

22 October 2020

AJ Bell plc
Year-end trading update

AJ Bell plc (“AJ Bell” or the “Company”), one of the UK’s largest investment platforms, today issues a trading update in respect of its financial year ended 30 September 2020.

Performance overview

Total customer numbers increased by 27% in the year to 295,305, with total assets under administration up 8% to £56.5bn. In comparison, the FTSE All-Share Index fell by 19% in the year.

AJ Bell’s growth in the year was driven by the platform business:

- Platform customer numbers increased organically by 62,925 to 281,094, up 29% in the year
 - Advised customers increased by 10,855 to 108,911, up 11% in the year
 - D2C customers increased by 52,070 to 172,183, up 43% in the year
- Platform underlying net inflows, representing organic growth in the year, increased by 28% versus the prior year to £4.1 billion (FY19: £3.2 billion)
 - Advised underlying net inflows of £2.0 billion, up 11% on the prior year
 - D2C underlying net inflows of £2.1 billion, up 50% on the prior year
- Platform AUA closed at £49.7 billion, up 11% in the last year

Andy Bell, Chief Executive Officer at AJ Bell, commented:

“We are pleased to report another year of strong growth in customers and assets under administration, delivered against a continuing backdrop of extreme market volatility and significant disruption to people’s lives caused by COVID-19. Our focus on the needs of our customers and our easy-to-use platform has fuelled a 29% increase in platform customers, with particularly strong progress made in the direct-to-consumer market. Inflows also rose markedly, resulting in a robust increase in assets under administration despite heavy falls on the UK stock market.

“Our operational resilience has shone through since the coronavirus pandemic hit the UK and we were able to adapt quickly to ensure we continued to meet the needs of customers and advisers. Our staff continue to do a fantastic job during this very difficult time and the growth of the business that we are reporting today could not have been delivered without their resilience and outstanding work.

“We continued to enhance our platform propositions this year as part of our growth strategy. Our Retirement Investment Account is a new streamlined pension product which has been very popular with financial advisers. More recently we launched our Cash savings hub to help retail investors generate better returns on their cash savings at a time when NS&I and major retail banks have cut their interest rates. We have experienced a number of economic cycles during our 25-year history and have a track record of increasing AUA year after year in all market conditions. Our platform propositions remain well positioned to continue delivering strong growth in both the advised and D2C markets.”

Notice of annual results

AJ Bell expects to announce its full results for the year ended 30 September 2020 on 3 December 2020.

Year ended 30 September 2020	Advised Platform £billion	D2C Platform £billion	Total Platform £billion	Non- platform £billion	Total £billion
Opening AUA	33.8	11.1	44.9	7.4	52.3
Underlying inflows ⁽¹⁾	3.6	3.0	6.6	0.1	6.7
Outflows ⁽²⁾	(1.6)	(0.9)	(2.5)	(0.8)	(3.3)
Underlying net inflows/(outflows)	2.0	2.1	4.1	(0.7)	3.4
DB inflows ⁽³⁾	0.8	-	0.8	-	0.8
Total net inflows/(outflows)	2.8	2.1	4.9	(0.7)	4.2
Market and other movements ⁽⁴⁾	(0.3)	0.2	(0.1)	0.1	-
Closing AUA	36.3	13.4	49.7	6.8	56.5
Opening customers	98,056	120,113	218,169	13,897	232,066
Closing customers	108,911	172,183	281,094	14,211	295,305

Year ended 30 September 2019	Advised Platform £billion	D2C Platform £billion	Total Platform £billion	Non- platform £billion	Total £billion
Opening AUA	29.9	8.7	38.6	7.5	46.1
Underlying inflows ⁽¹⁾	3.4	2.0	5.4	0.1	5.5
Outflows ⁽²⁾	(1.6)	(0.6)	(2.2)	(0.5)	(2.7)
Underlying net inflows	1.8	1.4	3.2	(0.4)	2.8
DB inflows ⁽³⁾	0.9	-	0.9	-	0.9
Migration inflows ⁽⁵⁾	-	0.2	0.2	-	0.2
Total net inflows/(outflows)	2.7	1.6	4.3	(0.4)	3.9
Market and other movements ⁽⁴⁾	1.2	0.8	2.0	0.3	2.3
Closing AUA	33.8	11.1	44.9	7.4	52.3
Opening customers	88,658	94,555	183,213	14,699	197,912
Closing customers	98,056	120,113	218,169	13,897	232,066

(1) Includes transfers-in, subscriptions, contributions and tax relief, excluding inflows from DB pension transfers and bulk migrations

(2) Includes transfers-out, cash withdrawals, benefits and tax payments

(3) Inflows to the advised platform from defined benefit pension transfers. It is anticipated that this figure will not be shown separately in future updates

(4) Includes charges, taxes deducted, investment returns and revaluations

(5) AJ Bell plc shares held by employees and former employees of the Company, which were migrated onto the D2C Platform ahead of IPO

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Historical AUA and customer numbers by quarter

Advised Platform	Qtr to 30 September 2019	Qtr to 31 December 2019	Qtr to 31 March 2020	Qtr to 30 June 2020	Qtr to 30 September 2020
AUA (£billion)					
Opening AUA	32.8	33.8	35.2	31.4	35.2
Underlying inflows ⁽¹⁾	0.9	0.8	1.2	0.8	0.8
Outflows ⁽²⁾	(0.4)	(0.4)	(0.5)	(0.3)	(0.4)
Underlying net inflows	0.5	0.4	0.7	0.5	0.4
DB inflows ⁽³⁾	0.2	0.2	0.2	0.2	0.2
Total net inflows	0.7	0.6	0.9	0.7	0.6
Market and other movements ⁽⁴⁾	0.3	0.8	(4.7)	3.1	0.5
Closing AUA	33.8	35.2	31.4	35.2	36.3
Customers	98,056	100,170	103,974	106,335	108,911
D2C Platform					
AUA (£billion)					
Opening AUA	10.6	11.1	12.0	10.6	12.5
Inflows ⁽¹⁾	0.5	0.5	0.9	1.0	0.6
Outflows ⁽²⁾	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)
Net inflows	0.3	0.3	0.7	0.8	0.3
Market and other movements ⁽⁴⁾	0.2	0.6	(2.1)	1.1	0.6
Closing AUA	11.1	12.0	10.6	12.5	13.4
Customers	120,113	127,032	144,100	162,109	172,183
Non-platform					
AUA (£billion)					
Opening AUA	7.3	7.4	7.5	6.3	6.6
Inflows ⁽¹⁾	-	-	-	-	0.1
Outflows ⁽²⁾	(0.1)	(0.1)	(0.3)	(0.3)	(0.1)
Net outflows	(0.1)	(0.1)	(0.3)	(0.3)	-
Market and other movements ⁽⁴⁾	0.2	0.2	(0.9)	0.6	0.2
Closing AUA	7.4	7.5	6.3	6.6	6.8
Customers	13,897	13,950	14,105	14,175	14,211
Total closing AUA	52.3	54.7	48.3	54.3	56.5

(1) Includes transfers-in, subscriptions, contributions and tax relief, excluding inflows from DB pension transfers

(2) Includes transfers-out, cash withdrawals, benefits and tax payments

(3) Inflows to the advised platform from defined benefit pension transfers. It is anticipated that this figure will not be shown separately in future updates

(4) Includes charges, taxes deducted, investment returns and revaluations

About AJ Bell:

Established in 1995, AJ Bell is one of the largest investment platforms in the UK.

We operate in both the advised and direct-to-consumer segments of the platform market and our flagship platform propositions are AJ Bell Investcentre (adviser) and AJ Bell Youinvest (direct-to-consumer).

We offer SIPPs, ISAs and General Investment / Dealing Accounts which provide access to a broad investment range including shares and other instruments traded on the major stock exchanges around the world, as well as all mainstream collective investments available in the UK and our own range of AJ Bell funds. We also offer a Cash savings hub which provides access to a range of competitive savings accounts to help people manage their cash savings.

We aim to make it easy for our customers to save and invest by providing them with online tools and information to help them build and manage their portfolios.

AJ Bell is headquartered in Manchester, UK.

Forward-looking statements

This announcement contains forward-looking statements that involve substantial risks and uncertainties, and actual results and developments may differ materially from those expressed or implied by these statements. These forward-looking statements are statements regarding AJ Bell's intentions, beliefs or current expectations concerning, among other things, its results of operations, financial condition, prospects, growth, strategies and the industry in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements speak only as of the date of this announcement and AJ Bell does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement.