



Bentley  
International Limited

Tuesday, 18 May 2004

## MARKET ANNOUNCEMENT

### Appointment of Constellation as New Investment Manager

The Company is pleased to confirm the formal appointment of Constellation Capital Management Limited ("**Constellation**") as its new investment manager. Constellation's investment mandate will be to implement the international equities component of its HomeGlobal™ investment strategy ("**HomeGlobal™ Strategy**").

The Company's new website, [www.bel.com.au](http://www.bel.com.au), has also been launched. The website contains further details on the HomeGlobal™ Strategy and other corporate information for shareholders and investors.

The HomeGlobal™ Strategy was recently considered by ASX in the February 2004 edition of its Taking Stock Newsletter. The ASX article considers Constellation's HomeGlobal™ Strategy as an alternative approach to the current domestic/international investment strategies paradigm and highlights it as a positive investment opportunity for Australian listed investment companies. The February 2004 edition of ASX's Taking Stock newsletter is available over the Internet at the following website addresses:

- [http://www.bel.com.au/library/Presentations/2004\\_Feb\\_ASX\\_Taking\\_Stock\\_Newsletter.pdf](http://www.bel.com.au/library/Presentations/2004_Feb_ASX_Taking_Stock_Newsletter.pdf)
- <http://www.asx.com.au/about/pdf/TakingStockFeb04.pdf>

The Company believes this article by the ASX lends further weight to the decision made by the new Board to appoint Constellation as new investment manager to implement the international component of the HomeGlobal™ Strategy.

#### ABOUT CONSTELLATION CAPITAL MANAGEMENT LIMITED

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) and 50% by interests associated with Constellation's management. Constellation's management team has collectively many years experience in financial management disciplines and is well regarded in the industry.

Constellation offers specialist investment management services on a wholesale basis to superannuation funds, retail financial service providers, corporations, charities, trusts and endowments, and Governments and related entities.

[www.bel.com.au](http://www.bel.com.au)



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On 30 March 2004, Constellation announced it was forming a strategic relationship with Zurich Financial Services Australia ("**Zurich**") to exclusively manage Zurich's specialist Australian equity portfolios, which currently total more than \$300 million.

Further information is available on Constellation's website: [www.constellation.com.au](http://www.constellation.com.au)

### **The Constellation Investment Team**

#### **Douglas Little, Managing Director**

BCom, FCPA, FAICD, ASIA

Mr Little was formerly Group Investment Director of Tyndall Australia Limited and has more than 35 years experience in the financial services industry, both in Australia, London and New York, including more than twenty years in investment management. Until 1981 he was a senior investment executive for AMP Society. In the 1980's he successfully established and managed investment operations in New York for Potter Partners (acquired by Warburg/UBS) and Bain & Co (acquired by Deutsche Bank).

#### **Dr Peter Vann, Head of Investment Research**

PhD, MSc, BSc, ASIA

Dr Vann, formerly Head of Structured Investment Group at County Investment Management (now INVESCO) has been involved within the investment management and managed funds industry for more than 15 years. Since joining the financial community, Dr Vann has been a major contributor to the industry and related institutions. He is the founder and past President of the Australian Institute for Quantitative Research in Finance (Q Group Australia), is a Principal Lecturer for the Securities Institute of Australia course in Applied Portfolio Management, an Associate Editor for the Journal of Investing and is on the Review Board for the Journal of Indexes. Peter was also Chairman of the School Advisory Committee, School of Finance and Economics at UTS.

### **TERMS OF INVESTMENT MANAGEMENT AGREEMENT**

Pursuant to an Investment Management Agreement ("**IMA**") dated 18 May 2004, the Company appointed Constellation as investment manager to manage the Company's investment portfolio in accordance with the IMA. The initial portfolio size is approximately \$18m.

Some of the key terms of the IMA are as follows:

- (1) Constellation is to invest and manage the portfolio in accordance with the international component of the HomeGlobal™ Strategy;
- (2) The initial term of Constellation's appointment will be 2 years.

- (3) Authorised investments extend only to listed international equity security (including exchange traded funds) that are traded on a recognised overseas stock exchange and certain cash and fixed interest securities. Constellation is not permitted to acquire derivatives, put options, call options, put and call options, to hedge, to borrow, or to pledge any assets of the portfolio or the Company. The Company's approval is required for Constellation to invest in a public listed company if such investment would be more than 10% of the market capitalisation of such company.
- (4) Constellation is permitted to maintain up to 5% of the portfolio in cash assets.
- (5) The following management fees (exclusive of goods and services tax) are payable to Constellation:
- (a) A base fee of \$69,000 per annum; and
- (b) A variable fee of:
- (i) 0.5% per annum of the portfolio value up to \$15m; and
- (ii) 0.4% per annum of the portfolio value in excess of \$15m.

Examples:

Portfolio Value	Base Fee	Variable Fee		Total Fees	Total Fees as % of Portfolio Value
		0.5% up to \$15m	0.4% of excess over \$15m		
\$15m	\$69,000	\$75,000	\$0	\$144,000	0.96%
\$18m	\$69,000	\$75,000	\$12,000	\$156,000	0.87%
\$20m	\$69,000	\$75,000	\$20,000	\$164,000	0.82%
\$30m	\$69,000	\$75,000	\$60,000	\$204,000	0.68%
\$50m	\$69,000	\$75,000	\$140,000	\$284,000	0.57%
\$100m	\$69,000	\$75,000	\$340,000	\$484,000	0.48%

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**For further information:**

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