



AJ Bell plc presentation
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Business overview



Co-founded by Andy Bell in 1995, AJ Bell is one of the largest investment platforms in the UK

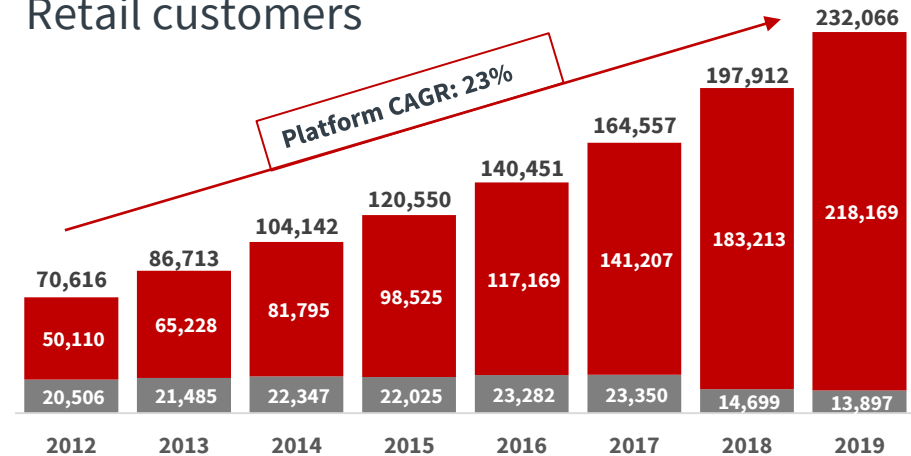
We operate at scale in both the advised and direct-to-consumer (D2C) segments of the UK investment platform market

AJ Bell plc listed on the main market of the London Stock Exchange in December 2018

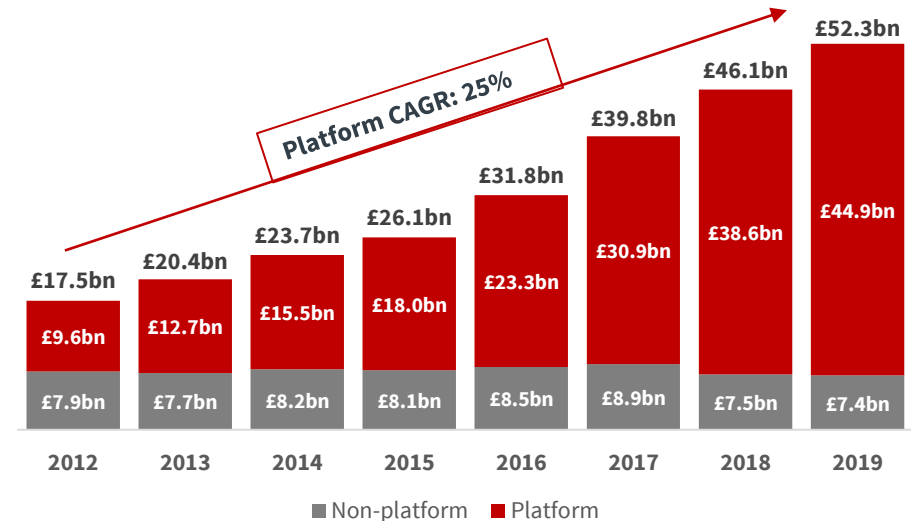
Platform propositions



Retail customers



Assets under administration



Key investment highlights



Key investment highlight	Description
Our market	An attractive retail market within the UK savings and investment industry
Our proposition	An award-winning platform operating in both advised and D2C market segments
Our customers	A growing base of loyal, high quality customers
Our people	Entrepreneurial, founder-led management team and a highly engaged workforce
Our business model	A profitable and scalable platform with embedded growth and margin expansion opportunities
Quality of earnings	High quality, largely recurring revenue from a diversified mix of revenue streams
Cash generation	Our highly cash generative and capital light model supports a progressive dividend policy

Our customers



£33.8bn	Assets under administration	£11.1bn
98,056	Retail customers	120,113
£345k	Average portfolio value	£92k
56	Average customer age	45
95%	Customer retention rate	96%
19.2bps	Revenue margin	33.2bps

Our business model



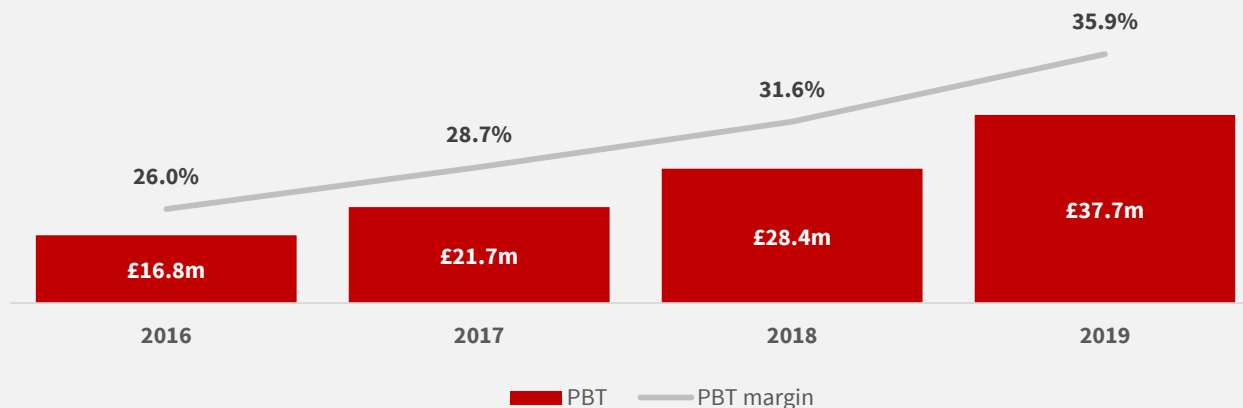
Hybrid technology model

- **Proprietary user interfaces** – adaptable and easy to use
- **Back office systems outsourced to proven software providers** – scalable systems updated for regulatory change
- **Back office re-platforming project completed in 2014** – system fully embedded in the business

Efficient operating model

- **High levels of online customer servicing** – straight-through processing and automation
- **Single operating model** supports both platform propositions
- **Centralised operation** in our Exchange Quay HQ in Manchester

PBT and PBT margin growth driven by operational gearing



Financial performance



Year ended 30 September	2019	2018	+/-
Revenue	£104.9m	£89.7m	17%
Expenses:			
Distribution	(9.2)	(7.7)	19%
Technology	(17.8)	(15.4)	16%
Operational & support	(39.6)	(36.5)	8%
Exceptional costs	(0.9)	(1.8)	
Net finance income	0.3	0.1	
Profit before tax	£37.7m	£28.4m	33%
PBT margin	35.9%	31.6%	4.3ppts
Total ordinary dividend	4.83p	3.70⁽¹⁾	31%

Commentary

- Strong financial performance
- Revenue and profit growth driven by the success of our platform propositions
- Continued investment in distribution and technology to support growth
- Improved PBT margin – revenue margin and positive effect of operational gearing
- 15th successive year of increased ordinary dividend

(1) 2018 total ordinary dividend restated to reflect share reorganisation on 15 November 2018

Outlook



- UK platform market continues to grow and we are well placed to capitalise on opportunities that lie ahead
- We have a track record of delivering organic growth and have developed a clear strategy to ensure that this continues
- We will also continue to listen to our customers to ensure we deliver the service they want, when they want it, at a price recognised as excellent value for money
- Our increasingly recognisable brand, two award-winning platform propositions and a robust, efficient operating model will help us deliver our ambitious growth plans

Appendices

Our products



Advised platform



An investment platform proposition for regulated financial advisers and wealth managers

D2C platform



An investment platform proposition for execution-only retail customers

Non-platform



Provides adviser-led and D2C pension administration services to customers with bespoke SIPP and SSAS accounts



Publishes Shares magazine and other proprietary investment content to support our platform propositions

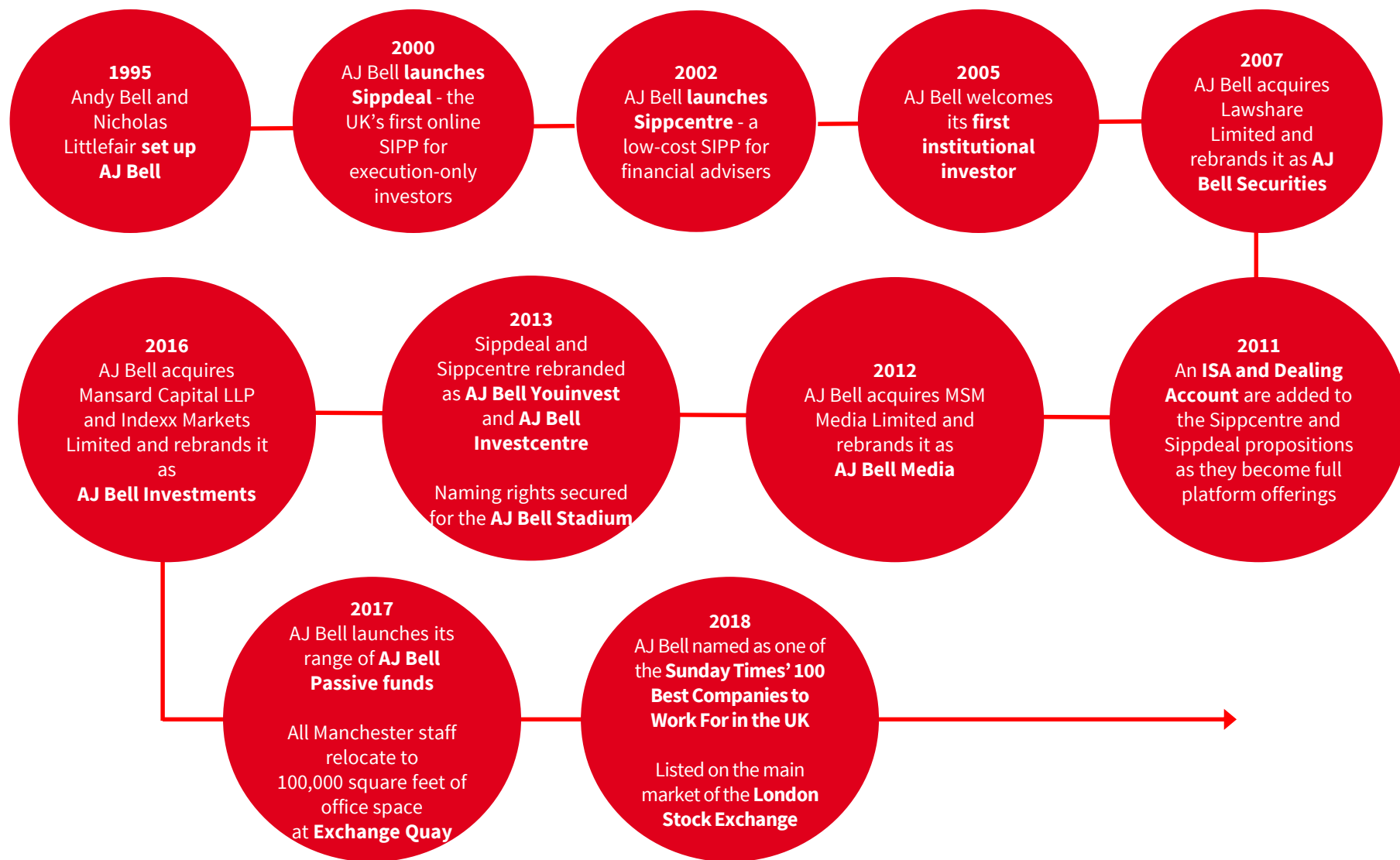


White label SIPP administration branded to Barclays Smart Investor and Halifax Share Dealing



AJBSC and Institutional provides dealing, settlement and custody services to institutional investment businesses

AJ Bell timeline



Thank you

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ajbell.co.uk/investor-relations