



Bentley International Limited

HALF YEAR REPORT

31 December 2005

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE
30 JUNE 2005 ANNUAL REPORT OF THE COMPANY



ASX Code: BEL

Bentley International Limited
A.B.N. 87 008 108 218

(formerly Bentley International Limited and BT Global Asset Management Limited)

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STOCK EXCHANGE

Australian Stock Exchange
Sydney, New South Wales

ASX CODE

BEL

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CORPORATE DIRECTORY**BOARD**

Farooq Khan	Chairman
Christopher B. Ryan	Director
Simon K. Cato	Director
Peter P. Simpson	Director

COMPANY SECRETARY

Victor P.H. Ho

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APPENDIX 4D HALF YEAR REPORT

This Half Year Report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.2A.3

Current Reporting Period:	1 July 2005 to 31 December 2005
Previous Corresponding Period:	1 July 2004 to 31 December 2004
Balance Date:	31 December 2005
Company:	Bentley International Limited (BEL) (BEL has no controlled entities)

Adoption of Australian International Financial Report Standards (AIFRS)

The Company's financial statements for the current reporting period has been prepared under AIFRS. Where necessary, comparative information (i.e. in relation to the previous corresponding period) has been adjusted for reporting under the applicable AIFRS.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	December 2005 \$'000	December 2004 \$'000	% Change	Up / Down
FX losses on investments	(1)	(108)	-99%	Down
Unrealised gains/(losses) on investments	1,791	(444)	503%	Up
Realised gains/(losses) on investments	226	(855)	126%	Up
Other investment related income	184	343	-46%	Down
Total investment income / (loss) from ordinary activities	2,200	(1,064)	307%	Income Up
Total expenses	375	277	35%	Up
Profit/(loss) before tax	1,825	(1,341)	236%	Profit Up
Income tax benefit / (expense)	(510)	313	263%	Expense Up
Profit/(loss) after tax benefit attributable to members	1,315	(1,028)	228%	Profit Up
Basic and Diluted Earnings / (Loss) per share (cents)	3.38	(2.46)	237%	Earnings Up
Pre tax NTA Backing per share (cents)	48.4	44.2	10%	Up
Post tax NTA Backing per share post tax (cents)	47.0	44.2	6%	Up

APPENDIX 4D HALF YEAR REPORT

Brief Explanation of Results

The Company increased its net profit during the current reporting period to \$1.825 million (pre tax) (up 236%) and \$1.315 million (post tax) (up 228%) compared with the previous corresponding period results of \$1.341 million net loss (pre tax) and \$1.028 million net loss (post tax).

The Directors have declared payment of an interim one cent per share fully franked dividend which is the same rate of dividend last paid in September 2004.

Please also refer to the balance of this Company's Half Year Report.

Dividends

On 15 March 2006, the Directors announced the declaration of an interim dividend as follows:

Dividend Rate	Record Date	Expected Payment Date	Franking	Total Dividends Payable
One cent per share	11 April 2006	26 April 2006	Fully franked	\$389,422

The Directors also announced the reinstatement of a Dividend Reinvestment Plan ("DRP"). The DRP will allow shareholders, at their election, to automatically invest some or all of their dividend income into additional shares. As there are no transaction costs incurred, it also provides shareholders with an economical and convenient way to purchase additional shares in the Company. Details of the new DRP will be mailed to shareholders shortly to allow shareholders time to complete and lodge a DRP application form prior to the record date for determining entitlements to the above dividend.

Controlled Entities

The Company did not gain or lose control over entities during the Current Reporting Period.

Associates and Joint Venture Entities

The Company did not have any interest in associates or joint venture entities during the Current Reporting Period.

For and on behalf of the Directors,



Date: 15 March 2006

Victor Ho
Company Secretary

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COMPANY PROFILE

Bentley International Limited (formerly Bentley Equities Limited and BT Global Asset Management Limited) is one of only a few investment companies listed on the Australian Stock Exchange (ASX) which invests solely in International equities.

The Company therefore provides exposure to a diversified portfolio of securities across a wide range of industry sectors in many recognised overseas stock markets.

Corporate Summary:

	31 December 2005	30 June 2005	31 December 2004
Market capitalisation	\$13.82 million	\$12.85 million	\$14.60 million
Net assets	\$18.86million	\$17.54 million	\$17.23million
NTA backing per share	48.43 cents	45.1 cents	44.3 cents
Shares on issue	38,942,213	38,942,213	38,942,213
No. shareholders	1,569	1,633	1,760

Company Objective

Bentley International Limited listed on the ASX in 1986 with the objective of achieving medium to long term capital appreciation together with fully franked dividends through investment in securities listed on the world's share markets.

Investment Manager

Constellation Capital Management Limited (**Constellation**) was appointed manager in May 2004 to implement the International equities component of Constellation's HomeGlobal™ Investment Strategy.

The investment portfolio currently comprises more than 200 stocks in 11 overseas markets and across a wide range of industry sectors.

Constellation is an experienced fund manager, 50% owned by Qantas Superannuation Limited as trustee for the Qantas Superannuation Plan (which is one of Australia's largest corporate superannuation funds). Constellation has also formed a strategic relationship with Zurich Financial Services Australia for the exclusive distribution and branding in Australia of pooled investment products using Constellation's risk controlled value approach. Constellation currently has in excess of \$1 billion funds under management.

THE HOMEGLOBAL™ INVESTMENT STRATEGY

Constellation has been mandated to invest the Company's funds in accordance with the international component of the HomeGlobal™ Investment Strategy.

The methodology at the centre of the HomeGlobal™ Investment Strategy relies on two key components:

1. The weightings within the 36 industrial sectors of the FTSE Global Equity Index Series, which is based on 7,000 large, mid and small cap stocks representing 98% of global investable market capitalisation;
2. The recognition that the weightings of the stocks available in the Australian stock market when viewed in the context of the 36 industrial sectors identified by FTSE are substantially different from those in the FTSE Global Equity Index.

The HomeGlobal™ Investment Strategy, when constructed for Australian investors, comprises two steps:

1. investing in Australian stocks, within the FTSE industrial sector classifications up to the global industry sector weights where adequate stocks are available to do so – this is the **Australian component** of the HomeGlobal™ Investment Strategy;
2. investing in international stocks where the stocks available in Australia do not fill the industrial sector weightings of the FTSE Global Equity Index in order that the total portfolio construct matches the industrial sector weightings of the FTSE Global Equity Index – this is the **international component** of the HomeGlobal™ Investment Strategy.

Constellation invests the funds of Bentley International Limited solely in the international component of the HomeGlobal™ Investment Strategy, and this investment will complement the investment of Bentley shareholders in Australian securities. The rationale for this is the presumption that Bentley shareholders through their investments in the Australian market will have exposure to Australian stocks approximating the overall weightings of the Australian component of the HomeGlobal™ Investment Strategy. An investment in Bentley, if substantial enough in the context of the investor's portfolio, would result in the portfolio meeting the principles of the total HomeGlobal™ Investment Strategy.

Industry sector exposures have been achieved by investing in a sample of the major (by market capitalisation) stocks within each industry sector rather than all stocks). Currency is unhedged.

As at 30 June 2005, Constellation's international HomeGlobal™ portfolio for the Company comprise more than 200 stocks in 11 overseas markets – please refer to a full listing of the BEL investment portfolio as at 30 June 2005 in the "List of Share Investments" section of the Annual Report on page 64.

Constellation's HomeGlobal™ Investment Strategy approach resolves three key issues of concern to equity investors:

- (1) the dominance of certain stocks and industries in domestic markets;
- (2) the impact of globalisation on diversification benefits; and
- (3) the home country bias.

The HomeGlobal™ Investment Strategy is stated by Constellation to:

- Provide a more relevant global equity exposure to industry sectors not available in Australia;
- Avoid wasteful over-allocation of the portfolio to global industry sectors already adequately represented in the Australian market such as banks and mining;
- Capture global growth industries not adequately represented in Australia such as pharmaceuticals and biotech, IT hardware and software and some well established global old economy industries such as auto, oil & gas, branded retailers;
- Resolve Australian industry and stock concentrations;
- Provide an international equities portfolio with more balanced industry weights and a spread of country exposures, thus benefiting from the diversification benefits of both these factors.

The Company is the first client of Constellation's HomeGlobal™ Investment Strategy. The Company believes that the HomeGlobal™ approach has merit and offers a potential solution to the issue of home country bias in equity portfolios. The Directors believe that a rationale for investing in the Company is to diversify risk whilst accessing under-represented industry sectors in Australia. Whilst the HomeGlobal™ approach lacks a long-term "track record", re-constructed ten year performance analytics show gains in returns and falls in risk (volatility) compared with relevant market indices.

THE INVESTMENT MANAGER'S REPORT

The following report has been prepared by the Investment Manager of the Company, Constellation Capital Management Limited:

Returns To: 31/12/2005	1mth	3mths	6mths	1yr	Incep*
Gross Portfolio	1.8%	5.0%	12.1%	15.3%	18.3%
HomeGlobal™ Index	2.0%	5.8%	13.0%	16.4%	19.9%
MSCI ex Australia	3.2%	7.5%	14.8%	17.4%	21.3%

* Inception Date for performance: 30 September 2004

HALF-YEARLY MARKET SUMMARY

International Market Returns

International markets, as measured by the MSCI World ex Australia Index delivered a strong return of 10.5% in USD terms for the half year ended 30 December 2005.

When account is taken of the fall in the \$A from \$US0.76 to \$US0.73 over the same period, the return of the MSCI World ex Australia Index when expressed in \$A was 14.8%.

Country Returns

Individual markets generally delivered positive returns in their local currencies as provided in the table below. The standout performer was the Japanese market, where economic performance is recovering after many years of stagnation.

Market	Return (local currency Jun05-Dec05)
US S&P 500	4.8%
US Dow Jones Industrial	4.3%
UK FTSE 100	9.9%
German DAX	17.9%
France CAC40	11.5%
Japan Nikkei 225	39.1%
HK Hang Seng	4.8%

Source: IRESS

Sector Returns

Most sectors delivered positive returns for the half-year, but notably the materials sector led the way, reflecting the strong growth in demand for commodities from a growing world economy led by a rapidly industrialising China, together with a renewed investor interest in commodities. The banking sub-sector within the Financials sector was also very strong. As was the case in Australia, the telecommunications sector disappointed investors.

THE INVESTMENT MANAGER'S REPORT

MSCI World ex Australia for six months to December 31 2005

	\$US returns %
Energy	9.2
Industrials	13.5
Consumer discretionary	6.4
Consumer staples	5.2
Health care	4.9
Financials	13.1
Information Technology	10.9
Telecommunications	-3.3
Utilities	3.5
Materials	22.5

Source DataStream: Capital values.

Portfolio Composition and Re-balancing

During the December half, the portfolio was re-balanced to reflect changes in industry compositions. This resulted in the purchase and sale of a number of securities and triggered the realisation of capital gains.

Portfolio Performance

The Bentley portfolio returned 12.1% in \$A with the greatest performance contributions came from IT Hardware, Oil & Gas, Software & Computer Services and Electronic & Electrical Equipment.

The table below provides more detail regarding sector exposures and contributions to portfolio returns in \$A.

Sector	Return (Jun05 - Dec05)	Weight (30 Jun 2005)	Contrib to Return (Jun05-Dec05) **
IT HARDWARE	14.9%	11.4%	1.7%
OIL & GAS	13.4%	8.9%	1.2%
SOFTWARE & COMP SRVS	15.6%	7.3%	1.1%
ELECTRONIC & ELECTRIC EQUIP	22.6%	4.2%	1.0%
PHARMA & BIOTECH	8.9%	10.4%	0.9%
AUTOMOBILES & PARTS	21.2%	3.8%	0.8%
SPECIALITY, OTHER FINANCE	19.8%	3.8%	0.8%
ENGINEERING & MACHINERY	29.0%	2.3%	0.7%
PERS CARE & HHOLD PROD	11.5%	3.5%	0.4%
HEALTH	12.2%	3.2%	0.4%
GENERAL RETAILERS	11.6%	3.1%	0.4%
ELECTRICITY	6.1%	5.7%	0.3%
INSURANCE	21.0%	1.6%	0.3%
TOBACCO	17.4%	1.7%	0.3%
TELECOMMUNICATIONS	5.0%	6.0%	0.3%
AERO & DEFENCE	12.2%	2.2%	0.3%
HHOLD GOODS & TEXTILES	14.3%	1.6%	0.2%
FOOD PROD & PROCESSORS	8.8%	2.3%	0.2%
CHEMICALS	17.1%	1.0%	0.2%
DIVERSIFIED INDUSTRIALS	11.2%	0.8%	0.1%

Source: DataStream, FTSE, Constellation

** approximate due to changing weights of sectors

THE INVESTMENT MANAGER'S REPORT

Comparative Performances

When reviewing the portfolio performance, we note that Bentley does not hold several of the higher performing sectors over the last six months, such as banks and mining companies, as these sectors are readily available in the Australian market, and are well represented in the domestic component of the HomeGlobal™ portfolio. Bentley only invests in securities with in the international component of the HomeGlobal portfolio. Accordingly we note that Global markets performed marginally ahead of the Bentley portfolio over the half year to 30 December 2005 primarily due to the out-performance of the Banking sector which is the largest sector globally.

Outlook

The positive outlook for equities remains centred around the continued growth in the global economy and the favourable valuation of equities when compared to current yields from fixed income securities.

The portfolio continues to offer a broad diversification across a range of stocks and sectors not adequately covered by the Australian market, and is well positioned to provide exposure to the continued growth in world stock mark

THE INVESTMENT MANAGER'S REPORT

SUMMARIES DURING THE HALF YEAR

The following contains commentary extracted from Constellation's monthly portfolio reports during the half year:

Returns for month end	28/02/2006	US stock indices touched new five-year highs through February, spurred on by positive earnings results and an easing oil price (S&P500 0.1%, Dow 1.2%, NASDAQ -1.1%). Strong retail sales, a positive jobs report and soothing remarks from the new Fed Chairman, who indicated no radical changes to the Fed's current approach to monetary policy, provided further reassurance to investors.
Gross Portfolio	1.1%	
HomeGlobal™ Index	1.1%	
MSCI ex Australia	1.8%	Elsewhere, European markets typically rose led by Germany (4.8%) after strong profit results from a range of companies such as Puma, drug maker Schering and Volkswagen. Bourses across Asia produced mixed results (HK 1%, Korea -2%, Japan -2.7%). Profit taking finally hit the Nikkei with the BOJ flagging a return to a more normal (tighter) monetary policy approach should economic conditions continue to improve.
		In February, the weakening \$A enhanced returns for the month. Currency changes (AUD/USD fell from 75.6c to 74.3c) enhanced portfolio returns by 1.8%. We are pleased to note that the portfolio return since 30 September 2004 is a strong 15% p.a.
		Since 31 December global industry classifications have changed, which will trigger a further rebalancing to align the portfolio with the new benchmark weightings.
Returns for month end	31/01/2006	Sharemarkets strengthened over January led by strong gains in energy and materials shares as appetite for risk intensified (S&P500 2.6%, Dow 1.4%, NASDAQ 4.6%). Oil jumped 8% as traders worried over output disruptions in Nigeria, an escalation of the Iranian nuclear standoff and a renewed Al-Qaida threat to the US.
Gross Portfolio	0.8%	
HomeGlobal™ Index	1.4%	
MSCI ex Australia	1.3%	France (4.9%), Germany (4.9%) and the UK (2.5%) also enjoyed solid gains. Financials held up well on M&A talk while telcos continued to be under the hammer following profit warnings from France Telecom and Vodafone. Japan's rally continued (3.3%) despite a Nikkei shutdown due to a surge in selling related to the accounting irregularities of IT stock Livedoor.
		In January, the strengthening \$A detracted from returns for the month. Currency changes (AUD/USD rose from 73.3c to 75.6c) reduced portfolio returns by 3% and almost negated the strong local returns of international stocks. In spite of the currency volatility, we are pleased to note that the portfolio return since 30 September 2004 is a strong 15% p.a.

THE INVESTMENT MANAGER'S REPORT

Returns for month end	31/12/2005	December saw US stocks struggle despite positive economic news (S&P500 -0.1%, Dow -0.8%, NASDAQ -1.2%), leaving US indices with fairly flat results for 2005. Low inflation, surging productivity and solid employment and confidence data reinforced the rosy near-term economic picture.
Gross Portfolio	1.8%	
HomeGlobal™ Index	2.0%	
MSCI ex Australia	3.2%	On the other hand Euro stockmarkets performed much better than the US (France +3.2%, Germany 4.1%, UK 3.6%). Gains in resource and energy stocks (as oil bounced back over US\$60/barrel), improving German economic data and further dovish remarks from the ECB over interest rates gave buyers renewed impetus. Stockmarkets across Asia continued to surge, especially Japan (up 8.3% to a 5-year high). Strong business confidence and improving consumer demand added to optimism over sustainable economic recovery.

Strongly performing sectors for the month internationally include Investment Companies, Transport, Mining and Steel; these are sectors which the HomeGlobal approach obtains adequate exposure domestically and hence the international component in the Bentley portfolio has no exposure to these sectors.

Again in December, the weakening \$A supported returns for the month. Currency changes (AUD/USD fell from 74c to 73.3c) increased portfolio returns by 0.9% adding to the returns from international stock markets. We are pleased to note that the portfolio return since 30 September 2004 is a strong 18.3%.

Returns for month end	30/11/2005	November saw the US stockmarket enjoy its traditional Thanksgiving rally, buoyed by strong economic data and further falls in energy prices (S&P & Dow up 3.5%). Positive manufacturing, productivity, durable goods and confidence numbers provided the impetus for a continuation of October's late month rally, while oil prices continued to fall as recovering US Gulf production boosted inventories and forecasters predicted a warm winter for the US.
Gross Portfolio	3.7%	
HomeGlobal™ Index	4.3%	
MSCI ex Australia	4.4%	

Elsewhere European markets (France 3%, Germany 5.4%, UK 2%) also gained after some strong earnings results (Commerzbank, Tate & Lyle, Zurich) and the ECB easing concerns over interest rate rises. Asian markets (Korea 12%, Japan 9.3%, Taiwan 7.6%) rose very strongly with Japanese GDP surprising on the upside.

Most sectors enjoyed buoyant returns, led by IT, materials, industrials and financials. Vodafone's profit warning hit the telco sector, which fell more than 2% in \$US.

As envisaged in the Investment Manager's address by Constellation to the AGM on 24 November, the weakening \$A and an uplift in markets translated in to strong returns for the month. Currency changes (AUD/USD fell from 74.7c to 74c) increased portfolio returns by 1% adding to the returns from international stock markets. We are pleased to note that the portfolio return since 30 September 2004 is a strong 16.2%.

THE INVESTMENT MANAGER'S REPORT

Returns for month end	31/10/2005	Global sharemarkets fell over October due to fears of rising US interest rates and inflation (S&P -1.8%, Dow -1.2%, NASDAQ -1.5%). While US core CPI data was subdued, producer prices surprised on the upside and a number of Fed Governors warned more interest rate hikes would be needed to keep inflation in check. Building-related stocks were hit hard, not helped by news of slowing new home sale and news of insider selling by executives. Some negative company outlook statements (Pfizer, Caterpillar, Texas Instruments), along with disappointing durable goods and consumer confidence numbers added to the bearish tone. GM was dragged down by auto parts supplier Delphi filing for Chapter 11 bankruptcy.
Gross Portfolio	-0.6%	
HomeGlobal™ Index	-0.5%	
MSCI ex Australia	-0.1%	
		<p>The bad news outweighed the positives of a weaker oil price (better inventory/demand data plus relief that hurricane Wilma missed key production sites in the Gulf of Mexico) and good profit results (3M, GE, JPMorgan).</p> <p>Inflation concerns also weighed down European markets (France -3.6%, Germany -2.3%, UK -2.9%). UK retailers rose on positive sales data. Cyclical Asian markets fell hard (HK -6.8%, Taiwan -5.8%) except for Japan (+0.2%) that continues to outperform.</p> <p>Currency rises (AUD/USD fell from 76.4c to 74.7c) increased returns by 2.2% almost offsetting the fall of international stocks.</p>
Returns for month end	30/09/2005	US stocks held firm over September in the face of high oil prices, another interest rate rise and two destructive hurricanes (S&P500 0.7%, NASDAQ flat). Consumer names such as Home Depot were hit as investors worried about slower consumer spending post-hurricanes, and more companies (Alcoa, US Steel) warned of lower profits due to higher input prices (e.g. oil). Profit warnings also came from Coca Cola, Intel and Disney and the market disliked GM's lower sales and rumours of a bailout for Delphi. The economic picture was mixed and further clouded by hurricane impacts.
Gross Portfolio	1.0%	
HomeGlobal™ Index	0.7%	
MSCI ex Australia	0.8%	
		<p>Markets across Europe fared much better than the US (France 1.6%, Germany 4.4%, UK 3.4%) driven by gains in energy and resource stocks, and encouraging employment data. Asian markets posted more modest gains except for Japan (9.4%), where the recent rally gathered pace following further strong GDP data and hopes of economic (postal, etc.) reforms following the emphatic re-election of the Koizumi government.</p> <p>Currency falls (AUD/USD rose from 75.2c to 76.4c) reduced returns by 1.6%.</p>
Returns for month end	31/08/2005	The US stockmarket retreated over August as the impact of record high oil prices on consumer behaviour finally started to emerge (S&P500 -1.1%, Dow & NASDAQ -1.5%). Fears over an oil-lead economic slowdown were heightened as crude broke through \$70US/barrel (up 13%) for the first time, as Hurricane Katrina left a trail of devastation through the Gulf of Mexico, a key oil source for the US. Oil tended to overshadow a number of positive economic releases (employment, manufacturing) and an overall solid Q2 reporting season. The Fed's Alan Greenspan also finally began to talk down the booming property market.
Gross Portfolio	1.8%	
HomeGlobal™ Index	2.0%	
MSCI ex Australia	2.0%	
		<p>European sharemarkets also declined similar amounts, except for the UK (France -1.2%, Germany -1.2%, UK +0.3%). UK stocks were boosted by the energy sector and takeover activity (London Stock Exchange), plus the BOE cutting interest rates. Asian bourses reported mixed results, with Japan (Nikkei +4.3%) a standout.</p> <p>Unsurprisingly at the sector level, Oil & Gas led the way through August.</p> <p>Currency gains (AUD/USD fell from 76 to almost 75c) provided about 1.2% of the return for the month.</p>

THE INVESTMENT MANAGER'S REPORT

Returns for month end	31/07/2005	
Gross Portfolio	3.9%	US stocks defied a re-emergence of terrorism and the high oil price to reach 4-year highs over July S&P500 & Dow up 3.6%. Investors were encouraged by economic data and statements from the Fed which indicated that the current solid economic growth/benign inflation environment was likely to continue. GDP, manufacturing (ISM), consumer sentiment and retail sales were positive, while PPI and core inflation data was subdued. Elsewhere sharemarkets rose with solid gains, France 5.3%, Germany 6.6%, UK 3.3%, Japan 2.7% and Hong Kong 4.8%. The AUD/USD rates were almost flat for the month resulting in a solid 4% return for BEL assets.
HomeGlobal™ Index	4.0%	
MSCI ex Australia	3.8%	

THE INVESTMENT PORTFOLIO as at 31 December 2005

Asset Weighting

	<u>% Net Assets</u>
International Equities	101.6%
Net Cash/Other Assets ¹	-1.6%
TOTAL	100.0%

Regional and Country/Currency Exposures

<u>Regions (Equities)</u>	<u>% Net Assets</u>	<u>Country/Currency (Equities & Cash)</u>	<u>% Net Assets</u>
North America	60.2%	United States	58.8%
Europe (ex UK)	17.2%	Japan	11.8%
Japan	11.6%	United Kingdom	9.7%
United Kingdom	9.4%	France	4.7%
Asia (ex Japan)	3.2%	Germany	4.2%
		Switzerland	4.1%
Net Cash/Other Assets ¹	-1.6%	Taiwan	2.6%
TOTAL	100.0%	Netherlands	2.1%
		Sweden	1.8%
		Canada	1.8%
		Hong Kong	1.3%
		Euro	0.0%
		Australia (Net Cash/Other Assets) ¹	-2.9%
		TOTAL	100.0%

The Company's funds are directly exposed to the overseas currencies in which the portfolio's investments (managed by Constellation) are denominated (i.e. the currencies of the stock exchanges on which equity holdings are listed) and, indirectly to the currencies in which the operations of its investments (many of which are large multinational companies) are denominated.

Constellation's investments in international securities are unhedged. The Company and Constellation have reviewed the issue of hedging and still considers the policy of not hedging the currency exposure of the investment portfolio appropriate.

Currency movements can reduce or exacerbate movements in the value of the underlying securities in the Company's portfolio when converted back into Australian dollars. For example, an appreciation in an overseas currency against the Australian dollar will cause the underlying securities denominated in that overseas currency to appreciate in value when converted back into Australia dollars and vice versa (assuming no change in the underlying securities value).

However, the Company continues to provide a vehicle through which Australian investors can diversify their investment exposure beyond the Australian market and beyond the Australia dollar.

¹ Net Cash/Other Assets includes provisions and income tax expense; cash includes cash held in various overseas currencies; the Company has no borrowings.

THE INVESTMENT PORTFOLIO as at 31 December 2005

Top 20 Holdings

Stocks	% Net Assets	Sector exposures	Country
(1) MICROSOFT	2.8%	Software & Computer Services	United States
(2) EXXON MOBIL	2.2%	Oil & Gas	United States
(3) PROCTER & GAMBLE	1.9%	Personal Care & Household Products	United States
(4) ALTRIA GROUP INCO.	1.6%	Tobacco	United States
(5) INTEL	1.5%	Information Technology Hardware	United States
(6) BP	1.5%	Oil & Gas	United Kingdom
(7) JOHNSON & JOHNSON	1.5%	Pharmaceuticals & Biotechnology	United States
(8) INTERNATIONAL BUS.MACH.	1.4%	Software & Computer Services	United States
(9) NOVARTIS 'R'	1.4%	Pharmaceuticals & Biotechnology	Switzerland
(10) GLAXOSMITHKLINE	1.2%	Pharmaceuticals & Biotechnology	United Kingdom
(11) TOYOTA MOTOR	1.2%	Automobiles & Parts	Japan
(12) ENCANA	1.2%	Oil & Gas	Canada
(13) CISCO SYSTEMS	1.1%	Information Technology Hardware	United States
(14) ROCHE HOLDINGS GSH.	1.1%	Pharmaceuticals & Biotechnology	Switzerland
(15) TOTAL	1.1%	Oil & Gas	France
(16) VODAFONE GROUP	1.0%	Telecommunication Services	United Kingdom
(17) ERICSSON 'B'	1.0%	Information Technology Hardware	Sweden
(18) UNITEDHEALTH GP.	1.0%	Health	United States
(19) NESTLE 'R'	1.0%	Food Producers & Processors	Switzerland
(20) ROYAL DUTCH	0.9%	Oil & Gas	Netherlands
TOTAL	27.60%		

THE INVESTMENT PORTFOLIO as at 31 December 2005

Top 10 Performers – 6 months to 31 December 2005

Stocks	Sector	Country	Return %	
			In Local Currency	In A\$
(1) APPLE COMPUTERS	Information Technology Hardware	United States	95.3	102.9
(2) NOMURA HDG.	Speciality & Other Finance	Japan	71.5	67.3
(3) BURLINGTON RES.	Oil & Gas	United States	56.5	62.6
(4) ABB 'R'	Electronic & Electrical Equipment	Switzerland	51.8	53.3
(5) TOYOTA MOTOR	Automobiles & Parts	Japan	55.2	51.4
(6) AGILENT TECHS.	Telecommunication Services	United States	44.8	50.5
(7) O2	Telecommunication Services	United Kingdom	48.3	47.6
(8) LANXESS (XET)	Chemicals	Germany	45.6	47.4
(9) ALLIANZ (XET)	Insurance	Germany	39.2	40.9
(10) RICHEMONT	Household Goods & Textiles	Switzerland	36.8	38.1

Bottom 10 Performers - 6 months to 31 December 2005

Stocks	Sector	Country	Return %	
			In Local Currency	In A\$
(1) SYSCO	Food Producers & Processors	United States	-13.8	-10.4
(2) FRANCE TELECOM	Telecommunication Services	France	-12.8	-11.7
(3) FANNIE MAE	Speciality & Other Finance	United States	-15.6	-12.3
(4) ABBOTT LABS.	Pharmaceuticals & Biotechnology	United States.	-18.6	-15.4
(5) SYMANTEC	Electronic & Electrical Equipment	United States	-19.5	-16.4
(6) FORD MOTOR	Automobiles & Parts	United States	-23.0	-19.9
(7) AVON PRODUCTS	Personal Care & Household Products	United States	-23.6	-20.6
(8) DELL	Information Technology Hardware	United States	-24.1	-21.1
(9) LEXMARK INTL.GP.A	Information Technology Hardware	United States	-30.9	-28.1
(10) GENERAL MOTORS	Automobiles & Parts	United States	-40.9	-38.6

THE INVESTMENT PORTFOLIO as at 31 December 2005

Industry Sector Weighting

<u>Sector Exposures</u>	<u>% Net Assets</u>
Information Technology Hardware	13.9%
Pharmaceuticals & Biotechnology	12.1%
Oil & Gas	10.8%
Software & Computer Services	7.6%
Telecommunication Services	7.1%
Electricity	5.6%
Electronic & Electrical Equipment	5.6%
Automobiles & Parts	4.6%
Health	4.5%
Personal Care & Household Products	3.7%
Media & Photography	3.3%
General Retailers	3.2%
Aerospace & Defence	3.1%
Speciality & Other Finance	2.9%
Food Producers & Processors	2.6%
Engineering & Machinery	2.5%
Tobacco	2.4%
Chemicals	2.3%
Insurance	1.3%
Household Goods & Textiles	0.9%
Utilities, Other	0.8%
Diversified Industrials	0.8%
Net Cash/Other Assets	-1.6%
TOTAL	100.0%

The investment portfolio as at 31 December 2005 does not directly correlate with the theoretical HomeGlobal™ Investment Strategy weightings (refer 2005 Annual Report at page 4) for the following reasons:

- (a) the investment portfolio does not hold all stocks within each industry sector in the theoretical index;
- (b) the Company is not fully invested - cash funds have been retained by the Investment Manager and the Company;
- (c) as a consequence of changes in the global weightings since the inception of the portfolio in September 2004; and
- (d) as a consequence of the performance of the underlying securities within each industry sector.

Constellation has invested in a sample of (predominantly major) stocks within each industry sector rather than all stocks for efficiency/cost reasons as the present size of the fund would make it uneconomic (after taking into account transactions and on-going custodial costs) to invest in small holdings of many stocks.

As at 31 December 2005, Constellation's international HomeGlobal™ portfolio for the Company comprises approximately 210 stocks in 11 overseas markets.

DIRECTORS' REPORT

The Directors present their Directors' Report on Bentley International Limited ABN 87 008 108 218 (formerly Bentley Equities Limited from 16 April 2003 to 11 March 2004 and BT Global Asset Management Limited from 7 July 1986 to 15 April 2003) ("**Company**" or "**Bentley International**" or "**BEL**") for the financial half year ended 31 December 2005 ("**Balance Date**").

Bentley International is a company limited by shares that was incorporated in South Australia in June 1986 and is presently domiciled in New South Wales and has been listed on the Australian Stock Exchange ("**ASX**") since October 1986 as an "investment entity" as defined in the ASX Listing Rules.

Bentley International does not have any controlled entities.

PRINCIPAL ACTIVITIES

Since admission to ASX in 1986, the principal investment objective of the Company is to achieve medium to long term capital appreciation. To achieve this, the Company will primarily invest in equity securities listed on the world's major stock markets. Its secondary objective is to generate income from dividend streams and the investment of a portion of the Company's portfolio in fixed interest securities and money market instruments denominated in various currencies.

The Company has made the following appointments in relation to the management and administration of its international equities portfolio:

- Constellation Capital Management Limited ("**Constellation**") as investment manager (appointed 18 May 2004 for an initial 2 year term). Constellation's mandate is to invest in the international equities component of its HomeGlobal™ Investment Strategy; and
- National Australia Bank Limited ("**NAB**") (appointed 20 August 2004 for an initial 2 year term) as custodian

OPERATING RESULTS

	Dec 2005 \$'000	Dec 2004 \$'000
Unrealised gains/(losses) gains on investments	1,791	(444)
Realised gains/(losses) on investments	226	(855)
Foreign exchange gains/(losses)	(1)	(108)
Other investment related income	184	343
Total investment income/(loss)	2,200	(1,064)
Investment manager's fees	(89)	(63)
Custody fees	(17)	(27)
Other corporate and administration expenses *	(269)	(187)
Total expenses	(375)	(277)
Profit/(Loss) before income tax expense	1,825	(1,341)
Income tax benefit / (expense)	(510)	313
Profit/(Loss) after income tax expense	1,315	(1,028)

* Other corporate and administrative expenses includes a once off charge of \$26,958 being an amount related to the previous financial year but invoiced to the Company in the current financial half year.

DIRECTORS' REPORT

EARNINGS / (LOSS) PER SHARE

	Dec 2005	Dec 2004
Basic and diluted earnings / (loss) per share (cents)	3.38	(2.46)

FINANCIAL POSITION

	Dec 2005 \$'000	Dec 2004 \$'000
Investments	19,108	16,555
Cash	336	823
Other assets	70	79
Liabilities	(655)	(226)
Net assets	18,859	17,231
Contributed equity	17,696	23,004
Reserves	-	(444)
Retained profits/(Accumulated losses)	1,163	(5,329)
Total Equity	18,859	17,231

NET TANGIBLE ASSET BACKING

	Dec 2005 \$'000	Dec 2004 \$'000
Net tangible assets (before tax on unrealised gains)	18,859	17,231
Pre-tax NTA Backing per share (cents)	48.43	44.2
Less: Provision for tax on unrealised gains	(539)	-
Net tangible assets (after tax on unrealised gains)	18,320	17,231
Post-tax NTA Backing per share (cents)	47.04	44.2
Based on total issued share capital	38,942,213	38,942,213

DIRECTORS' REPORT

DIVIDENDS

As a result of an increase in net profit during the current financial year to \$1.825 million (pre tax) (up 236% from previous half year loss of \$1.341 million) and \$1.315 million (post tax) (up 228% from previous half year loss of \$1.028 million), on 15 March 2006, the Directors announced the declaration of an interim dividend as follows:

Dividend Rate	Record Date	Payment Date	Franking	Total Dividends Payable
One cent per share	11 April 2005	26 April 2006	Fully franked	\$389,422

Dividend Reinvestment Plan

On 15 March 2005, the Directors also announced the reinstatement of a Dividend Reinvestment Plan ("DRP"). The DRP will allow shareholders, at their election, to automatically invest some or all of their dividend income into additional shares. As there are no transaction costs incurred, it also provides shareholders with an economical and convenient way to purchase additional shares in the Company. Details of the new DRP will be mailed to shareholders shortly to allow shareholders time to complete and lodge a DRP application form prior to the record date for determining entitlements to the above dividend.

Dividend Policy

It is the objective of the Company to provide a regular and stable dividend payment to shareholders after the announcement of its half year and full year operating results. These results are normally announced in February and August each year and the Company will endeavour to announce its dividend payments at this time.

The Company intends to distribute to shareholders at least 50% of the available net profits arising from the dividend, interest and other income it receives from its investments and the realised and unrealised gains on its investments, to the extent permitted by law and prudent business practices. Dividends will be franked to the extent that available franking credits permit and in accordance with the stated objective of providing 2 dividend payments a year.

SECURITIES IN THE COMPANY

At Balance Date and as at the date of this Directors' Report, the Company has 38,942,213 fully paid ordinary shares on issue. All such shares are listed on ASX. The Company has no other securities on issue.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

As at 31 December 2005, a direct investment in the Company provides indirect exposure to a diversified portfolio of approximately 210 securities across 22 industry sectors in 11 recognised overseas stock markets.

Based on information provided by Constellation, the investment portfolio returned 12.1% during the financial half year (which includes realised gains of \$0.226 million and unrealised gains of \$1.791 million), reflecting an improvement in world markets (the MSCI ex Australia Index returned 10.5% in US\$ terms) and favourable exchange rate movements (the MSCI ex Australia Index returned 14.8% in A\$ terms).

Whilst the value of the portfolio benefited from the strength in the \$A and from the strong gains in the value of the portfolio when expressed in local currencies, Constellation advised that it did not have exposure to the top performing sectors (e.g. Mining returned 48% in USD and Steel & Other Materials returned 43%) where adequate exposure is obtained from the domestic sector, consistent with the methodology at the centre of Constellation's HomeGlobal™ Investment Strategy.

The Directors note that the investment management agreement with Constellation will expire on 18 May 2006. The Board will review the performance of Constellation and its HomeGlobal™ Investment Strategy leading up to the expiry of such term and will either:

- (1) seek to negotiate a renewal of Constellation's appointment as investment manager if appropriate; or
- (2) seek the appointment of another appropriate investment manager (to manage the Company's funds in accordance with the Company's current investment mandate/objectives to invest in international securities unless a change is approved by shareholders).

DIRECTORS

The names and particulars of all Directors in office during or since the financial half year are:

Farooq Khan — **Chairman**

Appointed — Director since 2 December 2003; Chairman since 10 February 2004

Qualifications — BJuris, LLB. (UWA)

Experience — Mr Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies and has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.

Other current directorships in listed entities — Current Chairman and Managing Director of:

- (1) Queste Communications Limited (QUE).

Current Chairman of:

- (2) Scarborough Equities Limited (SCB).

Current Director of:

- (3) Strike Resources Limited (SRK)

DIRECTORS' REPORT

Christopher B. Ryan — **Non-Executive Director**

Appointed — 5 February 2004

Qualifications — BEcon (UWA), MBA (UNSW)

Experience — Mr Ryan is the Principal of Westchester Corporate Finance, a Sydney based corporate advisory firm specialising in advising listed companies on fund raising, mergers and acquisitions and associated transactions. Prior to forming Westchester in July 1996, Christopher was with Schroders Australia for 27 years. At Schroders, he served 3 years in the investment division, 2 years as an economist monitoring influences on interest and exchange rates and 22 years in the corporate finance division of which he was a director for 19 years specialising in advising on project financing and mergers and acquisitions mainly in the Australian minerals and oil and gas sectors.

*Other current directorships
in listed entities* — Current Chairman of:

- (1) Golden Cross Resources Limited (GCR);
- (2) Bligh Ventures Limited (BLV);
- (3) Blue Ensign Technologies Limited (BLE).

Current Director of:

- (4) Scarborough Equities Limited (SCB).

Simon K. Cato — **Non-Executive Director**

Appointed — 5 February 2004

Qualifications — B.A. (USYD), MSDIA

Experience — Mr Cato has more than 20 years capital markets experience within the Australian securities industry both in investment broking and in regulatory roles. He has been employed by the ASX in Sydney and Perth in the companies department most recently as Manager, Companies for ASX Perth. Over the last 15 years Mr Cato has been an Executive Director of two stockbroking firms and in these roles has been involved in a diverse range of management and capital investment activities.

*Other current directorships
in listed entities* — Current Director of:

- (1) Scarborough Equities Limited (SCB);
- (2) Elemental Minerals Limited (ELM);
- (3) Medusa Mining Limited (MML);
- (4) Altera Capital Limited (AEA);
- (5) Sofcom Limited. (SOF).

DIRECTORS' REPORT

Peter P. Simpson — Non-Executive Director

Appointed— 6 September 2005

Qualifications— Ass.Dip.Bus, F.A.I.M., F.C.D.I.

Experience— Mr Simpson has substantial business and commercial experience. Mr Simpson is Executive Chairman of Bridge Finance Australia Pty Ltd, which has broad interests including horticulture, publishing and in the IT sector. Mr Simpson is also Chairman of Eudunda Farmers' Limited an unlisted property and supermarket group. Mr Simpson has substantial interests in two private investment companies and is also a director and shareholder in Wirra Wirra Vineyards in South Australia.

Other current directorships— None
in listed entities

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 forms part of this Directors Report and is set out on page 23. This relates to the Independent Review Report, where the Auditors state that they have issued an independence declaration.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and financial statements to the nearest \$1,000 or in certain cases to the nearest dollar. Amounts have been rounded off in the Directors' Report and financial statements in accordance with this class order.

Signed for and on behalf of the Directors in accordance with a resolution of the Board.



Farooq Khan
Chairman



Simon Cato
Director

15 March 2006



Chartered Accountants
& Advisers

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Tel: (61-8) 9360 4200
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www.bdo.com.au

15 March 2006

The Directors
Bentley International Ltd
Level 14, The Forrest Centre
221 St Georges Terrace
PERTH WA 6000

Dear Sirs

DECLARATION OF INDEPENDENCE BY BDO CHARTERED ACCOUNTANTS TO THE DIRECTORS OF BENTLEY INTERNATIONAL LTD

To the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of this Act in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to this review.

Yours faithfully

BDO

Chartered Accountants

Brad McVeigh
Partner



CONDENSED INCOME STATEMENT

for the half year ended 31 December 2005

Note	Company		
	31 Dec 05 \$'000	31 Dec 04 \$'000	
Investment income			
Dividends and trust distribution	178	301	
Interest	6	28	
Unrealised changes in the net fair value of investments	1,791	-	
Realised gains on sale of investments	226	-	
Other income	-	14	
	<hr/>	<hr/>	
	2,201	343	
Expenses			
Unrealised changes in the net fair value of investments	-	(444)	
Realised losses on sale of investments	-	(855)	
Foreign exchange losses	(1)	(108)	
Investment manager's fees	(89)	(63)	
Audit fees	(24)	(14)	
Directors' fees	(63)	(58)	
Custody fees	(17)	(27)	
Accounting fees	(21)	(38)	
Withholding tax	(17)	(16)	
Other corporate and administration expenses	(144)	(61)	
	<hr/>	<hr/>	
Profit/(Loss) before income tax expense	1,825	(1,341)	
Income tax (expense)/ benefit	(510)	313	
	<hr/>	<hr/>	
Profit/(Loss) after income tax expense	1,315	(1,028)	
	<hr/> <hr/>	<hr/> <hr/>	
Basic earnings/(loss) (cents per share)	2	3.38	(2.64)
Weighted average number of ordinary shares outstanding during the period used in calculation of basic earnings per share	2	38,942,213	38,942,213

The accompanying notes form part of this financial report

CONDENSED BALANCE SHEET

as at 31 December 2005

	Company	
	31 Dec 05	30 Jun 05
	\$'000	\$'000
CURRENT ASSETS		
Cash and cash equivalents	336	758
Investments	19,108	16,880
Receivables	27	20
Other	37	7
TOTAL CURRENT ASSETS	<u>19,508</u>	<u>17,665</u>
NON CURRENT ASSETS		
Property, plant and equipment	6	7
Deferred tax assets	-	7
TOTAL NON CURRENT ASSETS	<u>6</u>	<u>14</u>
TOTAL ASSETS	<u>19,514</u>	<u>17,679</u>
CURRENT LIABILITIES		
Payables	104	80
Provisions	12	49
TOTAL CURRENT LIABILITIES	<u>116</u>	<u>129</u>
NON CURRENT LIABILITIES		
Deferred tax liabilities	539	6
TOTAL NON CURRENT LIABILITIES	<u>539</u>	<u>6</u>
TOTAL LIABILITIES	<u>655</u>	<u>135</u>
NET ASSETS	<u>18,859</u>	<u>17,544</u>
EQUITY		
Contributed equity	17,696	23,004
Retained profits/ (accumulated losses)	1,163	(5,460)
TOTAL EQUITY	<u>18,859</u>	<u>17,544</u>

The accompanying notes form part of this financial report

CONDENSED STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2005

	Number of Shares	Issued Capital \$'000	Reserves \$'000	Retained Profits / (Accumulated Losses) \$'000	Total \$'000
At 1 July 2004	38,942,213	23,004	1,069	(5,425)	18,648
Loss for the period	-	-	-	(1,028)	(1,028)
Dividends paid	-	-	-	(389)	(389)
Transfer to Accumulated Losses	-	-	(1,513)	1,513	-
At 31 December 2004	<u>38,942,213</u>	<u>23,004</u>	<u>(444)</u>	<u>(5,329)</u>	<u>17,231</u>
At 1 July 2005	38,942,213	23,004	-	(5,460)	17,544
Adoption of AIFRS					
Revaluation of investments	-	-	-	54	54
Deferred tax liability	-	-	-	(16)	(16)
	-	-	-	38	38
Profit for the period	-	-	-	1,277	1,277
	-	-	-	1,315	1,315
Reduce share capital against accumulated losses		(5,308)		5,308	-
At 31 December 2005	<u>38,942,213</u>	<u>17,696</u>	<u>-</u>	<u>1,163</u>	<u>18,859</u>

The accompanying notes form part of this financial report

CONDENSED CASH FLOW STATEMENT

for the half year ended 31 December 2005

Note	Company	
	31 Dec 05 \$'000	31 Dec 04 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends received	171	282
Interest received	6	28
Other income received	-	14
Investment manager's fees paid	(45)	(30)
Other corporate and administration expenses paid	(343)	(253)
	<hr/>	<hr/>
NET CASH (OUTFLOW)/ INFLOW FROM OPERATING ACTIVITIES	(211)	41
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	1,734	18,540
Purchase of investments	(1,995)	(17,221)
	<hr/>	<hr/>
NET CASH (OUTFLOW)/ INFLOW FROM INVESTING ACTIVITIES	(261)	1,319
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	-	(389)
	<hr/>	<hr/>
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	-	(389)
NET DECREASE IN CASH AND CASH EQUIVALENTS HELD		
Cash and cash equivalents at the beginning of the year	758	19
Effect of exchange rate changes on cash	50	(167)
	<hr/>	<hr/>
CLOSING CASH AND CASH EQUIVALENTS AT END OF PERIOD	336	823

The accompanying notes form part of this financial report

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2005

1. SUMMARY OF ACCOUNTING POLICIES

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2005 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The same accounting policies and methods of computation have generally been followed in this interim financial report as compared with the most recent annual financial report. AASB 134: Interim Financial Reporting generally only requires disclosure of accounting policies that have changed from those used in the prior annual reporting period.

The half-year financial report does not include notes normally included in the annual financial report.

1.1. Investments

Under *AASB 139: Financial Instruments: Recognition and Measurement*, financial assets are required to be classified into four categories, which determines the accounting treatment of the item. The categories and various treatments are:

- Held to maturity, measured at amortised cost;
- Held for trading (or designated “as at fair value through profit and loss” upon initial recognition), measured at fair value with unrealised gains or losses charged to the profit and loss;
- Loans and receivables, measured at amortised cost; and
- Available for sale instruments, measured at fair value with unrealised gains or losses taken to equity.

The Company’s “Current” financial assets are recognised in the Balance Sheet at fair value. “Non-current” financial assets will be classified as “at fair value through profit and loss” upon initial recognition and recognised in the Balance Sheet at fair value. During the period, changes in the fair value of all such financial assets will be recognised in the Income Statement. The fair value of financial assets will be measured at bid price (where available) and last sale price (where bid price is not available) and will exclude disposal costs.

AASB 139 and AG72 state that the current bid price is usually the appropriate price to be used in measuring the fair value of actively traded financial assets. Financial assets should be valued at their fair values without any deduction for transaction costs that may be incurred on sale or other disposal. This differs from previous treatment, in which the Company measured investments at “net market value” using the last sale price net of disposal costs. Where a security is unlisted or suspended, its fair value is determined by its net tangible asset value.

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 December 2005

1.2. Revenue Recognition

i. Revenue

Revenue consists of dividends, trust distributions, interest, other income and net proceeds from the sale of investments. Interest and dividend revenue is recognised as it accrues.

ii. Investment income

The change in the net fair value of investments as mentioned in Note 1.1 above is recognised as income in determining the profit and loss for the year. The unrealised gains or losses on the sale of investments represent the difference between the net proceeds and the net fair value of the investments at the prior year end or cost of acquired during the year.

1.3. Income Tax

The change for current income tax expenses is based on the profit for the year adjusted for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

1.4. Comparative Figures

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures in the current year

NOTES TO THE FINANCIAL STATEMENTS for the half year ended 31 December 2005

2. EARNINGS PER SHARE	31 Dec 05	31 Dec 04
Basic earnings/(loss) per share (cents)	3.38	(2.64)
Net profit/ (loss) (\$'000)	1,315	(1,028)
Weighted average number of ordinary shares outstanding during the half year used in calculation of basic earnings per share	38,942,213	38,942,213

Diluted loss per share has not been disclosed, as there are no potential ordinary shares.

3. SEGMENT REPORTING

Business Segments

The Company operates entirely in the business of managing its investments.

Geographical exposures

Constellation Capital Management Limited manages the Company's investment portfolio, to implement the international equities component of Constellation's HomeGlobal investment strategy.

Country	31 Dec 05	31 Dec 05	30 Jun 05	30 Jun 05
	Net fair value \$'000	% of total net fair value	Net fair value \$'000	% of total net fair value
Australia	-	0%	-	0%
Europe (excluding United Kingdom)	3,166	17%	2,877	17%
United Kingdom	1,778	9%	1,544	9%
North America & Canada	11,411	60%	10,085	60%
Japan	2,190	11%	1,872	11%
Asia (excluding Japan)	563	3%	502	3%
Total investments	19,108	100%	16,880	100%

The geographical exposure of investments take into account, where applicable, the effects of derivative financial instruments held by the Company. The geographical exposure values include investments, cash assets and accrued interest and dividends, net of unsettled trades.

4. CONTINGENT ASSETS AND LIABILITIES

The Company does not have any contingent assets or liabilities.

NOTES TO THE FINANCIAL STATEMENTS for the half year ended 31 December 2005

5. FIRST TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

(i) Reconciliation of Profit or Loss for the half year ended 31 December 2004	Previous GAAP \$'000	Adjustments on introduction of AIFRS \$'000	Australian equivalent to IFRS \$'000
Investment income			
Dividends and trust distribution	301		301
Interest	28		28
Unrealised changes in the net fair value of investments	(444)		(444)
Realised losses on sale of investments	(855)		(855)
Foreign exchange gain/(losses)	(108)		(108)
Other	14		14
	(1,064)	-	(1,064)
Expenses			
Investment manager's fees	(63)		(63)
Audit fees	(14)		(14)
Directors' fees	(58)		(58)
Custody fees	(27)		(27)
Accounting fees	(38)		(38)
Withholding tax	(16)		(16)
Other	(61)		(61)
Loss before income tax expense	(1,341)	-	(1,341)
Income tax benefit	313		313
Loss after income tax expense	(1,028)	-	(1,028)
(ii) Reconciliation of Profit or Loss for the full year ended 30 June 2005			
Investment income			
Dividends and trust distribution	485		485
Interest	39		39
Unrealised changes in the net fair value of investments	(115)		(115)
Realised gains on sale of investments	(858)		(858)
Foreign exchange gain/(losses)	(106)		(106)
Other	4		4
	(551)	-	(551)
Expenses			
Investment manager's fees	(136)		(136)
Audit fees	(26)		(26)
Directors' fees	(23)		(23)
Custody fees	(44)		(44)
Accounting fees	(43)		(43)
Withholding tax	(44)		(44)
Other	(217)		(217)
Loss before income tax expense	(1,084)	-	(1,084)
Income tax benefit	369		369
Loss after income tax expense	(715)	-	(715)

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2005

(iii) Reconciliation of equity at 1 July 2004	Previous GAAP \$'000	Adjustments on introduction of AIFRS \$'000	Australian equivalent to IFRS \$'000
CURRENT ASSETS			
Cash and cash equivalents	19		19
Investments	19,114		19,114
Other	24		24
TOTAL CURRENT ASSETS	<u>19,157</u>	-	<u>19,157</u>
NON CURRENT ASSETS			
Property, plant and equipment	9		9
Deferred tax assets	7		7
TOTAL NON CURRENT ASSETS	<u>16</u>	-	<u>16</u>
TOTAL ASSETS	<u>19,173</u>	-	<u>19,173</u>
CURRENT LIABILITIES			
Payables	75		75
NON CURRENT LIABILITIES			
Deferred tax liabilities	450		450
TOTAL LIABILITIES	<u>525</u>	-	<u>525</u>
NET ASSETS	<u>18,648</u>	-	<u>18,648</u>
EQUITY			
Contributed equity	23,004		23,004
Reserves	1,069		1,069
Accumulated losses	(5,425)		(5,425)
TOTAL EQUITY	<u>18,648</u>	-	<u>18,648</u>

NOTES TO THE FINANCIAL STATEMENTS for the half year ended 31 December 2005

(iv) Reconciliation of equity at 31 December 2004	Previous GAAP \$'000	Adjustments on introduction of AIFRS \$'000	Australian equivalent to IFRS \$'000
CURRENT ASSETS			
Cash and cash equivalents	823		823
Investments	16,555		16,555
Receivables	19		19
Tax assets	6		6
Other	40		40
TOTAL CURRENT ASSETS	17,443	-	17,443
NON CURRENT ASSETS			
Property, plant and equipment	8		8
Deferred tax assets	6		6
TOTAL NON CURRENT ASSETS	14	-	14
TOTAL ASSETS	17,457	-	17,457
CURRENT LIABILITIES			
Payables	91		91
Provisions	135		135
TOTAL CURRENT LIABILITIES	226	-	226
NON CURRENT LIABILITIES			
Deferred tax liabilities	-		-
TOTAL NON CURRENT LIABILITIES	-	-	-
TOTAL LIABILITIES	226	-	226
NET ASSETS	17,231	-	17,231
EQUITY			
Contributed equity	23,004		23,004
Reserves	(444)		(444)
Accumulated losses	(5,329)		(5,329)
TOTAL EQUITY	17,231	-	17,231

NOTES TO THE FINANCIAL STATEMENTS for the half year ended 31 December 2005

(v) Reconciliation of equity at 30 June 2005	Previous GAAP \$'000	Adjustments on introduction of AIFRS \$'000	Australian equivalent to IFRS \$'000
CURRENT ASSETS			
Cash and cash equivalents	758		758
Investments	16,880		16,880
Receivables	20		20
Other	7		7
TOTAL CURRENT ASSETS	17,665	-	17,665
NON CURRENT ASSETS			
Property, plant and equipment	7		7
Deferred tax assets	7		7
TOTAL NON CURRENT ASSETS	14	-	14
TOTAL ASSETS	17,679	-	17,679
CURRENT LIABILITIES			
Payables	80		80
Provisions	49		49
TOTAL CURRENT LIABILITIES	129	-	129
NON CURRENT LIABILITIES			
Deferred tax liabilities	6		6
TOTAL NON CURRENT LIABILITIES	6	-	6
TOTAL LIABILITIES	135	-	135
NET ASSETS	17,544	-	17,544
EQUITY			
Contributed equity	23,004		23,004
Accumulated losses	(5,460)		(5,460)
TOTAL EQUITY	17,544	-	17,544

6. CONTINGENT LIABILITIES

No contingent liabilities existed at 31 December 2005.

7. SUBSEQUENT EVENTS

On 15 March 2006, the Directors announced the declaration of an interim one cent per share fully franked dividend (at a cost of \$389,422). The record date for determining entitlements to the dividend is 11 April 2006 and payment is expected to be made on 26 April 2006.

The Directors also announced the reinstatement of a Dividend Reinvestment Plan ("DRP"). The DRP will allow shareholders, at their election, to automatically invest some or all of their dividend income into additional shares. As there are no transaction costs incurred, it also provides shareholders with an economical and convenient way to purchase additional shares in the Company. Details of the new DRP will be mailed to shareholders shortly to allow shareholders time to complete and lodge a DRP application form prior to the record date for determining entitlements to the above dividend.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Bentley International Limited made pursuant to sub-section 303(5) of the *Corporations Act 2001*, we state that:

In the opinion of the directors:

- (a) The financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2005 and of its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standards AASB 134 "Interim Financial Reporting" and *Corporations Regulations 2001*; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



Farooq Khan
Chairman



Simon Cato
Director

15 March 2006

**INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF BENTLEY INTERNATIONAL LIMITED****Scope**

We have reviewed the financial report of Bentley International Limited for the half-year ended 31 December 2005 as set out on pages 24 to 35. The financial report includes the financial statements of the consolidated entity comprising the disclosing entity and the entities it controlled at the end of the half-year or from time to time during the half-year. The disclosing entity's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 134: Interim Financial Reporting, other mandatory professional reporting requirements in Australia and statutory requirements, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the disclosing entity to lodge the financial report with the Australian Securities & Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the disclosing entity's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

The independence declaration given to the directors is in accordance with section 307C.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Matilda Minerals Limited is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

BDO
Chartered Accountants



BG McVeigh
Partner

Perth, Western Australia
Dated this 15th day of March 2006

INFORMATION ON SECURITIES as at 28 February 2006

DISTRIBUTION OF LISTED ORDINARY SHARES

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	1,000	135	60,069	0.154%
1,001	-	5,000	411	1,264,640	3.247%
5,001	-	10,000	350	2,707,950	6.953%
10,001	-	100,000	595	15,352,211	39.423%
100,001	-	and over	40	19,557,343	50.221%
Total			1,531	38,942,213	99.998%

TOP TWENTY ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	Total Shares Held	% Issued Capital
1	Orion Equities Limited *	10,113,198	25.969
2	Invia Custodian Pty Limited <WAM Capital Limited A/C>	1,131,664	2.906
3	Mr John Robert Dillon	924,223	2.373
4	Rochester No 39 Pty Ltd	755,062	1.938
5	Tothemill Pty Ltd	557,441	1.431
6	Delta Asset Management Pty Ltd	395,000	1.014
7	Mr Milton Melrose Forster	325,000	0.834
8	Nendar Pty Ltd <The Little Family S/F A/C>	300,000	0.770
9	Mr Percy Allan	277,500	0.712
10	RBC Dexia Investor Services Australia Nominees Pty Limited <BKCUST A/C>	259,478	0.666
11	Avanteos Investments Limited <Symetry Retire SVS 1006 A/C>	254,145	0.652
12	Dr Spencer David <David Family Inv Fund A/C>	251,951	0.646
13	Mr James Lawrence Hadley & Mrs Maria Marlina Hadley <Hadley Family Superfund A/C>	250,000	0.641
14	Penson Holdings Pty Ltd	238,770	0.613
15	Taydyn Pty Ltd	224,900	0.577
16	Avanteos Investments Limited <Symetry Delegates A/C>	204,000	0.523
17	Linaka Pty Ltd <Paulkate Super Fund A/C>	200,000	0.513
18	Barbridge Trusts Pty Ltd <Peter Simpson Family A/C>	186,766	0.479
19	Ms Jan Elizabeth Burnett-McKeown	182,970	0.469
20	Mrs Leanne Maree Rockefeller	182,650	0.469
TOTAL		17,340,176	44.517%

* Substantial shareholder