

Adelaide Managed Funds

A subsidiary of Adelaide Bank

ASX Release / Media Release

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ADELAIDE MANAGED FUNDS ASSET BACKED YIELD TRUST FIRST HALF RESULTS ANNOUNCEMENT AND MANAGEMENT CHANGES

Announcement of First Half Results

Adelaide Managed Funds, as Responsible Entity for the Adelaide Managed Funds Asset Backed Yield Trust (the Fund) has today released the results for the four month period since the Fund's listing (on 31 August 2006) to 31 December 2006.

The Fund reported a net operating profit after tax attributable to Unitholders of \$3,337,624 which represents earnings attributable to Unitholders of 3.338 cents per unit.

All of the Fund's investments are performing as forecast and these Half Yearly results are consistent with the forecast numbers detailed in the Fund's Product Disclosure Statement.

First Half Distribution

On 14 December 2006, Adelaide Managed Funds announced an estimated first half distribution of 3.33 cents per Unit.

Eligible Unitholders who were on the Fund's Unitholder Registry as at 29 December 2006 will receive this distribution on 12 February 2007. Unitholders will be notified of the actual taxation components of their distributions separately after the end of the current financial year.

Distribution Guidance for Half Year Ending 30 June 2007

Adelaide Managed Funds remains confident that the Fund will achieve its previously announced annualised yield of 11% for financial year 2007. An annualised yield of 11% will equate to a second half distribution of 5.8 cents per Unit for the six months to 30 June 2007.

The Fund continues to actively pursue the acquisition of additional investments in asset backed securitisations. The Fund aims to be fully invested at the point that Adelaide Managed Funds will call the second instalment in 2007.

Potential Investment in Asset Backed Securitisation Trust

Adelaide Managed Funds advises that it is currently finalising discussions with Adelaide Bank Limited in relation to the Fund being offered an opportunity to invest in a newly established Asset Backed Securitisation Trust. The Asset Backed Securitisation Trust will issue subordinated notes to the Fund and other parties (including Adelaide Bank) in order to finance the acquisition of various pools of receivables.

The receivables that the Asset Backed Securitisation Trust will acquire are personal loans offered to investors for the purpose of investing in managed investment schemes.

The Fund's initial investment amount would total approximately \$32.0 million and due to the Fund's relationship with Adelaide Bank, the proposed investment would be subject to approval by Unitholders in accordance with ASX Listing Rule 10.1.

The investment meets the Fund's investment criteria and has received approval by the Adelaide Managed Funds Independent Investment Committee, Related Party Transactions Committee and the Board of Adelaide Managed Funds.

It is proposed that a meeting, in March, of Unitholders will be held to consider the proposed investment. Detailed information, together with an Independent Expert's Report on the fairness and reasonableness of the investment for Unitholders will be distributed in February.

The proposed investment illustrates the Fund's strategy of continuing to pursue the acquisition of additional investments in private asset backed securitisations. In addition, the proposed investment is a further example of the benefit to the Fund of its strategic relationship with Adelaide Bank (as Investment Manager) and Adelaide Bank's ability to contribute to the Fund's future investment flows.

Board and Management Changes

The Board of Adelaide Managed Funds has pleasure today in announcing that Mr Anthony Baum has been appointed as a Director of Adelaide Managed Funds. Mr Baum replaces Mr Barry Fitzpatrick who retired on 15 December 2006 and as a result of this appointment, Mr Baum will step down as Chief Executive Officer of Adelaide Managed Funds.

Mr Baum was Chief Executive Officer and has had overall executive responsibility for Adelaide Managed Funds. He will remain the Chief General Manager Financial Markets with responsibility for the Portfolio Funding and Margin Lending businesses of Adelaide Bank.

Mr Bruce Speirs will replace Mr Baum as Chief Executive Officer of Adelaide Managed Funds. For the past 12 months Mr Speirs, as Head of Adelaide Managed Funds, has had responsibility for the daily operations of Adelaide Managed Funds.

Mr Speirs joined Adelaide Bank in 2004 as Head of Portfolio Services. In this role he was responsible for the due diligence and ongoing management of both Adelaide Bank and third party originated securitisation programs. Prior to joining Adelaide Bank, Bruce Speirs spent nine years working with Ernst & Young.

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About Adelaide Managed Funds

Adelaide Managed Funds, a wholly owned subsidiary of Adelaide Bank, is the responsible entity of the Adelaide Managed Funds Asset Backed Yield Trust.

For further information about Adelaide Managed Funds and the Fund, please visit:
www.amf.adelaidebank.com.au