

ASX RELEASE.

BELL FINANCIAL GROUP

CALL OPTION TO ACQUIRE 100% BELL DIRECT

Wednesday, 28 January 2015 – Bell Financial Group Limited (BFG) today announced that it will not be exercising its call option to acquire the remaining shares in Bell Direct it does not own. Bell Financial currently owns 51.23% of Bell Direct. The call option to acquire the remaining 48.77% expires on 31 January 2015 and there are no immediate plans to extend or replace it.

Bell Direct's online broking platform is used by retail clients, financial planners and major financial institutions. Bell Financial was one of the founders of Bell Direct and has held a call option over Bell Direct shares since 2007. The exercise of the call option was to be satisfied by Bell Financial issuing new shares, subject to shareholder approval, and valued all of Bell Direct's existing share capital at \$70 million.

Bell Financial was under no obligation to exercise the call option and the decision not to exercise was made by a committee of independent non-executive directors, despite the independent expert's report prepared for the committee valuing Bell Direct in the range of \$65.7 - \$69.6 million.

"We believe the success of Bell Direct is not reflected in the current Bell Financial share price and it became clear that due to the greater than anticipated dilutionary effect of the option exercise, insufficient eligible shareholders would vote in favour," said Bell Financial Executive Chairman, Colin Bell.

He added, "Online broking remains core to Bell Financial's strategy of being a fully diversified financial services and broking business."

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About Bell Financial Group

Bell Financial Group Ltd (ASX:BFG) is a leading Australian full service broking and financial advisory firm with a strong track record of providing high quality, professional advice to private, institutional and corporate investors. Bell has 15 offices covering Australia, Hong Kong and London, and has one of the largest distribution networks in the country. Bell Direct is our 51% owned online broking business.

For more information, please contact:

Michael Mullane, Cannings Corporate Communications, +61 2 8284 9993, mmullane@cannings.net.au.