



ADELAIDE MANAGED FUNDS
ASSET BACKED YIELD TRUST

August 2012

Adelaide Managed Funds

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1. HIGHLIGHTS

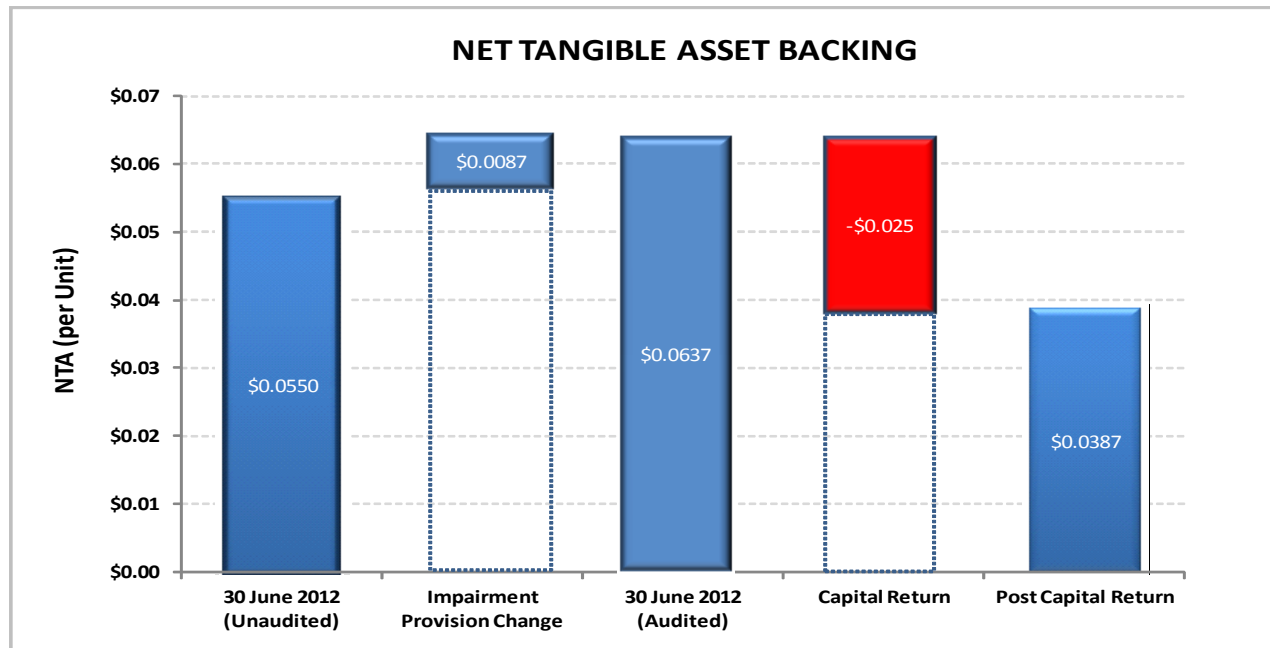
HIGHLIGHTS

- > Wind down of Fund progressing well and in line with expectations
- > Unitholders received total capital returns of 27.00 cents per Unit during FY12
- > Further capital return of 2.50 cents per Unit announced 8 August 2012 (payable 31 August 2012)
- > Unitholders received total income distributions of 1.0026 cents per Unit during FY12 (including 0.0626 cents per Unit payable 31 August 2012)
- > Impairment provision against MIS Notes reduced by \$1,763,026 during FY12 (including reduction of \$846,271 on 30 June 2012)
- > Fund delisted from ASX on 15 December 2011
- > APIR code (AMF0005AU) assigned on 29 December 2011

2. NET TANGIBLE ASSET BACKING

NET TANGIBLE ASSET BACKING

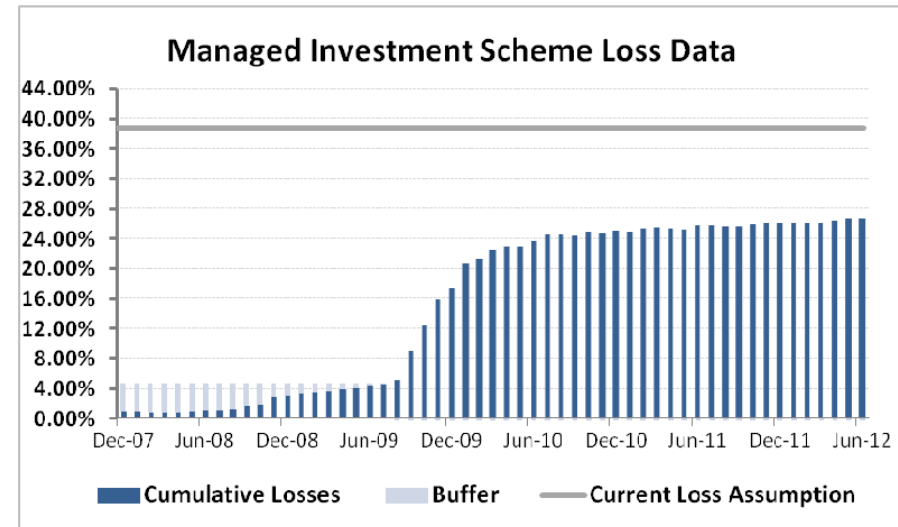
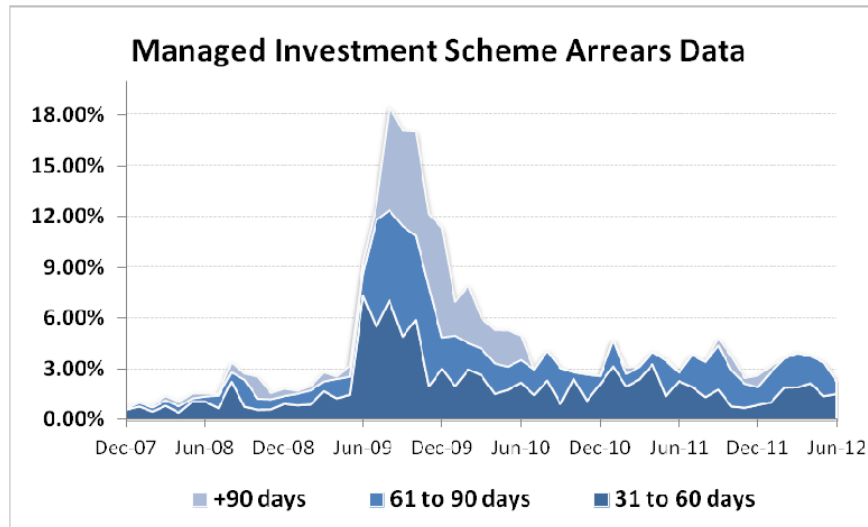
- > **Unaudited** Net Tangible Asset (NTA) backing as at 30 June 2012 of 5.50 cents per Unit (refer announcement made 4 July 2012)
- > **Audited** NTA backing of 6.37 cents per Unit as at 30 June 2012 (including the impact of the reduction in the impairment provision against the MIS Notes as at 30 June 2012)
- > Payment of 2.50 cents per Unit capital return on 31 August 2012 to reduce NTA backing to approximately 3.87 cents per Unit



3. 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 26.78% incurred to 30 June 2012 (30 June 2011: 25.89%)
- > Total impairment provision of \$8.3 million recognised as at 30 June 2012, reflecting AMF's current best estimate of loss (30 June 2011: \$10.5 million)
- > Investment cash flows now expected to be received through to May 2014



4. 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 (excluding 2.5 cents per Unit capital return announced 8 August 2012)
- > Any further 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
- > On 6 August 2012, AMF received an unsolicited offer to acquire all of the Units in the Fund
- > AMF advises Unitholders to take no action until AMF has had the opportunity to consider the offer and determine its response

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	3.1	3.1	21.7%	-	-	-
MIS Program C Note	MIS Investor Loans	6.9	2.1	47.6%	4.50%	May 2014	Portfolio amortisation
MIS Program D Note	MIS Investor Loans	4.4	0.9	30.7%	12.50%		

¹ Does not include impairment provisions – impairment provision of \$8.3 million outstanding against MIS investments as at 30 June 2012

² Includes impairment provisions

³ Based off investment face value

APPENDIX II

Full Year Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

	FY12 A\$'000's	FY11 A\$'000's
Interest Income	1,351	5,967
Other Income – Reduction in Impairment Provision	1,763	4,509
Total Income	3,114	10,476
Operating Expenses	(408)	(1,034)
Net Profit Before Finance Costs	2,706	9,442
Finance Costs - Distribution to Unitholders	(943)	(4,933)
Net Profit For The Year	1,763	4,509
Other Comprehensive Income	-	-
Change in Net Assets Attributable to Unitholders	1,763	4,509

* Rounding differences may occur

STATEMENT OF CASH FLOWS

	FY12 A\$'000's	FY11 A\$'000's
Cash Flows from Operating Activities		
Interest Received on Investments	1,506	6,783
Management Fee Paid	(352)	(1,223)
Other	(124)	(198)
Net Cash Flows from Operating Activities	1,031	5,362
Cash Flows from Financing Activities		
Distributions to Unitholders	(1,674)	(7,816)
Capital Returned to Unitholders	(25,411)	(142,115)
Net Cash Flows used in Financing Activities	(27,085)	(149,931)
Cash Flows from Investing Activities		
Principal Receipts from Investments	24,134	128,880
Net Cash generated by Investing Activities	24,134	128,880
Net Increase / (Decrease) in Cash and Cash Equivalents	(1,920)	(15,689)

* Rounding differences may occur