

MEDIA RELEASE

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Bell Financial Group (BFG) extends option period for Bell Direct

Bell Financial Group Ltd (ASX: BFG) today announced it had extended the period for exercising its option over the Bell Direct shares it does not own by four years, expiring on 31 January 2015.

Bell Direct was successfully launched in November 2007 and is Australia's fastest growing online broker. After its first three years in operation Bell Direct has attracted more than 28,000 clients or over 4% of clients who trade online.

BFG currently owns 40% of Bell Direct. The key terms of the call option arrangements, other than the exercise period, have not changed. BFG has a call option to purchase all remaining Bell Direct shares it does not own, taking its holding to 100%. The exercise price of the call option is to be satisfied by BFG issuing new shares and continues to value all of Bell Direct's existing share capital at \$70 million. The call option remains subject to shareholder approval, which BFG will seek at the appropriate time in accordance with Corporations Act and ASX Listing Rule requirements and prior to the exercise of the option. BFG is under no obligation to exercise the call option and any decision to exercise the new call option will be made by BFG's independent non-executive Directors at the relevant time.

BFG Executive Chairman, Colin Bell said the decision to extend the period for exercising the call option reflected both market conditions over the past two years and BFG's confidence in the online share trading company's business.

"We have a high level of confidence in the Bell Direct management team and the business model. The company's results over its first three years of trading, taking into account market conditions, have been positive."

"We are confident that as market conditions improve, Bell Direct is ideally positioned to increase its market share and results," Bell said.

Commenting on the extension of the option term, Bell Direct Chief Executive Officer Arnie Selvarajah said the business continues to grow its market share and is on track to achieve the target valuation..

"We are building a business focused on delivering superior value and exceptional customer service. This is evidenced by our recent win in the AFR Smart Investor SMILES award" Selvarajah said.

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About Bell Financial Group

Bell Financial Group Ltd (bellfg.com.au, ASX: BFG) wholly owns Bell Potter Securities and Southern Cross Equities. 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 one of the largest distribution networks in the country. Its consistent aim is to meet its clients' investment objectives.

About Bell Potter Securities

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.

About Bell Potter Capital

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

About Southern Cross Equities

In less than ten years Southern Cross Equities Limited has evolved into one of Australia's largest independent stockbrokers and emerging investment groups delivering tailored services to corporations and institutions, and high net worth clients.

About Bell Direct

Bell Direct (40% owned by BFG) is Australia's latest, most cost-effective and innovative online broker. Bell Direct provides online broking services for both the retail and wholesale markets.

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Bell Direct

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