

Thursday, 25 August 2011

MARKET ANNOUNCEMENT

DIVIDENDS AND PROPOSED CAPITAL RETURN

FINAL AND SPECIAL DIVIDENDS

The Directors are pleased to announce the payment of a one cent final dividend and a 2.4 cent special dividend, as follows:

Dividend Rate per share	Ex Dividend Date	Record Date	Expected Payment Date	Franking
Final Dividend 1 cent	30 August 2011	5 September 2011	26 September 2011	100% franked
Special Dividend 2.4 cents				
Total Dividend 3.4 cents				

The Special Dividend is a capital management initiative undertaken by the Company in order to provide value to shareholders.

Recent changes to the Corporations Act, which permit the payment of dividends based on a company solvency test and not based on whether a company has a net profit, have allowed Bentley to undertake this dividend based capital management initiative. The final and special dividends are made utilising the existing franking credits of the Company and allow for a 100% franking credit to be applied.

Dividend Reinvestment Plan (DRP)

The Company's DRP will apply to the final and special dividend. The Directors have determined that the DRP issue price will be at a 2.5% discount to the Company's volume weighted average price on ASX in the 5 day period up to and including the dividend record date. The Company will lodge a market announcement advising the final DRP issue price after the record date.

New or updated DRP Election Forms should be lodged with the Company's share registry by Wednesday, 21 September 2011. Shareholders do not need to re-confirm their existing DRP elections. A copy of the Company's [DRP Rules](#) and [Application/Notice of Variation Form](#) may be obtained from the Company or downloaded from the Company's website: www.bel.com.au

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PROPOSED CAPITAL RETURN

The Company is also pleased to confirm that it has determined to seek shareholder approval to undertake a 5 cent per share return of capital (**Return of Capital**). The Return of Capital is to be effected by the Company seeking shareholder approval for a reduction in the share capital of the Company by returning 5 cents per share to shareholders – this equates to an aggregate reduction of share capital by approximately \$3.63 million based upon the Company’s 72,598,802 shares currently on issue.

No shares will be cancelled as a result of the Return of Capital. Accordingly, the number of shares held by each shareholder will not change as a consequence of the Return of Capital. The Return of Capital will have no effect on the number of shares on issue.

The Return of Capital is proposed by the Company as part of the ongoing capital management initiatives being conducted by the Company to provide value to shareholders which include the payment of a 2.4 cent fully franked special dividend (in addition to a one cent fully franked final dividend) (referred to above) and the intention of the Company to conduct an on-market share buy-back of up to 6,599,890 shares announced on 17 August 2011¹.

These initiatives have also been driven by a desire expressed by a number of shareholders for the Company to return a portion of its capital to shareholders.

The Company had considered declaring a special dividend greater than 2.4 cents per share. However, upon review of the ability of the Company to frank such special dividend, it was determined to seek shareholder approval to effect a 5 cent Return of Capital in place of a higher special dividend. This course was adopted upon receipt of advice that the proposed higher special dividend could not be franked to 100% based upon the utilisation of the franking credits currently available to the Company relative to its retained earnings. As such, the proposal to return capital to shareholders presents a potentially more effective manner in which to provide funds to shareholders.

The Company believes that a combination of these various initiatives will be of benefit to all shareholders by providing a mix of cash via dividends and a Return of Capital in an effective manner whilst implementing mechanisms to potentially increase the NTA backing of the Company and reduce the discount to NTA backing at which the shares of the Company currently trade.

The Return of Capital is subject to shareholder approval which will be sought at a general meeting of shareholders anticipated to be held in late September /early October 2011.

Meeting documentation advising details of the meeting together with relevant explanatory materials will be despatched to shareholders and sent to the ASX in due course. The meeting documentation will include details of the record date for determining eligibility to participate in the Return of Capital and the expected payment date, assuming the requisite resolution is passed by shareholders.

If all conditions are met, including shareholder approval, the Directors aim to have Return of Capital paid in mid-October 2011.

FOR FURTHER INFORMATION:

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¹ Refer 17 August 2011 ASX market announcement “[Intention to Conduct On-Market Share Buy-Back](#)” and [Appendix 3C - Announcement of Buy-Back dated 17 August 2011](#)