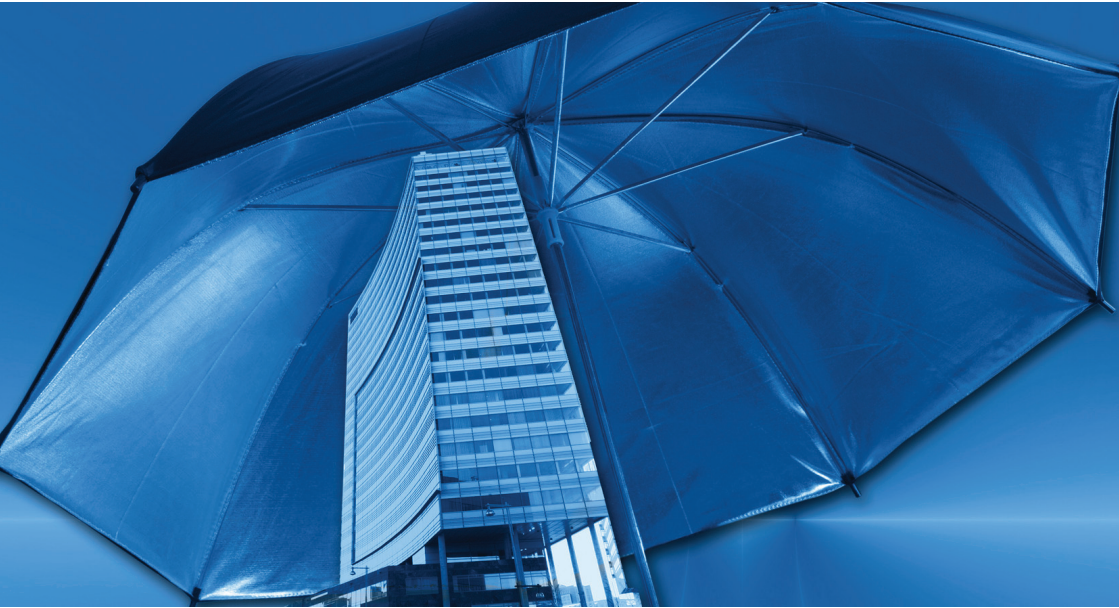




Abacus Diversified Income Fund II

Invest with Confidence



An Investment with a Difference
Features Summary



Are you looking for an investment with an attractive income yield?

That offers a minimum income return of 9% pa over the life of the investment.



An investment that provides a reliable and consistent income stream can contribute to your additional cash flow needs before retirement, or your superannuation fund can benefit from the certainty of underwritten income to provide the pension payments you seek in retirement.

...with annual CPI indexation?

So that your distributions automatically keep pace with inflation and the risk of inflation eroding the value of your distributions is removed.



Inflation can erode the real value of the income you receive. This could negatively impact on your lifestyle as a dollar today may not have the same purchasing power in the future. Inflation linked income reduces this risk and ensures that your income is adjusted to compensate for inflation.

...that is tax effective?

So that you pay less tax now on the income you receive each year, leaving you with more dollars in your pocket and an improvement in your cash flow position.



Tax deferred distributions result in tax not being payable on all or some of the income in the year received, but instead is factored into the capital gain on disposal of the investment. Therefore a real benefit of tax deferred distributions is that more dollars remain in your pocket today, with the tax paid later at concessionary capital gains tax rates.

...and capital protection?

So that regardless of the changes in the asset values underpinning the investment, you will as a minimum receive a return of your capital at the end of the investment term.



Your return of capital is underpinned by the Fund's property portfolio, a subordinated loan and underwritten by Abacus Property Group. This allows you to plan your financial future with some certainty.

...and an experienced Investment Manager?

Abacus Funds Management Limited is the responsible entity of the Fund and is a member of the Abacus Property Group, a diversified property business that is a member of the S&P/ASX 200 A-REIT index, with over 13 years experience as a retail property funds manager.



The skill and experience of the investment manager can contribute to the overall performance of the Fund and thus the return on your investment. Knowing the investment manager has the required specialist experience may therefore provide further comfort to your investment decision.

Introducing... Abacus Diversified Income Fund II

Fund Overview

Abacus Diversified Income Fund II seeks to provide reliable income and capital preservation backed by 25 diversified commercial properties and underwritten by Abacus Property Group.



Investment Objective

To provide new investors with regular and reliable income indexed with inflation. Distributions are underpinned by the net rental income generated by the Fund's property portfolio and the underwriting commitment provided by Abacus Property Group.

New investors also benefit from the Fund's underwritten capital return. Abacus Property Group has underwritten the return of investor capital at the end of the Fund's term (some conditions apply, refer to PDS) while retaining the potential for capital growth once all unitholder contributed equity has been repaid.



Fund Investment Strategy

The Fund owns a diversified portfolio of investment properties that have been acquired in accordance with the investment strategy. Abacus' strategy in respect of each property is to maximise its passing rental income and, over time, to unlock the property's inherent capital growth potential by applying Abacus' specialist property management skills and experience.

Properties may be sold during the term of the Fund, and additional properties may be acquired. At the end of the Fund Term, the Fund or the assets of the Fund will be sold and the net proceeds returned to investors.



Fund Summary and Features

Features		Fees		Distributions	
Minimum initial investment	\$5,000	Entry/Exit Fees	Nil	Underwritten cash distribution yield	9.0% pa indexed to inflation
Fund Term	Approx. 6 -7 years (30 June 2017)	Management Fee ¹	Nil	Distribution reinvestment ³	Available at 2.5% discount to issue price
Issue price	\$0.75	MER ²	0.37%	Distribution frequency	Quarterly
Underwritten capital return	100%	Performance Fee	Nil	Estimated tax deferral FY11	100%

Note: Adviser brokerage of up to 3% initial or up to 0.6% trail is paid by Abacus Property Group and not from your invested capital.

¹ Abacus will not be paid any management fees (normally 0.7% pa of gross assets) until all investors in the Fund receive their original capital back plus a capital gain of at least 10%.

² Refer to PDS for further information on fees and costs.

³ Distribution Reinvestment Plan (DRP) units attract the same underwritten distributions and underwritten capital return as new units issued under the current PDS.

Abacus Commitment

The distribution yield for new investors is underpinned by net rental income from the Fund's property portfolio, and any shortfall is underwritten by Abacus Property Group for the term of the Fund.

Abacus Property Group has also underwritten the return of capital to the investors under the current PDS after 30 June 2016 at the end of the Fund term. If after this date the net sale proceeds from the sale of the Fund or the Fund's property portfolio are insufficient to return the capital invested by new investors, Abacus Property Group will make up the shortfall in the first instance by setting off the principal of the Abacus Loan Facility and any residual shortfall will be satisfied in either cash or Abacus Property Group stapled securities, or a combination of the two at your discretion.

Dependent on Fund performance, there is potential for capital growth in excess of the underwritten amount.



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Disclaimer: The information in this document is general only. Before a person makes an investment decision on the basis of this information, they should determine for themselves or obtain professional advice as to whether this information is appropriate for their particular needs, investment objectives and financial situation.

An offer document for Abacus Diversified Income Fund II dated 24 December 2009 and Supplementary Product Disclosure Statement dated 31 January 2011 is available from www.abacusproperty.com.au. Anyone considering an investment in Abacus Diversified Income Fund II should consider the offer document and Supplementary Product Disclosure Statement dated 31 January 2011 in deciding whether to acquire Abacus Diversified Income Fund II securities. Applications can only be accepted for this investment on the application form attached to the offer document. Issuer: Abacus Funds Management Limited ACN 007 415 590; AFSL: 227819.