

Media Release

Date 19 February 2010

Bell Financial Group Ltd (BFG)

Annual results for the financial year ended 31 December 2009

Bell Financial Group today announced its results for the financial year to 31 December 2009. Group revenues for the 12 months ended 31 December were \$206.7 million and profit after tax \$27.3 million. The Group's revenues and profits were driven by the overall improvement in market conditions, an improvement in share trading volumes and a significant increase in equity market activity during this period.

Executive Chairman of Bell Financial Group, Colin Bell said, "I am pleased to be able to report that the Group traded profitably again throughout FY 2009. The Group finished the year with a strong balance sheet, no operating debt other than in the Margin Lending business and no significant asset write-downs. As at 31 December 2009 the Group had net tangible assets of \$60 million of which the majority were cash and cash equivalents.

The Directors have declared that a fully franked final dividend of 6 cents per share will be paid for the 6 months to the end of FY2009. The total dividend for the year is 8 cents per share.

Commenting on the individual businesses, Mr. Bell said, "Equity Capital Market (ECM) activity was the standout revenue driver across the Group. Southern Cross Equities (SCE), which was acquired by the Group in September 2008, made an outstanding contribution with its first full year of earnings to the Group, driven primarily by ECM transactions. I am also pleased to report that Bell Potter Capital, which provides our in-house margin lending and cash products, performed strongly given the difficult market conditions. The loan book is conservatively managed with an average gearing of 28.6% and there were no bad debts or write-offs during the period."

"The Group continued to manage its cost base with overheads, excluding commissions paid to advisers, at \$66.3 million up 5.6% compared to the prior year. This increase was due to the inclusion of Southern Cross Equities' overheads for the full year.

"We have come through the extremely difficult period of the GFC intact and our clients, our balance sheet, our P&L, our dividend record and our staff have all come through in surprisingly good shape.

“As a Group, we believe we have delivered an excellent set of results as both the market and economy recovered in the latter half of the year. Although we believe the worst financial conditions we’ve ever seen are behind us, we can expect markets to continue to provide challenges for our clients and our business. Undoubtedly, our success is linked to the fortunes of the market but we believe the Group’s business model is sufficiently adaptable to cope with unexpected shocks.

“We remain confident that the Group is well positioned to meet the challenges ahead and to take advantage of growth opportunities as they arise. Given that we are independent, Australian owned, have a 36 year ownership and management track record and a strong relationship with UBS, our cornerstone investor, we think we are well placed to make acquisitions and recruit talented people,” Mr. Bell said.

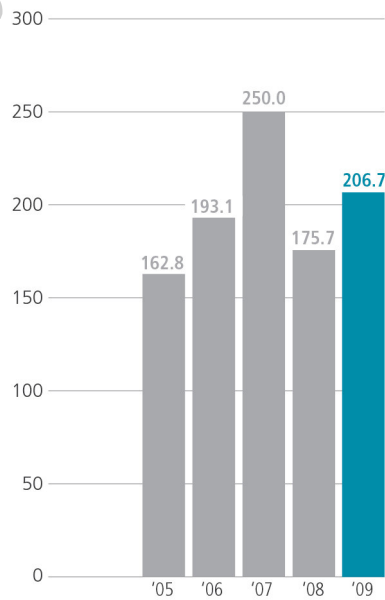
Appendix 1: Charts: Financial Performance and Segment Reporting

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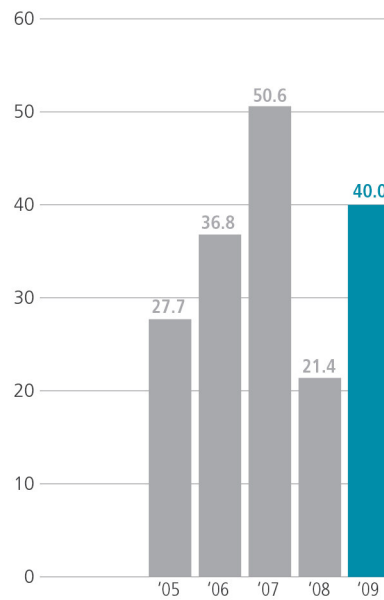
Appendix 1: Charts

Financial Performance

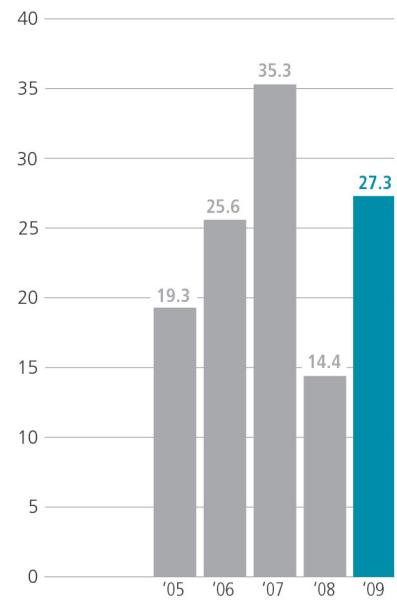
Revenue
(\$A m) 2005-2009



Net Profit Before Tax
(\$A m) 2005-2009



Net Profit After Tax
(\$A m) 2005-2009



- Group revenue was \$206.7 million for financial year 2009, a 17.6% increase on the previous year.
- Profit before tax was \$40 million, an 87% improvement on 2008;
- Resulting in a net profit after tax of \$27.3 million, 89% better than the previous year.

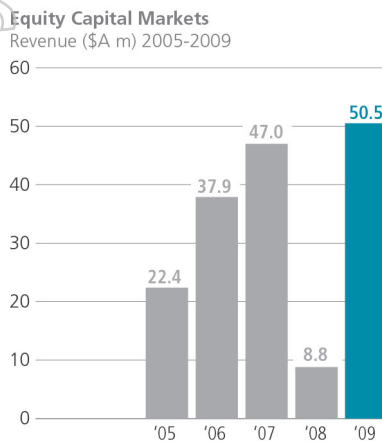
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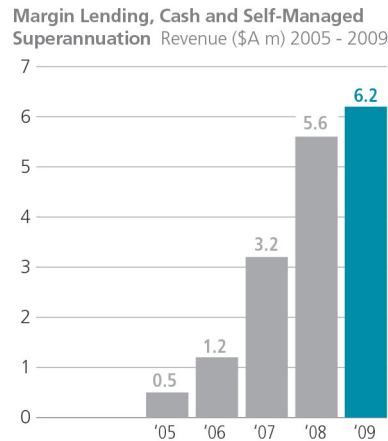
Segment Reporting

Equity Capital Markets



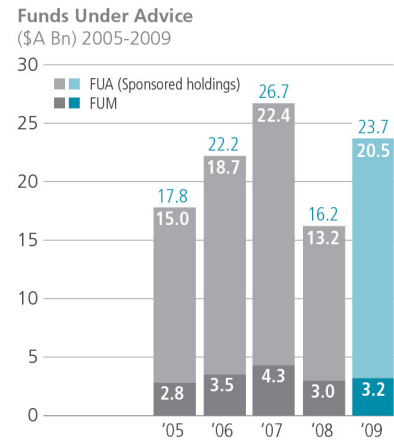
- Revenue grew from \$8.8 million in 2008 to \$50.5 million in 2009. While 65% of this revenue was attributable to SCE, it should be noted that 35%, or approximately \$17 million, was generated by Bell Potter Securities representing an almost 100% improvement on their corporate revenue in the previous year.

In-House Products



- Net revenue grew 10.7% to \$6.2 million compared to the previous year.
- Margin lending FUM were \$193 million, up 2.1% from \$189 million as at 31 December 2008;
- Cash was \$142 million unchanged from the previous year; and
- Self-managed superannuation solutions FUM were \$324 million up 37.3% from \$236 million compared to the previous period.

Funds Under Advice



- FY2009 saw total Funds Under Advice (FUA) increase 46.3% to \$23.7 billion.
- The rise in FUA was primarily due to a significant increase in the value of sponsored equity holdings, \$20.5 billion up from \$13.2 billion the year before, as a result of improved market valuations and to an increase in FUM.
- Funds Under Management (FUM) increased 6.7% to \$3.2 billion and reflected the lift in value of the underlying assets managed in the Group's in-house investment products.

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About Bell Financial Group

Bell Financial Group Ltd (www.bellfg.com.au, ASX: BFG) wholly owns Bell Potter Securities Limited (BPS), Bell Potter Capital Limited and Southern Cross Equities Limited (SCE) and has a 36% stake in online broker Bell Direct. BFG is one of Australia's leading full service stock broking and financial advisory firms with a strong track record of providing high quality, professional advice to private, institutional and corporate investors. The business has 320 private client advisers, 14 offices nationally and an office in London and one of the largest distribution networks in the country. UBS, one of the world's largest investment banks, owns 17.44% of Bell Financial Group and provides access to first-class research and equity capital market flows.

Bell Potter Securities Limited has focused on establishing a large, loyal and experienced national network of client advisers, whom BPS supports with quality products, research, robust operating systems, a well-recognised brand and an experienced management team. BPS also incorporates Bell FX, the futures and foreign exchange business and Bell Commodities, purchased as part of the BFG listing in December 2007.

Bell Potter Capital Limited issues and manages the Group's in-house margin lending and cash products.

Southern Cross Equities Limited is one of Australia's leading independent wholesale stockbrokers and emerging investment groups delivering tailored services to corporations and institutions, and high net worth clients.

Bell Direct is Australia's latest, most cost-effective and innovative online broker. Bell Direct provides online broking services for both the retail and wholesale markets.

For more information, contact:

Colin Davidson
Director, Product and Marketing
Bell Potter Securities
02 9255 7467
cdavidson@bellpotter.com.au

Alexis Harrison
Marketing Manager
Bell Potter Securities
03 9235 1852
aharrison@bellpotter.com.au