

MEDIA RELEASE

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Bell Financial Group Market Update

Bell Financial Group (ASX:BFG) said today that further deterioration in market conditions as a result of cautious investor sentiment in the June quarter continued to impact on trading volumes, particularly at the retail customer level, and Equity Capital Markets.

As a result, it is expected that the Group will record an after tax loss in the range of \$1.8m - \$2.0m for the six months to June 30th 2012.

While the result is disappointing there are a number of positives to be taken from the half year:

- The numbers include approximately \$2m in one-off payments and non-recurring expenditure.
- The Group's Balance Sheet and Cash position remain solid with no debt other than within the Margin Lending business.
- The Wholesale Equities, Commodities and Margin Lending businesses traded profitably throughout the period. Retail Equities bore the major brunt of the difficult market conditions.
- Bell Direct, of which Bell Financial Group is a major shareholder, was selected by HSBC Australia to provide a White Label on-line share trading platform for its customers. This service went live on 19 June 2012.

Bell Financial Group continues to monitor and manage all areas of the business closely and is confident the Group is well placed to take advantage of any improvement in market conditions.

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About Bell Financial Group

Bell Financial Group Ltd (bellfg.com.au, ASX: BFG) is a leading Australian full service stock broking and financial advisory firm with a strong track record of providing high quality, professional advice to private, institutional and corporate investors. BFG has 14 offices covering Australia plus one in the UK and has one of the largest distribution networks in the country. The firm's consistent aim is to meet its clients' investment objectives.

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