

22 July 2021

AJ Bell plc Q3 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 30 June 2021.

Performance overview

Total customer numbers increased to 368,033, up 30% over the last year and 6% in the quarter, with total net inflows in the quarter of £1.8 billion (2020: £1.2 billion).

Total assets under administration (“AUA”) increased to £70.4 billion, up 30% over the last year and 8% in the quarter. Over the same quarter the FTSE All-Share Index rose by 4.8% and MSCI World Index rose by 7.2%.

Platform business

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

- Total platform customers grew by 21,023 in the quarter to close at 353,299, up 32% over the last year and 6% in the quarter
 - Advised customers of 122,757, up 15% over the last year and 4% in the quarter
 - D2C customers of 230,542, up 42% over the last year and 8% in the quarter
- Platform net inflows increased by 40% over the prior year to £2.1 billion (2020: £1.5 billion)
 - Advised net inflows of £1.1 billion in the quarter, up 57% on the prior year (2020: £0.7 billion)
 - D2C net inflows of £1.0 billion in the quarter, up 25% on the prior year (2020: £0.8 billion)
- Platform AUA closed at £63.1 billion, up 32% over the last year and 9% in the quarter

AJ Bell Investments

- Assets under management (“AUM”) increased to £2.0 billion, up 186% over the last year and 43% in the quarter
- Total net inflows in the quarter were £524 million, including a one-off inflow of £253m
- Underlying net inflows in the quarter were £271 million, up 115% on the prior year (2020: £126 million)

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

“Our easy to use, low cost platform continues to drive our strong organic growth in both the D2C and advised markets, with platform customers up 32% over the year and net inflows up 40% compared to our third quarter last year. This helped total assets under administration hit the £70 billion mark for the first time. Our investment business also performed well with assets under management reaching the £2 billion milestone just six months after passing £1 billion.

“In the D2C market our growing brand awareness, award winning platform and competitive charges have driven customer growth of 42% over the past year. More people are seeking the security and peace of mind that a diversified investment portfolio held on a trusted platform can give them. We are seeing the majority of new customers invest via tax efficient ISAs and pensions as they take control of their financial future.

“In the advised market, third quarter platform inflows were up 57% compared to the prior year. The introduction of simplified pension options is proving particularly popular with advisers as it provides them with different price points and flexible investment options to cater for a diverse range of client needs.

“We also continue to see strong demand for our in-house investment solutions. There is growing awareness amongst financial advisers of the value and performance that our managed portfolio service is delivering to their clients and our multi-asset funds continue to prove popular with advisers and retail customers alike.

“As we head into the final quarter of our financial year, we remain focused on providing an excellent service to our customers and continuing to support our people as we navigate the current wave of the pandemic. Looking further ahead, the structural growth drivers for our sector remain strong and we are well placed to deliver further growth across our platform.”

Three months ended 30 June 2021	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers	118,509	213,767	332,276	14,521	346,797
Closing customers	122,757	230,542	353,299	14,734	368,033

AUA and AUM (£billion)

Opening AUA	41.1	16.9	58.0	7.2	65.2
Inflows ⁽¹⁾	1.8	1.4	3.2	0.1	3.3
Outflows ⁽²⁾	(0.7)	(0.4)	(1.1)	(0.4)	(1.5)
Net inflows/(outflows)	1.1	1.0	2.1	(0.3)	1.8
Market and other movements ⁽³⁾	2.0	1.0	3.0	0.4	3.4
Closing AUA	44.2	18.9	63.1	7.3	70.4
Closing AUM	1.2	0.7	1.9⁽⁴⁾	0.1 ⁽⁵⁾	2.0

Three months ended 30 June 2020	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers	103,974	144,100	248,074	14,105	262,179
Closing customers	106,335	162,109	268,444	14,175	282,619

AUA and AUM (£billion)

Opening AUA	31.4	10.6	42.0	6.3	48.3
Inflows ⁽¹⁾	1.0	1.0	2.0	-	2.0
Outflows ⁽²⁾	(0.3)	(0.2)	(0.5)	(0.3)	(0.8)
Net inflows/(outflows)	0.7	0.8	1.5	(0.3)	1.2
Market and other movements ⁽³⁾	3.1	1.1	4.2	0.6	4.8
Closing AUA	35.2	12.5	47.7	6.6	54.3
Closing AUM	0.4	0.3	0.7⁽⁴⁾	-	0.7

(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 June 2020	Qtr to 30 September 2020	Qtr to 31 December 2020	Qtr to 31 March 2021	Qtr to 30 June 2021
Customers	106,335	108,911	112,308	118,509	122,757

AUA and AUM (£billion)					
Opening AUA	31.4	35.2	36.3	39.7	41.1
Inflows ⁽¹⁾	1.0	1.0	1.3	1.5	1.8
Outflows ⁽²⁾	(0.3)	(0.4)	(0.5)	(0.6)	(0.7)
Net inflows	0.7	0.6	0.8	0.9	1.1

Market and other movements ⁽³⁾	3.1	0.5	2.6	0.5	2.0
Closing AUA	35.2	36.3	39.7	41.1	44.2

Closing AUM ⁽⁴⁾	0.4	0.4	0.6	0.8	1.2
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D2C Platform	Qtr to 30 June 2020	Qtr to 30 September 2020	Qtr to 31 December 2020	Qtr to 31 March 2021	Qtr to 30 June 2021
Customers	162,109	172,183	185,745	213,767	230,542

AUA and AUM (£billion)					
Opening AUA	10.6	12.5	13.4	15.5	16.9
Inflows ⁽¹⁾	1.0	0.6	0.9	1.3	1.4
Outflows ⁽²⁾	(0.2)	(0.3)	(0.2)	(0.4)	(0.4)
Net inflows	0.8	0.3	0.7	0.9	1.0

Market and other movements ⁽³⁾	1.1	0.6	1.4	0.5	1.0
Closing AUA	12.5	13.4	15.5	16.9	18.9

Closing AUM ⁽⁴⁾	0.3	0.4	0.4	0.6	0.7
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Non-platform	Qtr to 30 June 2020	Qtr to 30 September 2020	Qtr to 31 December 2020	Qtr to 31 March 2021	Qtr to 30 June 2021
Customers	14,175	14,211	14,256	14,521	14,734

AUA and AUM (£billion)					
Opening AUA	6.3	6.6	6.8	7.3	7.2
Inflows ⁽¹⁾	-	0.1	0.1	-	0.1
Outflows ⁽²⁾	(0.3)	(0.1)	-	(0.3)	(0.4)
Net (outflows)/inflows	(0.3)	-	0.1	(0.3)	(0.3)

Market and other movements ⁽³⁾	0.6	0.2	0.4	0.2	0.4
Closing AUA	6.6	6.8	7.3	7.2	7.3

Closing AUM ⁽⁵⁾	-	-	-	-	0.1
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Total closing AUA	54.3	56.5	62.5	65.2	70.4
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Total closing AUM	0.7	0.8	1.0	1.4	2.0
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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.

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.