

26 August 2010

Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Paul Vine
Company Secretary

Phone: 03 9235 1961
Fax: 03 9235 1850

Dear Sir or Madam

Financial results for the half-year ended 30 June 2010

In accordance with the Listing Rules, the following documents are attached for release to the market:

1. Appendix 4D - half-year report;
2. Condensed Consolidated Interim Financial Report; and
3. media release.

Yours faithfully



Paul Vine
Company Secretary

Appendix 4D

Half-Year Report

Bell Financial Group Ltd
Half-year ended 30 June 2010

Listing Rule 4.3A

Company: Bell Financial Group Ltd

ASX Code BFG

Half-Year Ended 30 June 2010

ABN 59 083 194 763

1. The information contained in this report is for the half-year ended 30 June 2010 and the previous corresponding period, 30 June 2009.
2. Statutory Results for Announcement to the market for the Bell Financial Group Ltd Consolidated Group:

		\$ ('000)	
Total Revenue from ordinary activities:		up 11.2% to	89,236
Profit from ordinary activities after income tax:		up 27.1% to	8,365
Basic earnings per share			3.5c
Diluted earnings per share			3.3c
<u>Dividends</u>	Amount	Amount per security	Franked amount per security
Interim dividend (declared)	\$6,055,263	2.5c	2.5c
Record date for determining entitlements to the dividend: 8 th September 2010			

4. Brief explanation of any of the figures mentioned above necessary to enable the figures to be understood:

Refer attached Release to Market.

5. Financial Report

Refer to Bell Financial Group Ltd's Condensed Interim Financial Report (attached).

6. Dividends or distribution reinvestment plans

Dividend or distribution reinvestment plans in operation - not applicable.

The last date(s) for receipt of election notices for the dividend or distribution plans - not applicable.

7. NTA backing

	30 June 2010	31 December 2009
Net tangible asset backing per ordinary share	\$0.22	\$0.25

8. Details of Associate

Entity name: Third Party Platform Pty Ltd

Percentage holding: 36%

9. Entities over which control has been gained or lost

None

10. Commentary on the results for the period

Refer to Bell Financial Group Ltd Condensed Interim Financial Report attached.

11. Reviewed accounts

The accounts have been reviewed and are not subject to qualification.



Paul Vine
Company Secretary
26 August 2010

Bell Financial Group Ltd
ABN 59 083 194 763

Condensed Consolidated Interim Financial Report
30 June 2010



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The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with Bell Financial Group Ltd's annual report for the year ended 31 December 2009 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Directors' Report

The Directors of Bell Financial Group Ltd ("Bell Financial" or the "Company") present their report, together with the financial statements of the Company and its controlled entities (the "consolidated entity" or "Group") and the auditor's review report thereon, for the half-year ended 30 June 2010.

Directors

The Directors of the Company at any time during or since the end of the half-year and up to the date of signing this report are:

Executive Directors

Mr C Bell
Mr A Provan
Mr B Potts

Non-executive Directors

Mr C Coleman
Mr G Cubbin
Mr M Spry
Mr B Wilson

All Directors held office throughout the period ended 30 June 2010.

Principal activities

Bell Financial is an Australian based provider of stockbroking, investment and financial advisory services to private, institutional and corporate clients. Operating across 14 offices nationwide and an office based in London, Bell Financial has over 650 employees, including more than 320 experienced advisers, serving over 125,000 active clients with funds under advice of \$19 billion.

Review and results of operations

The consolidated profit after income tax attributable to members for the half-year ended 30 June 2010 was \$8.4 million (2009: \$6.6 million). This represents a 27% increase over the prior comparative period covering the half-year ended 30 June 2009.

The Company has declared a fully franked interim dividend of 2.5 cents per share (2009: 2 cents). The dividend record date is 8 September 2010 and payment is expected to be made on 23 September 2010.

Matters subsequent to the end of the financial half-year

No matters or circumstances have arisen since the end of the half-year period that in the opinion of the Directors of the Group has significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Indemnification and insurance of Directors

The Company has agreed to indemnify the current Directors against all liabilities to another person (other than the Company or related entity) that may arise from their position as Directors of the Company, except where the liabilities arise out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of liabilities covered by the insurance, the limit of the indemnity and the amount of the premium paid under the contract.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 5 and forms part of the Directors' report for the half-year ended 30 June 2010.

Rounding of amounts

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 January 1998 and in accordance with that Class Order, amounts in the financial report and Directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made with a resolution of the Directors.



Colin Bell
Executive Chairman

26 August 2010



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Bell Financial Group Ltd

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 30 June 2010 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Don Pasquariello

Don Pasquariello
Partner

Melbourne
26 August 2010

Condensed consolidated income statement

For the half-year ended 30 June 2010

	Half-year ended 30 June	
	2010	2009
	\$ '000s	\$ '000s
Rendering of services	76,933	69,512
Finance income	9,628	8,404
Investing income	2,156	1,816
Other income	519	532
Total revenue	89,236	80,264
Employee expenses	(53,534)	(46,696)
Depreciation & amortisation expenses	(778)	(734)
Occupancy expenses	(5,018)	(4,712)
Systems & communication expenses	(7,063)	(6,603)
Professional expenses	(1,058)	(1,298)
Finance expenses	(4,596)	(5,035)
Other expenses	(4,493)	(4,427)
Results from operating activities	12,696	10,759
Share of profit/(loss) of equity accounted investments (net of income tax)	(506)	(794)
Profit before income tax	12,190	9,965
Income tax (expense) / benefit	(3,825)	(3,383)
Profit after tax for the period	8,365	6,582
Attributable to:		
Equity holders of the Company	8,365	6,582
Profit for the period	8,365	6,582
Earnings per share:	Cents	Cents
Basic earnings per share	3.5	2.7
Diluted earnings per share	3.3	2.7

The notes on pages 11 to 17 are an integral part of these consolidated interim financial statements.

Condensed consolidated statement of comprehensive income

For the half-year ended 30 June 2010

	Half-year ended 30 June	
	2010 \$ '000s	2009 \$ '000s
Profit for the period	8,365	6,582
Other comprehensive income		
Effective portion of changes in fair value of cash flow hedge	(237)	1,343
Other comprehensive income for the period, net of tax	(237)	1,343
Total comprehensive income for the period	8,128	7,925
Attributable to:		
Equity holders of the Company	8,128	7,925
Total comprehensive income for the period	8,128	7,925

The notes on pages 11 to 17 are an integral part of these consolidated interim financial statements.

Condensed consolidated statement of financial position

As at 30 June 2010

	Note	As at 30 June 2010 \$ '000	As at 31 Dec 2009 \$ '000
Assets			
Cash and cash equivalents		108,903	125,197
Trade and other receivables		95,712	80,747
Loans and advances	7.	175,901	193,031
Financial assets		16,289	11,804
Derivative asset		-	197
Prepayments		769	710
Total current assets		397,574	411,686
Other financial assets		10	10
Investments in equity accounted investees		8,529	9,035
Deferred tax assets		3,018	3,007
Property, plant and equipment		3,170	2,640
Goodwill	8.	103,496	103,496
Intangible assets		2,184	2,331
Total non-current assets		120,407	120,519
Total assets		517,981	532,205
Liabilities			
Trade and other payables	9.	139,915	100,129
Financial liabilities		4,707	3,776
Deposits and borrowings	10.	193,950	204,134
Current tax liabilities		1,937	6,786
Derivative liability		40	-
Employee benefits		13,413	24,294
Provisions		1,602	24,692
Total current liabilities		355,564	363,811
Deferred tax liability		747	476
Employee benefits		2,433	2,277
Total non-current liabilities		3,180	2,753
Total liabilities		358,744	366,564
Net assets		159,237	165,641
Equity			
Contributed equity		147,742	147,742
Reserves		26,874	33,278
Retained earnings / (losses)		(15,379)	(15,379)
Total equity attributable to equity holders of the Company		159,237	165,641

The notes on pages 11 to 17 are an integral part of these consolidated interim financial statements.

Condensed consolidated statement of changes in equity

For the half-year ended 30 June 2010

	Share capital	Distributable profits reserve	Cash flow hedge reserve	Retained earnings	Total equity
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance at 1 January 2009	147,742	15,463	(1,334)	(15,379)	146,492
Total comprehensive income					
Profit or loss for the period	-	-	-	6,582	6,582
Other comprehensive income					
Effective portion of changes in fair value of cash flow hedge	-	-	1,343	-	1,343
Total other comprehensive income	-	-	1,343	-	1,343
Total comprehensive income for the period	-	-	1,343	6,582	7,925
Transactions with owners, directly in equity					
Transfer of retained earnings	-	6,582	-	(6,582)	-
Dividends	-	(4,844)	-	-	(4,844)
Balance at 30 June 2009	147,742	17,201	9	(15,379)	149,573
Balance at 1 January 2010	147,742	33,081	197	(15,379)	165,641
Total comprehensive income					
Profit or loss for the period	-	-	-	8,365	8,365
Other comprehensive income					
Effective portion of changes in fair value of cash flow hedge	-	-	(237)	-	(237)
Total other comprehensive income	-	-	(237)	-	(237)
Total comprehensive income for the period	-	-	(237)	8,365	8,128
Transactions with owners, directly in equity					
Transfer of retained earnings	-	8,365	-	(8,365)	-
Dividends	-	(14,532)	-	-	(14,532)
Balance at 30 June 2010	147,742	26,914	(40)	(15,379)	159,237

The notes on pages 11 to 17 are an integral part of these consolidated interim financial statements.

Condensed consolidated interim statement of cash flows

For the half-year ended 30 June 2010

	Half-year ended 30 June	
	2010 \$ '000s	2009 \$ '000s
Cash flows from operating activities		
Cash receipts from customers	83,281	71,465
Cash paid to suppliers and employees	(59,397)	(51,931)
Cash generated from operations	23,884	19,534
Dividends received	64	155
Interest received	9,540	8,499
Interest paid	(4,596)	(5,035)
Income taxes paid	(8,414)	(3,694)
Net cash from operating activities	20,478	19,459
Cash flows from investing activities		
Net proceeds from sale of listed investments	1,413	162
Acquisition of listed investments	(2,916)	(154)
Acquisition of other investments	-	(996)
Acquisition of property, plant and equipment	(1,161)	(255)
Net cash used in investing activities	(2,664)	(1,243)
Cash flows from financing activities		
Repayment of borrowings	(19,576)	(7,593)
Dividends paid	(14,532)	(4,844)
Net cash used in financing activities	(34,108)	(12,437)
Net increase / (decrease) in cash and cash equivalents	(16,294)	5,779
Cash and cash equivalents at 1 January	125,197	88,376
Cash and cash equivalents at 30 June	108,903	94,155

The notes on pages 11 to 17 are an integral part of these consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. Reporting entity

Bell Financial Group Ltd (the "Company" or "Bell Financial") is domiciled in Australia. The consolidated financial statements of the Company comprise the Company and its subsidiaries (the "Group" or "Consolidated Entity") and the Group's interest in associates.

The consolidated annual financial report of the Group as at and for the year ended 31 December 2009 is available upon request from the Company's registered office at Level 29, 101 Collins Street, Melbourne or at www.bellfg.com.au.

2. Statement of compliance

This condensed consolidated interim financial report has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This condensed consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 31 December 2009 along with any public announcements made by the company during the interim reporting period.

This condensed consolidated interim financial report was approved by the Board of Directors on 26 August 2010.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

3. Significant accounting policies

The accounting policies applied by the Group in this consolidated interim financial report are consistent with those applied by the Group in its consolidated financial report as at and for the year ended 31 December 2009.

Notes to the condensed consolidated interim financial statements

4. Estimates

The preparation of the condensed consolidated interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 31 December 2009. During the period, management reviewed estimates in respect of:

- recoverability of deferred taxes;
- impairment of loans and advances;
- impairment of goodwill and intangibles;
- legal provisions;
- long service leave provisions.

5. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial report as at and for the year ended 31 December 2009.

Notes to the condensed consolidated interim financial statements

6. Segment reporting

The Group comprises the following main business segments:

- Broking (Bell Potter) – equities, futures, foreign exchange, corporate services and portfolio administration services
- Broking (Southern Cross) – equities and corporate services
- Margin lending and deposits

For the half-year ended 30 June 2010

	Broking Bell Potter	Broking Southern Cross	Margin Lending	Eliminations	Consolidated
	2010 \$ '000	2010 \$ '000	2010 \$ '000	2010 \$ '000	2010 \$ '000
Revenue from operations	61,104	20,614	7,816	(298)	89,236
Profit / (loss) after tax	2,622	4,969	774		8,365
Segment assets	274,746	28,407	219,299	(13,000)	509,452
Investment in associates	8,529	-	-	-	8,529
Total assets	283,275	28,407	219,299	(13,000)	517,981
Segment liabilities	141,793	15,576	214,375	(13,000)	358,744
Total liabilities	141,793	15,576	214,375	(13,000)	358,744
Other segment details					
Depreciation / amortisation	(651)	(127)	-	-	(778)
Share of net losses of associates	(506)	-	-	-	(506)

For the half-year ended 30 June 2009

	Broking Bell Potter	Broking Southern Cross	Margin Lending	Eliminations	Consolidated
	2009 \$ '000	2009 \$ '000	2009 \$ '000	2009 \$ '000	2009 \$ '000
Revenue from operations	54,208	19,043	7,259	(246)	80,264
Profit / (loss) after tax	1,181	5,211	190	-	6,582
Segment assets	274,066	23,624	185,978	(13,000)	470,668
Investment in associates	8,391	-	-	-	8,391
Total assets	282,457	23,624	185,978	(13,000)	479,059
Segment liabilities	146,668	13,585	182,233	(13,000)	329,486
Total liabilities	146,668	13,585	182,233	(13,000)	329,486
Other segment details					
Depreciation / amortisation	(570)	(164)	-	-	(734)
Share of net losses of associates	(794)	-	-	-	(794)

Notes to the condensed consolidated interim financial statements

7. Loans and advances

The following loans and advances were held during the period:

	30 June 2010 \$ '000s	31 December 2009 \$ '000s
Current		
Margin Lending	175,901	193,031
	<u>175,901</u>	<u>193,031</u>

8. Goodwill

Cost and carrying amount

	\$ '000s
Balance at 1 July 2009	80,513
Additional consideration (Southern Cross Equities)	22,983
Impairment / amortisation	-
Balance at 31 December 2009	<u>103,496</u>
Balance at 1 January 2010	103,496
Acquisitions through business combinations	-
Impairment / amortisation	-
Balance at 30 June 2010	<u>103,496</u>

The increase in Goodwill relates to additional consideration in relation to the purchase of Southern Cross Equities Limited ('SCE'). Refer to note 9 for further details.

Notes to the condensed consolidated interim financial statements

9. Trade and other payables

	30 June 2010 \$ '000s	31 December 2009 \$ '000s
Current		
Settlement obligations	72,375	54,664
Sundry creditors and accruals	10,643	8,495
Segregated client liabilities	33,914	36,970
Due to related entities	22,983	-
	139,915	100,129

'Settlements obligations' are non-interest bearing and are normally settled on 3-day terms. 'Sundry creditors' are normally settled on 60-day terms.

'Due to related entities' relates to consideration payable for the purchase of SCE based on performance benchmarks achieved for the period 1 July 2009 to 30 June 2010.

Acquisition of Southern Cross Equities Limited ('SCE')

On 30 September 2008, the Company completed its acquisition of all the issued capital of SCE. On 30 June 2009 the Company entered into agreements with the vendors of SCE amending the terms of that acquisition. Those new arrangements were approved by the passing of special resolutions by the Company's shareholders at the Company's General Meeting on 12 August 2009.

As a result of the new agreements, from 1 July 2009 SCE has been entitled to pay total remuneration to front office employees of up to 50% of SCE revenue (increased from 40%). The consideration for these amendments is the reduction in the total potential purchase price for SCE from \$145.8m to \$114.8m. The balance of the price is payable 50% in cash and 50% in Bell Financial shares.

One quarter of the original cash consideration was paid on completion (30 September 2008). The revised agreement reduced the three further equal cash instalments potentially payable on the anniversary of completion in 2009, 2010 and 2011 respectively from \$18.225m to \$13.1m (totalling \$39.2m). Those payments are subject to the original performance benchmarks being met.

The scrip component of the consideration was satisfied on completion by the issue of 14,580,000 Ordinary shares, 14,580,000 A Class, 14,580,000 B Class and 14,580,000 C Class shares. Under the new agreements, the number of A Class shares was reduced from 14,580,000 to 10,446,681, the number of B Class shares reduced from 14,580,000 to 10,446,681 and the number of C Class shares reduced from 14,580,000 to 10,446,681. Those A, B and C Class shares potentially convert into Ordinary shares on the anniversary of completion in 2009, 2010 and 2011 respectively, subject to the performance benchmarks being met. If the performance benchmarks are fully met then all A Class, B Class and C Class shares will be converted to Ordinary BFG shares on a one for one basis. If the benchmarks are not met, the purchase price is adjusted.

SCE revenue for the financial year 1 July 2008 to 30 June 2009 did not reach the first benchmark of \$37.4m therefore no cash instalment was payable to the SCE vendors for 2009. Under the sale agreement, this instalment may still become payable, should SCE exceed 2011 performance benchmarks. At 31 December 2009, the Company considered it probable that SCE would reach the second benchmark resulting in payment of the full 2010 instalment and a provision was raised to recognize this. At 30 June 2010 SCE had met the performance benchmark for the full second instalment, which is payable in the final quarter of 2010.

Notes to the condensed consolidated interim financial statements

10. Deposits and borrowings

This note provides information about the contractual terms of the Group's interest-bearing deposits and borrowings.

	30 June 2010 \$ '000s	31 December 2009 \$ '000s
Current		
Deposits ¹	151,283	141,966
Cash advance facility ²	42,500	61,922
Finance lease liabilities	167	246
	<u>193,950</u>	<u>204,134</u>

1 Deposits relate to Margin Lending / Cash Account business (Bell Potter Capital) which are largely at call.

2 Represents drawn funds from available cash advance facility of \$150 million.

Terms and debt repayment schedule

	Nominal interest rate	Year of maturity	Face value 2010 \$ '000	Carrying amount 2010 \$ '000	Face value 2009 \$ '000	Carrying amount 2009 \$ '000
Deposits	3.19%	At call	151,283	151,283	141,966	141,966
Cash advance facility	5.55%	2011	42,500	42,500	61,922	61,922
Finance lease liabilities	7.76%	2010	167	167	246	246
			<u>193,950</u>	<u>193,950</u>	<u>204,134</u>	<u>204,134</u>

11. Dividends

Dividends paid or declared by the Group to shareholders during the period were as follows:

	Half-year ended 30 June	
	2010 \$ '000s	2009 \$ '000s
Final 2009 ordinary dividend - 6 cents per share (paid 6 March 2010)	<u>14,532</u>	<u>4,844</u>

All dividends are fully franked based on 30% tax rate. On 26 August 2010, the Director's declared an interim dividend of 2.5 cents per share, payable on 23 September 2010 (2009: 2 cents). This amount is not accrued within the financial statements.

12. Share based payments

The Group has a long-term incentive plan for executives and senior employees where share options may be granted in certain circumstances. The terms and conditions of share-based payments are disclosed in the consolidated financial report as at and for the year ended 31 December 2009. No share-based payments were made in the form of options over ordinary shares during the half-year ended 30 June 2010 (2009: nil).

Notes to the condensed consolidated interim financial statements

13. Subsequent events

No matters or circumstances have arisen since the end of the half-year period that in the opinion of the Directors of the Group has significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

14. Related parties

There have been no significant changes to the arrangements with related parties. Refer to the full 2009 annual financial report for details.

15. Commitments and contingencies

The Directors are of the opinion that provisions are not required in respect of any matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

Directors' declaration

In the opinion of the Directors of Bell Financial Group Ltd ("the Company"):

1. the financial statements and notes set out on pages 6 to 17, are in accordance with the Corporations Act 2001, including:
 - (a) giving a true and fair view of the Group's financial position as at 30 June 2010 and of its performance for the six month period ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Sydney this 26 day of August 2010.

Signed in accordance with a resolution of the Directors:



Colin Bell
Executive Chairman



Independent auditor's review report to the members of Bell Financial Group Ltd

Report on the financial report

We have reviewed the accompanying interim financial report of Bell Financial Group Ltd, which comprises the condensed consolidated statement of financial position as at 30 June 2010, condensed consolidated income statement and condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the interim period ended on that date, notes 1 to 15 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the interim period.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 30 June 2010 and its performance for the interim period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Bell Financial Group Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Bell Financial Group Ltd is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2010 and of its performance for the interim period ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Don Pasquariello

Don Pasquariello
Partner

Melbourne

26 August 2010

Media Release

Date 26 August 2010

Bell Financial Group Ltd (BFG) Results and interim dividend for the six months to 30 June 2010

Bell Financial Group (ASX: BFG) today announced an \$8.4m net profit after tax for the six month period to 30 June 2010.

BFG Executive Chairman Colin Bell said, "Net profit after tax of \$8.4million represented a 27% improvement on the corresponding period in 2009. However generally slower market conditions and a flat Equity Capital Markets environment produced a subdued first half trading when compared to the more robust market activity in the 2nd half of 2009.

"Each of our wholly owned business units traded profitably throughout the six months and that was a plus."

The Company declared a fully franked interim dividend of 2½ cents per share.

Outlook

Colin Bell said, "While we do not provide forward earnings guidance, if market conditions remain the same we would expect our second half profit to be broadly in line with the first half result.

"As the Group has a December 31 financial year, this result represents our first half 2010 result. To assist with June financial year comparisons, our net profit after tax for the 12 months ended 30 June 2010 was \$29.1m."

ENDS....

About Bell Financial Group

Bell Financial Group Ltd (bellfg.com.au, ASX: BFG) wholly owns Bell Potter Securities (BPS) and SCEBFG 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, 13 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 (www.bellpotter.com.au) 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 Limited

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 (www.sceq.com.au) 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 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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