

17 October 2024

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 2024.

Performance overview

Platform business

- Customer numbers increased by 66,000 to close at 542,000, up 14% in the year, as AJ Bell's dual-channel platform continued to deliver strong growth in both advised and D2C customers
 - Total advised customers increased by 12,000 to close at 171,000, up 8% in the year
 - Total D2C customers increased by 54,000 to close at 371,000, up 17% in the year
- Record assets under administration ("AUA") of £86.5 billion, up 22% in the year
- Gross and net inflows across the platform were significantly higher than prior year, driven by the continued investment in AJ Bell's brand and propositions alongside improved retail investor confidence compared to the prior year
 - Gross inflows in the year of £13.1 billion, up 41% versus the prior year (FY23: £9.3 billion)
 - Net inflows in the year of £6.1 billion, up 45% versus the prior year (FY23: £4.2 billion)
- Favourable market movements of £9.5 billion, equating to 13% of opening AUA (FY23: £2.6 billion)

AJ Bell Investments

- AJ Bell's investment solutions continued to attract strong flows in both the advised and D2C markets, with net inflows in the year of £1.5 billion (FY23: £1.6 billion)
- Assets under management ("AUM") reached a record £6.8 billion, up 45% in the year (FY23: £4.7 billion)

Michael Summersgill, Chief Executive Officer at AJ Bell, commented:

"I am pleased to report on another excellent year in which we have delivered impressive growth in customers and assets under administration. Platform customer numbers increased by 14% to close at 542,000 while platform AUA was up 22% to £86.5 billion, both new records for AJ Bell.

"Our strategy is centred on our dual-channel platform which serves both the advised and D2C platform markets using a single technology platform and single operating model. This maximises our growth opportunity within the platform market, whilst being highly efficient to operate. Platform net inflows of over £6 billion demonstrates the benefit of serving both markets, while our efficient model drives strong profitability, enabling continual reinvestment in the business to support our long-term growth ambitions.

“Our investments business continued to perform strongly in both the advised and D2C markets, with £1.5 billion of net inflows helping to drive assets under management up to £6.8 billion, 45% higher than a year ago.

“We continue to advance discussions around the creation of a supportive legislative environment for long-term investing through simplification of the ISA system and long-term pension tax stability. Pensions are the primary retirement savings vehicle in the UK and customers are unsurprisingly sensitive to changes in their tax treatment. Amidst increased press coverage ahead of the upcoming Budget, we have seen a noticeable change in both customer contributions to pensions and tax-free cash withdrawals. Whilst these behavioural changes do not have a material impact on AJ Bell’s business performance, they represent significant decisions for individual customers. We have therefore made representations to the Treasury calling for a commitment to a pension tax lock in the Budget, guaranteeing stability in key pension tax legislation for at least this parliament.

“In FY24 we have enhanced our propositions, improved our brand awareness and lowered the cost of investing for our customers whilst maintaining our industry-leading service levels. This has helped to drive our strong performance this year, but more importantly it provides a strong foundation for our future growth prospects. Whilst the upcoming Budget has introduced unhelpful uncertainty, we remain positive about the outlook for AJ Bell and the platform market more broadly. We look forward to announcing the annual results for what has been another successful year for AJ Bell.”

Notice of annual results

AJ Bell expects to announce its full-year results for the year ended 30 September 2024 on 5 December 2024.

Year ended 30 September 2024	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers (k)	159	317	476	15	491
Closing customers (k)	171	371	542	15	557
AUA and AUM (£billion)					
Opening AUA	48.2	22.7	70.9	5.2	76.1
Inflows ⁽¹⁾	6.5	6.6	13.1	0.3	13.4
Outflows ⁽²⁾	(4.3)	(2.7)	(7.0)	(0.3)	(7.3)
Net inflows	2.2	3.9	6.1	-	6.1
Market and other movements ⁽³⁾	5.7	3.8	9.5	0.5	10.0
Closing AUA	56.1	30.4	86.5	5.7	92.2
Closing AUM	3.5	1.9	5.4⁽⁴⁾	1.4⁽⁵⁾	6.8

Year ended 30 September 2023	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers (k)	146	280	426	15	441
Closing customers (k)	159	317	476	15	491
AUA and AUM (£billion)					
Opening AUA	44.8	19.3	64.1	5.1	69.2
Inflows ⁽¹⁾	5.0	4.3	9.3	0.2	9.5
Outflows ⁽²⁾	(3.1)	(2.0)	(5.1)	(0.3)	(5.4)
Net inflows/(outflows)	1.9	2.3	4.2	(0.1)	4.1
Market and other movements ⁽³⁾	1.5	1.1	2.6	0.2	2.8
Closing AUA	48.2	22.7	70.9	5.2	76.1
Closing AUM	2.5	1.3	3.8⁽⁴⁾	0.9⁽⁵⁾	4.7

(1) Transfers-in, subscriptions, contributions and tax relief

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

(3) Total investment returns and revaluations, net of charges and taxes

(4) Platform AUA which is held in AJ Bell's Funds or Managed Portfolio Service

(5) Assets which are held in AJ Bell's Funds or Managed Portfolio Service via third-party platforms

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Historical customer numbers, AUA and AUM by quarter

Advised Platform	Qtr to 30 September 2023	Qtr to 31 December 2023	Qtr to 31 March 2024	Qtr to 30 June 2024	Qtr to 30 September 2024
Customers (k)	159	161	165	168	171
AUA and AUM (£billion)					
Opening AUA	47.8	48.2	51.0	53.4	54.9
Inflows ⁽¹⁾	1.2	1.5	1.7	1.7	1.6
Outflows ⁽²⁾	(0.8)	(0.9)	(1.1)	(1.2)	(1.1)
Net inflows	0.4	0.6	0.6	0.5	0.5
Market and other movements ⁽³⁾	-	2.2	1.8	1.0	0.7
Closing AUA	48.2	51.0	53.4	54.9	56.1
Closing AUM ⁽⁴⁾	2.5	2.8	3.2	3.4	3.5
D2C Platform					
	Qtr to 30 September 2023	Qtr to 31 December 2023	Qtr to 31 March 2024	Qtr to 30 June 2024	Qtr to 30 September 2024
Customers (k)	317	323	338	360	371
AUA and AUM (£billion)					
Opening AUA	22.0	22.7	25.2	26.9	28.8
Inflows ⁽¹⁾	1.3	1.2	1.7	2.0	1.7
Outflows ⁽²⁾	(0.6)	(0.5)	(0.7)	(0.8)	(0.7)
Net inflows	0.7	0.7	1.0	1.2	1.0
Market and other movements ⁽³⁾	-	1.8	0.7	0.7	0.6
Closing AUA	22.7	25.2	26.9	28.8	30.4
Closing AUM ⁽⁴⁾	1.3	1.4	1.5	1.7	1.9
Non-platform					
	Qtr to 30 September 2023	Qtr to 31 December 2023	Qtr to 31 March 2024	Qtr to 30 June 2024	Qtr to 30 September 2024
Customers (k)	15	15	15	15	15
AUA and AUM (£billion)					
Opening AUA	5.3	5.2	5.4	5.5	5.6
Inflows ⁽¹⁾	0.1	-	0.1	0.1	0.1
Outflows ⁽²⁾	(0.2)	-	(0.1)	(0.1)	(0.1)
Net outflows	(0.1)	-	-	-	-
Market and other movements ⁽³⁾	-	0.2	0.1	0.1	0.1
Closing AUA	5.2	5.4	5.5	5.6	5.7
Closing AUM ⁽⁵⁾	0.9	1.0	1.1	1.2	1.4
Total closing AUA	76.1	81.6	85.8	89.3	92.2
Total closing AUM	4.7	5.2	5.8	6.3	6.8

(1) Transfers-in, subscriptions, contributions and tax relief

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(3) Total investment returns and revaluations, net of charges and taxes

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(5) Assets which are held in AJ Bell's Funds or Managed Portfolio Service via third-party platforms

About AJ Bell:

Established in 1995, AJ Bell is one of the largest investment platforms in the UK, operating at scale in both the advised and direct-to-consumer markets.

Our purpose is to help people invest by providing them with easy access to Pensions, ISAs and General investment accounts, great customer service and competitive charges.

Our two core platform propositions are AJ Bell in the D2C market and AJ Bell Investcentre in the advised market, which both 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.

In the D2C market we also offer AJ Bell Dodl, a low-cost investment app with a simplified investment range that makes it easier for customers to choose investments and buy and sell them without paying any commission.

For D2C cash savers we offer a Cash savings hub which provides access to a range of competitive savings accounts to help people manage their long-term cash deposits.

AJ Bell is headquartered in Manchester, UK, with offices in London and Bristol.

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.