Information Service' whereby interested buyers and sellers of Units can be introduced
- > Net Tangible Asset backing of 5.50 cents per Unit as at 31 December 2011

2. MIS INVESTMENT UPDATE

MIS INVESTMENT UPDATE

- > All receivables are investor loans offered to borrowers to facilitate their investment in various Great Southern MIS
- > All loans secured by plantations and have full recourse to borrower
- > Cumulative losses of 26.11% incurred to 31 December 2011 (30 June 2011: 25.89%)
- > Total impairment provision of \$9.4 million recognised as at 31 December 2011, reflecting AMF's current best estimate of loss (30 June 2011: \$10.5 million)
- > All investment cash flows now expected to be received by February 2014



3. STRATEGY UPDATE

STRATEGY UPDATE

- > On 17 September 2010 Unitholders approved the implementation of an orderly wind down of the Fund
- > Total capital of \$1.76 per Unit has been returned to Unitholders to date
- > The Fund was removed from quotation on ASX on 15 December 2011 in line with Unitholder approval
- > Any capital received and income earned to be returned to Unitholders on an annual basis at a minimum
- > Subject to no superior proposals, Management and Board continue to expect that holding the MIS Notes to maturity should provide the optimal outcome for Unitholders
- > Management and Board continue to seek to maximise returns to Unitholders throughout the implementation of the wind down

APPENDIX I

Additional Details on the Investment Portfolio

ADDITIONAL DETAILS ON THE INVESTMENT PORTFOLIO

| Name | Asset category | Face Value (\$M) ¹ | Stated Value (\$M) ² | % of Portfolio ³ | Margin over BBSW (%) | Forecast Maturity | Repayment Mechanism |
|----------------------|--------------------|-------------------------------|---------------------------------|-----------------------------|----------------------|-------------------|-------------------------|
| Cash | Cash at Bank | 1.6 | 1.6 | 11.2% | - | - | - |
| MIS Program 1 C Note | MIS Investor Loans | 8.1 | 2.5 | 55.5% | 4.50% | February 2014 | Portfolio amortisation. |
| MIS Program 1 D Note | MIS Investor Loans | 4.9 | 1.1 | 33.3% | 12.50% | | |

¹ Does not include impairment provisions – impairment provision of \$9.4 million outstanding against MIS investment as at 31 December 2011

² Includes impairment provisions

³ Based off investment face value

APPENDIX II

Half Year Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

| | 1H12 A\$'000's | 1H11 A\$'000's |
|---|-------------------|-------------------|
| Interest Income | 1,131 | 4,557 |
| Other Income – Reduction in Impairment Provision | 917 | - |
| Total Income | 2,048 | 4,557 |
| Operating Expenses | (237) | (780) |
| Net Profit Before Finance Costs | 1,811 | 3,777 |
| Finance Costs - Distribution to Unitholders | 894 | 3,777 |
| Net Profit After Finance Costs | 917 | - |
| Other Comprehensive Income | - | - |
| Change in Net Assets Attributable to Unitholders | 917 | - |

* Rounding differences may occur

STATEMENT OF CASH FLOWS

| | 1H12 A\$'000's | 1H11 A\$'000's |
|---|-------------------|-------------------|
| Cash Flows from Operating Activities | | |
| Interest Received on Investments | 1,028 | 4,922 |
| Management Fee Paid | (239) | (976) |
| Other | (38) | (114) |
| Net Cash Flows from Operating Activities | 751 | 3,832 |
| Cash Flows from Financing Activities | | |
| Distributions to Unitholders | (1,674) | (6,920) |
| Capital Returned to Unitholders | (25,411) | (140,233) |
| Net Cash Flows used in Financing Activities | (27,085) | (147,153) |
| Cash Flows from Investing Activities | | |
| Principal Receipts from Investments | 22,918 | 127,367 |
| Net Cash generated by Investing Activities | 22,918 | 127,367 |
| Net Increase / (Decrease) in Cash and Cash Equivalents | (3,416) | (15,954) |

* Rounding differences may occur