

# ASX RELEASE.

## BELL FINANCIAL GROUP

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### Bell Financial Group first half profit (before tax) \$14.2 million

- First half profit before tax attributable to shareholders \$14.2 million (\$8.5 million in 1H 2017)
- First half net profit (after tax) \$9.8million (\$5.9 million in 1H 2017)
- Total revenue of \$101.1 million (\$88.5 million in 1H 2017)
- Recurring and low touch revenue of \$26.6 million (\$23.9 million in 1H 2017)
- Group Funds under Advice \$48.7 billion (\$42.6 billion in 1H 2017)
- Earnings Per Share 3.7 cents (2.2 cents per share in 1H 2017)
- 2.75 cents per share fully franked interim dividend (2.0 cents per share in 1H 2017)

**Friday, 10 August 2018** – Bell Financial Group Limited (ASX: BFG) today announced an interim net profit of \$9.8 million, a 67% increase on the prior corresponding period (p.c.p).

The result was achieved on a 14.3% increase in gross revenue (to \$101.1 million) and less than a 2% increase in non-commission overheads, clearly demonstrating the market leverage in our business model.

The Board has declared a fully franked interim dividend of 2.75 cents per share which, following our successfully completed entitlement offer in July, represents a 65% increase (\$8.7m 1H 2018, \$5.3m 1H 2017) in interim dividend paid in absolute terms given our register now has 20% more shares on issue.

Our U.S. license application has been approved and the Bell Potter New York office at 444 Madison Avenue is now fully operational. We are confident this will add a new dimension to our business and along with our Hong Kong and London offices will complete our global Institutional distribution network.

Funds under Advice continue to grow, with sponsored holdings, cash, margin lending, superannuation and Portfolio Administration assets at \$48.7 billion.

The acquisition of Third Party Platform Pty Ltd completed on the 3<sup>rd</sup> of July. We regard the overwhelming support for both the transaction and the entitlements offer as a clear endorsement of our commitment to technology and platform development. An initiative we expect will provide a major contribution to the ongoing growth and success of the business.

We expect to launch a new investment service this quarter, the “Bell Potter Guided Portfolio Service” (GPS). GPS is an efficient, cost-effective way to invest in a professionally designed model portfolio while retaining ownership and control. We anticipate the product will appeal particularly to clients of Bell Direct and Desktop Broker, and to certain private clients of Bell Potter Securities.

Business conditions remain encouraging with a significant number of Equity Capital Market transactions completing this month. There is also a solid pipeline through to the end of the year. However we do reiterate our cautionary note that the second half of last year was particularly strong.

**ENDS ...**

#### About Bell Financial Group

Bell Financial Group Ltd (ASX:BFG) is an Australian-based provider of stockbroking, investment and financial advisory services to private, institutional and corporate clients. The Group has over 650 employees, operates across 16 offices in Australia and has offices in London and Hong Kong.

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