

21 January 2021

AJ Bell plc
Q1 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 the three months ended 31 December 2020.

Performance overview

Total customer numbers increased to 312,309, up 30% over the last 12 months and 6% in the quarter, with total net inflows in the quarter of £1.6 billion, double the level reported in the first quarter of the prior year (2019: £0.8 billion).

Total assets under administration (“AUA”) increased to £62.5bn, up 14% over the last 12 months and 11% in the quarter.

Platform business

AJ Bell’s platform business saw continued strong growth in customer numbers, net inflows and AUA:

- Platform customer numbers grew organically by 16,959 in the quarter, an increase of 88% compared to the first quarter of the prior year (2019: 9,033)
- Total platform customers closed at 298,053, up 31% over the last year and 6% in the quarter
 - Advised customers of 112,308, up 12% over the last year and 3% in the quarter
 - D2C customers of 185,745, up 46% over the last year and 8% in the quarter
- Platform net inflows, representing organic growth in the quarter, increased by 67% over the prior year to £1.5 billion (2019: £0.9 billion)
 - Advised net inflows of £0.8 billion, up 33% on the prior year (2019: £0.6 billion)
 - D2C net inflows of £0.7 billion, up 133% on the prior year (2019: £0.3 billion)
- Platform AUA closed at £55.2 billion, up 17% over the last year and 11% in the quarter

AJ Bell Investments

Reporting for the first time, AJ Bell Investments’ assets under management (“AUM”) was £1.0 billion as at 31 December 2020, an increase of 100% over the last 12 months (2019: £0.5 billion).

Net inflows of AUM in the quarter were £147 million, up 91% compared to the first quarter of the prior year (2019: £77 million).

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

“We have had a strong start to our financial year as customer numbers, net inflows, AUA and AUM all showed significant growth in the quarter. Increased awareness and trust in our brand continued to attract new advisers and customers to our easy-to-use, competitively priced platform.

“In the advised market the addition of the Retirement Investment Account to our existing product range ensures we are highly competitive on service and price across all client scenarios and portfolio sizes, which has helped drive strong net inflows of £0.8 billion.

“In the D2C market we continued to see increased demand for our easy-to-use, low-cost investment platform, enabling our customers to control and manage their investments and long-term savings.

“We are also making good progress with our investment business and are pleased to report that assets under management broke through the £1 billion milestone in the quarter, doubling the value of assets managed compared to a year earlier. Our low-cost, multi-asset funds are proving to be popular in both the advised and D2C markets and our managed portfolio service is one of the best value offerings in the advised market, with an annual management charge of 0.15% following the recent removal of VAT from our charges. There is an ever-increasing demand for ESG investment solutions and the recent launch of the AJ Bell Responsible Growth fund, our first product in this space, was our most successful fund launch yet. We will be building on this success with the launch of a Responsible Managed Portfolio Service for advisers in the coming months.

“Our market leading platform propositions and investment solutions position us well to benefit from the need for people to take control of their long-term financial affairs and we approach the traditionally busy tax year end period with confidence.”

Three months ended 31 December 2020	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers	108,911	172,183	281,094	14,211	295,305
Closing customers	112,308	185,745	298,053	14,256	312,309

AUA and AUM (£billion)

Opening AUA	36.3	13.4	49.7	6.8	56.5
Inflows ⁽¹⁾	1.3	0.9	2.2	0.1	2.3
Outflows ⁽²⁾	(0.5)	(0.2)	(0.7)	-	(0.7)
Net inflows	0.8	0.7	1.5	0.1	1.6
Market and other movements ⁽³⁾	2.6	1.4	4.0	0.4	4.4
Closing AUA	39.7	15.5	55.2	7.3	62.5
Closing AUM	0.6	0.4	1.0⁽⁴⁾	-	1.0

Three months ended 31 December 2019	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers	98,056	120,113	218,169	13,897	232,066
Closing customers	100,170	127,032	227,202	13,950	241,152

AUA and AUM (£billion)

Opening AUA	33.8	11.1	44.9	7.4	52.3
Inflows ⁽¹⁾	1.0	0.5	1.5	-	1.5
Outflows ⁽²⁾	(0.4)	(0.2)	(0.6)	(0.1)	(0.7)
Net inflows/(outflows)	0.6	0.3	0.9	(0.1)	0.8
Market and other movements ⁽³⁾	0.8	0.6	1.4	0.2	1.6
Closing AUA	35.2	12.0	47.2	7.5	54.7
Closing AUM	0.2	0.3	0.5⁽⁴⁾	-	0.5

(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

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Historical customer numbers, AUA and AUM by quarter

Advised Platform	Qtr to 31 December 2019	Qtr to 31 March 2020	Qtr to 30 June 2020	Qtr to 30 September 2020	Qtr to 31 December 2020
Customers	100,170	103,974	106,335	108,911	112,308
AUA and AUM (£billion)					
Opening AUA	33.8	35.2	31.4	35.2	36.3
Inflows ⁽¹⁾	1.0	1.4	1.0	1.0	1.3
Outflows ⁽²⁾	(0.4)	(0.5)	(0.3)	(0.4)	(0.5)
Net inflows	0.6	0.9	0.7	0.6	0.8
Market and other movements ⁽³⁾	0.8	(4.7)	3.1	0.5	2.6
Closing AUA	35.2	31.4	35.2	36.3	39.7
Closing AUM ⁽⁴⁾	0.2	0.3	0.4	0.4	0.6
D2C Platform					
	Qtr to 31 December 2019	Qtr to 31 March 2020	Qtr to 30 June 2020	Qtr to 30 September 2020	Qtr to 31 December 2020
Customers	127,032	144,100	162,109	172,183	185,745
AUA and AUM (£billion)					
Opening AUA	11.1	12.0	10.6	12.5	13.4
Inflows ⁽¹⁾	0.5	0.9	1.0	0.6	0.9
Outflows ⁽²⁾	(0.2)	(0.2)	(0.2)	(0.3)	(0.2)
Net inflows	0.3	0.7	0.8	0.3	0.7
Market and other movements ⁽³⁾	0.6	(2.1)	1.1	0.6	1.4
Closing AUA	12.0	10.6	12.5	13.4	15.5
Closing AUM ⁽⁴⁾	0.3	0.2	0.3	0.4	0.4
Non-platform					
	Qtr to 31 December 2019	Qtr to 31 March 2020	Qtr to 30 June 2020	Qtr to 30 September 2020	Qtr to 31 December 2020
Customers	13,950	14,105	14,175	14,211	14,256
AUA (£billion)					
Opening AUA	7.4	7.5	6.3	6.6	6.8
Inflows ⁽¹⁾	-	-	-	0.1	0.1
Outflows ⁽²⁾	(0.1)	(0.3)	(0.3)	(0.1)	-
Net (outflows)/inflows	(0.1)	(0.3)	(0.3)	-	0.1
Market and other movements ⁽³⁾	0.2	(0.9)	0.6	0.2	0.4
Closing AUA	7.5	6.3	6.6	6.8	7.3
Total closing AUA	54.7	48.3	54.3	56.5	62.5
Total closing AUM	0.5	0.5	0.7	0.8	1.0

(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

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.