

31 March 2009

Proposal Update

On 16 February 2009, Bendigo and Adelaide Bank Limited (**the Bank**) and Adelaide Managed Funds Limited (**AMF**) (as Responsible Entity of the Adelaide Managed Funds Asset Backed Yield Trust (**AYT**)) announced a proposal under which the Bank would acquire all of the Units in AYT.

In discussions with Australian Prudential Regulation Authority (APRA), APRA has advised the Bank of APRA's position that it will not allow the Bank to proceed with the proposal.

The Bank is awaiting formal notification from APRA of its position. The Board of AMF is considering the alternatives available to maximise AYT Unitholder value.

AMF has requested a voluntary suspension of AYT Units pending the AMF Board's consideration of these matters and will provide an update to AYT Unitholders as soon as practicable.

For more information contact:

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