

18 April 2024

AJ Bell plc
Q2 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 March 2024.

Performance overview

Platform business

- Customer numbers increased by 19,000 in the quarter, taking total customers through the half a million milestone to close at 503,000, up 11% in the last year and 4% in the quarter
 - Total advised customers of 165,000, up 8% in the last year and 2% in the quarter
 - Total D2C customers of 338,000, up 12% in the last year and 5% in the quarter
- Record assets under administration (“AUA”) of £80.3 billion, up 17% over the last year and 5% in the quarter
- Gross and net inflows across the platform in the run up to the tax-year-end were significantly higher than in the comparative quarter last year
 - Gross inflows in the quarter of £3.4 billion, up 36% versus prior year (2023: £2.5 billion)
 - Net inflows in the quarter of £1.6 billion, up 33% versus prior year (2023: £1.2 billion)
- Favourable market movements contributed 3% to AUA growth in the quarter

AJ Bell Investments

- Assets under management (“AUM”) increased to £5.8 billion, up 49% over the last year and 12% in the quarter
- Net inflows in the quarter of £0.4 billion (2023: £0.5 billion)

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

“Surpassing half a million platform customers is a significant milestone for the business which reflects the continued success of our dual-channel model. Having listed in 2018 with just under 200,000 platform customers, this landmark demonstrates the strong execution of our organic growth strategy set out at IPO. We remain committed to providing low-cost, easy-to-use products that can be trusted by customers and advisers, and our continued investment into our customer propositions puts us in an excellent position to deliver further strong organic growth in the future.

“We saw strong momentum in the run up to the tax year end as improving retail investor sentiment, together with continued investment in our brand and propositions, helped to deliver £1.4 billion of gross inflows in March alone, a new monthly record for the business. Over the course of the quarter our platform achieved significantly higher net inflows compared to the prior year, up 33% to £1.6 billion.

“AJ Bell Investments continues to prove popular, particularly with financial advisers, which is driving strong flows via both AJ Bell Investcentre and third-party adviser platforms. Total AUM was up 12% in the quarter and 49% in the last year to £5.8 billion, reflecting the continued excellent growth of this part of the business.

“AJ Bell has always had a strong focus on offering exceptional value to customers and our philosophy of sharing the benefits of scale with our customers as we grow remains key to our strategy. On 1 April we reduced our custody fees for advised customers and halved our headline dealing fee for D2C customers to £5. We also increased the interest rates payable on cash balances held across all our products, further strengthening our overall customer value proposition.

“We are excited about the forthcoming launch of our Ready-made pension service, which will help customers to easily consolidate their existing pensions with AJ Bell and invest them automatically via our low-cost, in-house investment solutions. Looking further ahead, the growth opportunity for the platform market remains significant and our ongoing brand investment will continue to drive increased awareness of AJ Bell, supporting our long-term growth ambitions.”

Notice of interim results

AJ Bell expects to announce its interim results for the six months ended 31 March 2024 on Thursday 23 May 2024.

Three months ended 31 March 2024	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers (k)	161	323	484	15	499
Closing customers (k)	165	338	503	15	518
AUA and AUM (£billion)					
Opening AUA	51.0	25.2	76.2	5.4	81.6
Inflows ⁽¹⁾	1.7	1.7	3.4	0.1	3.5
Outflows ⁽²⁾	(1.1)	(0.7)	(1.8)	(0.1)	(1.9)
Net inflows	0.6	1.0	1.6	-	1.6
Market and other movements ⁽³⁾	1.8	0.7	2.5	0.1	2.6
Closing AUA	53.4	26.9	80.3	5.5	85.8
Closing AUM	3.2	1.5	4.7⁽⁴⁾	1.1 ⁽⁵⁾	5.8

Three months ended 31 March 2023	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers (k)	149	285	434	15	449
Closing customers (k)	153	302	455	15	470
AUA and AUM (£billion)					
Opening AUA	46.0	20.3	66.3	5.2	71.5
Inflows ⁽¹⁾	1.4	1.1	2.5	0.1	2.6
Outflows ⁽²⁾	(0.8)	(0.5)	(1.3)	-	(1.3)
Net inflows	0.6	0.6	1.2	0.1	1.3
Market and other movements ⁽³⁾	0.7	0.4	1.1	(0.1)	1.0
Closing AUA	47.3	21.3	68.6	5.2	73.8
Closing AUM	2.1	1.2	3.3⁽⁴⁾	0.6 ⁽⁵⁾	3.9

(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 31 March 2023	Qtr to 30 June 2023	Qtr to 30 September 2023	Qtr to 31 December 2023	Qtr to 31 March 2024
Customers (k)	153	157	159	161	165
AUA and AUM (£billion)					
Opening AUA	46.0	47.3	47.8	48.2	51.0
Inflows ⁽¹⁾	1.4	1.2	1.2	1.5	1.7
Outflows ⁽²⁾	(0.8)	(0.8)	(0.8)	(0.9)	(1.1)
Net inflows	0.6	0.4	0.4	0.6	0.6
Market and other movements ⁽³⁾	0.7	0.1	-	2.2	1.8
Closing AUA	47.3	47.8	48.2	51.0	53.4
Closing AUM ⁽⁴⁾	2.1	2.3	2.5	2.8	3.2
D2C Platform					
	Qtr to 31 March 2023	Qtr to 30 June 2023	Qtr to 30 September 2023	Qtr to 31 December 2023	Qtr to 31 March 2024
Customers (k)	302	309	317	323	338
AUA and AUM (£billion)					
Opening AUA	20.3	21.3	22.0	22.7	25.2
Inflows ⁽¹⁾	1.1	1.2	1.3	1.2	1.7
Outflows ⁽²⁾	(0.5)	(0.5)	(0.6)	(0.5)	(0.7)
Net inflows	0.6	0.7	0.7	0.7	1.0
Market and other movements ⁽³⁾	0.4	-	-	1.8	0.7
Closing AUA	21.3	22.0	22.7	25.2	26.9
Closing AUM ⁽⁴⁾	1.2	1.3	1.3	1.4	1.5
Non-platform					
	Qtr to 31 March 2023	Qtr to 30 June 2023	Qtr to 30 September 2023	Qtr to 31 December 2023	Qtr to 31 March 2024
Customers (k)	15	15	15	15	15
AUA and AUM (£billion)					
Opening AUA	5.2	5.2	5.3	5.2	5.4
Inflows ⁽¹⁾	0.1	-	0.1	-	0.1
Outflows ⁽²⁾	-	-	(0.2)	-	(0.1)
Net inflows/(outflows)	0.1	-	(0.1)	-	-
Market and other movements ⁽³⁾	(0.1)	0.1	-	0.2	0.1
Closing AUA	5.2	5.3	5.2	5.4	5.5
Closing AUM ⁽⁵⁾	0.6	0.7	0.9	1.0	1.1
Total closing AUA	73.8	75.1	76.1	81.6	85.8
Total closing AUM	3.9	4.3	4.7	5.2	5.8

(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.