

Adelaide Managed Funds

A subsidiary of Adelaide Bank

Media release

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AYT Almost Fully Invested Prior to Call of Final Instalment

Adelaide Managed Funds' Asset Backed Yield Trust (the Fund) is forecast to be close to fully invested with more than \$190 million of underlying assets under management, less than twelve months after the Fund was initially listed on the ASX.

According to the Chief Executive Officer of Adelaide Managed Funds, Bruce Speirs, this approaching milestone coincides with the final call for funds from existing Unitholders of \$1.00 per share.

"We are currently leveraging our initial raising of \$100 million with a \$100 million debt facility, and will use this final call to pay down that debt," Mr Speirs said.

"And consistent with the strategy outlined in the Fund's product disclosure statement, we will then re-employ that debt facility to fund future growth in the asset base."

Mr Speirs encouraged all shareholders to pay the final call by the deadline of 31 August 2007 to take advantage of forecast returns from the Fund, which provides exposure to a class of assets not generally available to retail investors.

"We are forecasting an annualised return of 10.4% to 10.9% in the coming financial year, based on the continued performance of all our assets," Mr Speirs said.

"We consider that a yield of more than 4.0% above BBSW will be an exceptional result, particularly given the contraction of yields in the debt markets."

"Our investment activity continues as planned. Since listing we have grown the Fund's investments from \$114 million to \$190 million and in doing so reduced our portfolio weighting to margin lending.

"After delivering to Unitholders an 11.1% yield for this financial year, the Fund has exceeded our PDS forecasts, and we remain confident that this unique product will continue to deliver strong results for its investors," Mr Speirs said.

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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.adelaidemanagedfunds.com.au