

# ASX RELEASE.

## BELL FINANCIAL GROUP

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### Bell Financial Group full year profit up 33% to \$32.4 million

- Net profit after tax \$32.4 million, up 33%
- Revenue \$254 million, up 16%
- Earnings per share 10.2 cents
- Final dividend 4.5 cents per share, fully franked
- Full year dividend 8 cents per share, fully franked

**Friday, 21 February 2020** – Bell Financial Group Ltd (ASX:BFG) recorded a full-year net profit after tax (NPAT) of \$32.4 million, an increase of 33% on the prior corresponding period. Group revenue increased by 16% to \$254 million.

A final dividend of 4.5 cents per share (cps) has been declared, bringing the full-year dividend to 8 cps. This represents a grossed up dividend yield of 9.6%.

Executive Chairman Alastair Provan said: “2019 was another successful year for Bell Financial Group. Our various revenue streams grew strongly, our Funds under Advice (FUA) are at record levels and our closing share price on 31 December was 40% higher than a year ago.

All businesses within the Group were again profitable, with our Equity Capital Markets (ECM) division making a notable contribution. We completed 120 capital raisings on behalf of ASX listed companies raising \$2.5 billion in new equity capital.

In August we completed the acquisition of two structured loan products (Equity Lever and Geared Equity Investments) and the associated sales and product development teams from Macquarie Bank.

The acquisition increased the size of Bell Potter Capital’s (BPC) loan book to almost \$550 million, and significantly increases direct access to the Independent Financial Planners channel. In addition it will provide new products for our stockbroking clients.

We expect the acquisition to have a significant impact on BPC’s revenue in 2020.

We have a dedicated project team working on the TPP platform to enable it to execute, clear and settle equity and derivative transactions for our online and full service businesses as well as providing these services to external third parties.

As part of this project TPP has applied to ASX to become a General Clearing Participant enabling it to clear Bell Group members as well as external third parties. We expect formal approval shortly.

We anticipate TPP will process and clear the first full service trades for Bell Potter Securities in the second quarter of 2020.

This initiative represents both an opportunity to materially reduce our cost of producing a contract note and to continue to grow via a new business stream.

We are currently engaged in discussions with a major ASX Participant who we hope will become our first external client.”

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## Outlook

The environment for 2020 appears to be similar to last year.

Again there are many variables in place. Currently Coronavirus, the UK & Europe post Brexit, the US – China trade tensions, and the lead up to the US Presidential Election will be with us for almost the entire year. All this against the backdrop of record high stock prices and ultra-low global interest rates.

In Australia we have record low interest rates, a recovering residential real estate market, strong cash balances and investors searching for yield. Our equity market has been an obvious beneficiary of this scenario and barring some as yet unseen negative event, the trend looks set to continue.

We have had a strong start to the year. All our business divisions are performing well. We have a solid capital market pipeline and we are at the advanced stage of rolling out a number of significant business initiatives such as third party clearing, IQ and structured products.

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This announcement was authorised for release by the Bell Financial Group Board.

## ABOUT BELL FINANCIAL GROUP

Bell Financial Group Ltd (ASX:BFG) is an Australian-based provider of stockbroking, investment and financial advisory services to private, institutional and corporate clients. Bell Financial Group has over 680 employees, operates across 15 offices in Australia and has offices in New York, London, Hong Kong and Kuala Lumpur.