

Hargreaves Lansdown plc

Unaudited interim results

for the

6 months ended

31 December 2015



Forward-looking statements

These presentation slides contain forward-looking statements and forecasts with respect to the financial condition and the results of Hargreaves Lansdown plc.

These statements are forecasts involving risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future.

There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Nothing in this presentation should be construed as a profit forecast.

Nothing in this presentation should be seen as a promotion or solicitation to buy Hargreaves Lansdown plc shares. It should be remembered that the value of shares can fall as well as rise and therefore you could get back less than you invested.

Contents

Highlights and Financial Results

Simon Cleveland, Interim CFO

Comment and Strategy update

Ian Gorham, CEO

Appendices

Simon Cleveland, Interim CFO

Highlights

Financial results

H1 2016 highlights

GOOD PROGRESS DESPITE VOLATILE MARKETS

- £2.77bn of assets gathered (H1 2015: £2.25bn)
- 783,000 active clients, 47,000 net new clients (H1 2015: 23,000)
- Record AUA of £58.8bn
- FTSE All-share down 3.5% vs. H1 2015 -1.9%
- Improved client and asset retention rates (94.5% & 93.9% respectively)

AUA
+6.5%
(£58.8bn vs. £55.2bn FY 2015)

FTSE All-Share
-3.5%
(H1 2015: -1.9%)

RETURN TO PROFITS GROWTH

- Stabilisation of margins
- Net-revenue up 10.2% to £158.8m
- Pre-tax profits up 6.1%, diluted EPS up 8.9%
- Significant investment in strategic initiatives








Net revenue
+10.2%
(£158.8m vs. £144.1m)

GROWTH IN DIVIDENDS

- 7% increase to interim dividend to 7.80 pence

Operating profit
+6.3%
(£107.8m vs. £101.4m)

H1 2016 financial headlines

		H1 2016	H1 2015	FY 2015
Net revenue		£158.8m	£144.1m	£294.2m
Operating profit		£107.8m	£101.4m	£198.1m
Profit before tax		£108.1m	£101.9m	£199.0m
Tax rate		19.6%	21.3%	21.0%
Profit after tax		£86.9m	£80.1m	£157.2m
EPS (diluted)		18.3p	16.8p	33.1p
Dividend per share		7.8p	7.3p	33.0p

Net revenue up 10.2%

6.1% increase in PBT

8.4% increase in PAT

Interim dividend increased to 7.80p

Net revenue

HIGH QUALITY EARNINGS

- % of recurring net revenue H1 2016: 79.7% (H1 2015: 77.1%)
- % of assets earning recurring revenue H1 2016: 80% (H1 2015: 83%)

		H1 2016	H1 2015
Net recurring revenue – fees, interest, renewal income	14%	£126.5m	£111.1m
Transactional income – incl. dealing commission, advice fees	-1%	£29.4m	£29.8m
Other income	-9%	£2.9m	£3.2m
<hr/>			
Total net revenue	10%	£158.8m	£144.1m

Divisional results

	Net revenue		Operating profit	
	H1 2016	H1 2015	H1 2016	H1 2015
Vantage (platform)	£119.3m	£108.2m	£81.5m	£76.5m
Discretionary & Managed	£29.1m	£24.5m	£22.9m	£18.5m
Third party & Other services	£10.4m	£11.4m	£3.4m	£6.3m
TOTAL	£158.8m	£144.1m	£107.8m	£101.4m

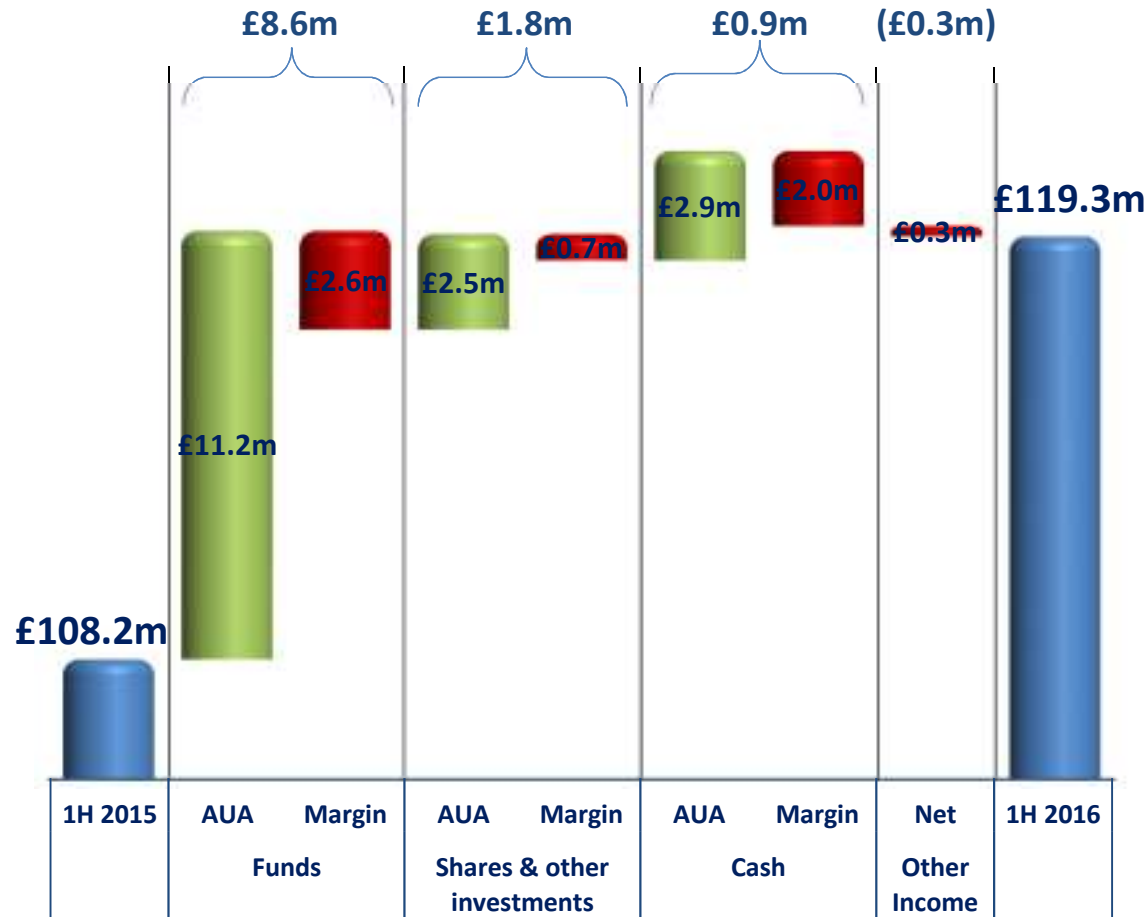


Vantage

RECORD NET NEW BUSINESS FOR FIRST HALF OF A YEAR

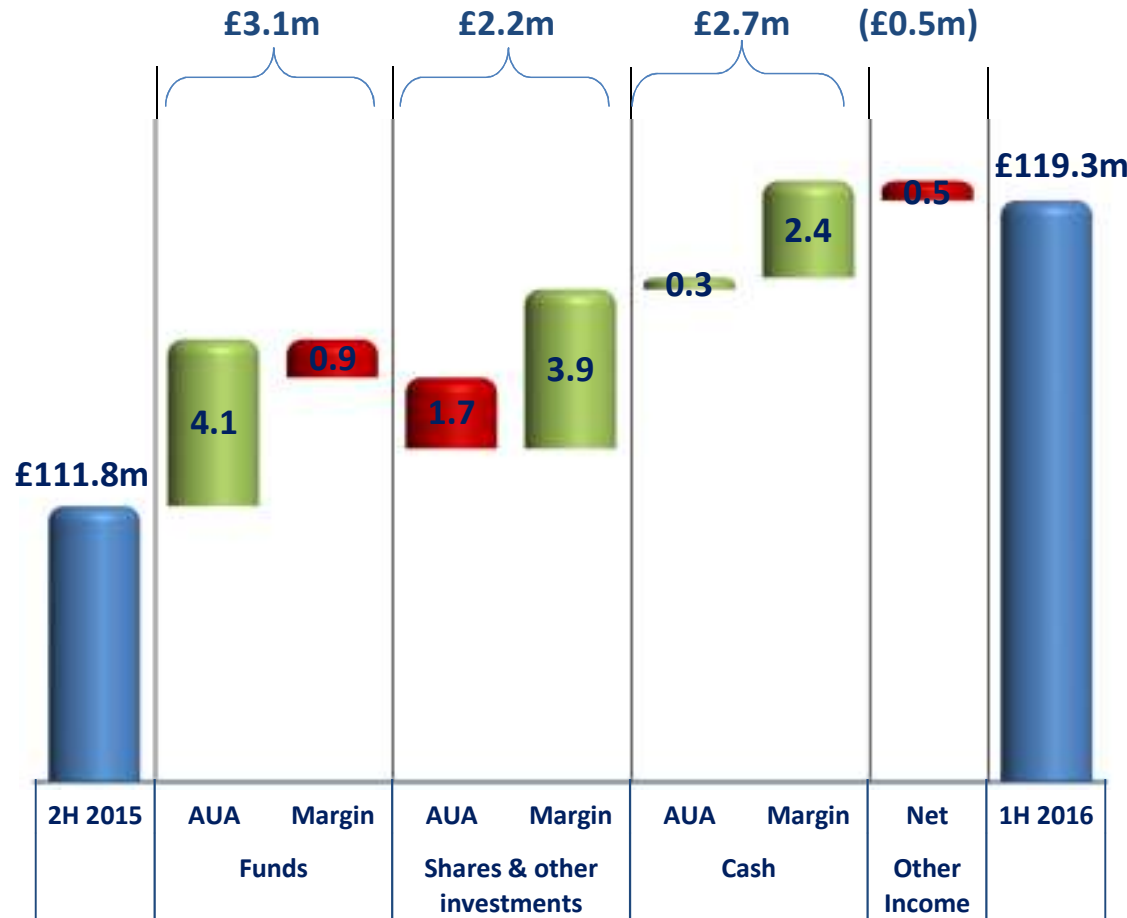
KPIs		H1 2016	H1 2015	FY 2015
Net revenue	+10%	£119.3m	£108.2m	£220.0m
Ave. net revenue margin (net of loyalty bonus)	-3bps	42bps	45bps	43bps
Operating profit margin (on net revenue)	-2.4pts	68.3%	70.7%	67.0%
Average cost ratio (on AUA, excl loyalty bonus)	-	14bps	14bps	15bps
No. of active Vantage clients ('000)	+16%	775	666	727
Vantage net new business inflows	+24%	£2.73bn	£2.21bn	£6.0bn
Market movement		£0.91bn	(£0.15bn)	£2.0bn
Vantage AUA at end of period	+21%	£55.9bn	£46.3bn	£52.3bn
Total Platform AUA* at end of period	+20%	£58.8bn	£49.1bn	£55.2bn

Vantage Platform – Net Revenue Bridge (£m)



- Fund volumes compensate for the planned reduction in fund margin
- Slightly improved overall position in shares
- Previously signalled negative impact of cash margin

Vantage Platform – Net Revenue Bridge (£m)

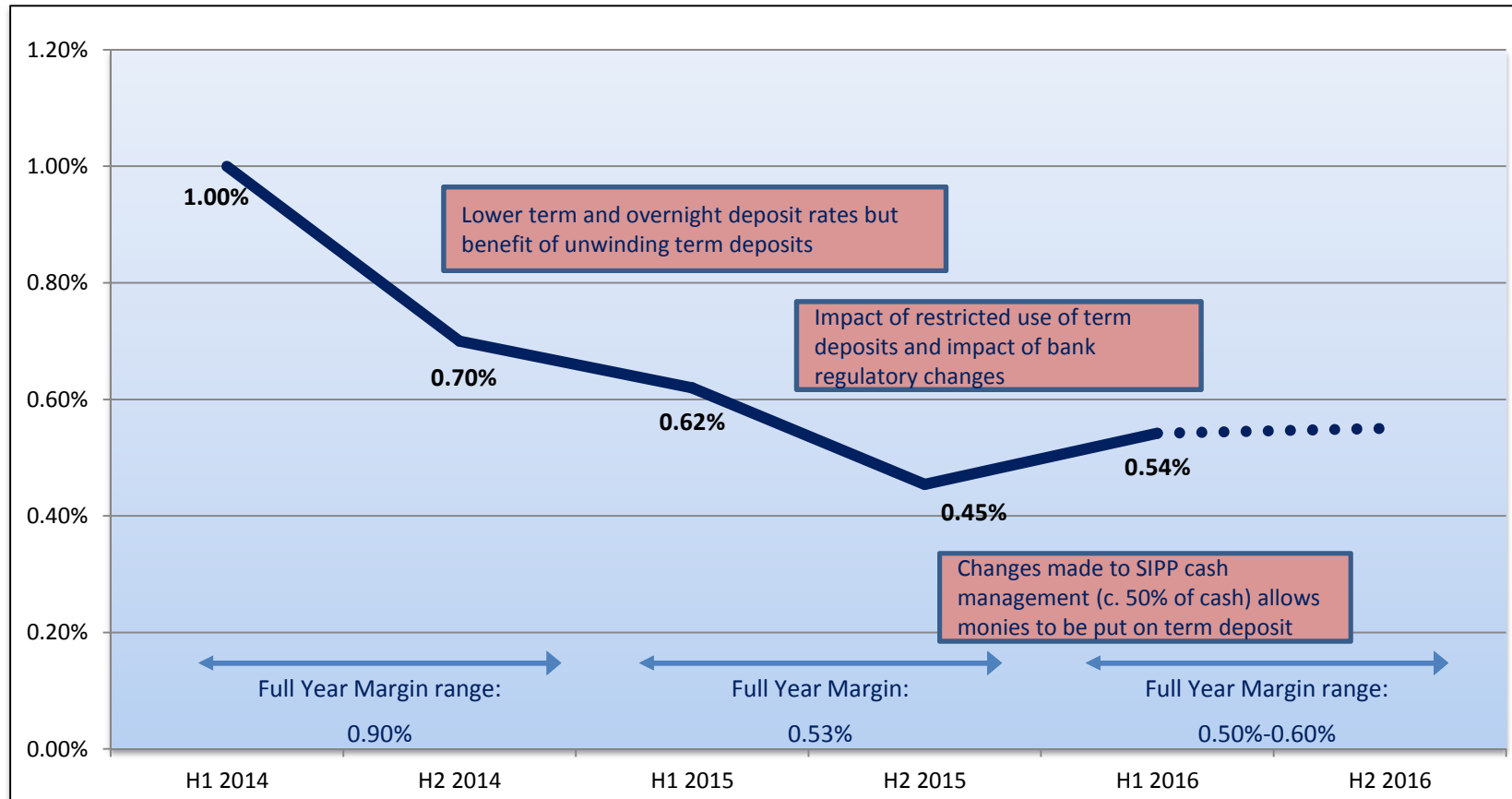


- H2 2015 to H1 2016 Margin stabilisation

Vantage cash margin analysis

Clients maintained cash weighting (Cash = c.9% of AUA, June 2015: 10%)

SIPP changes partly contributed 10bps (£2.4m in H1 2016)



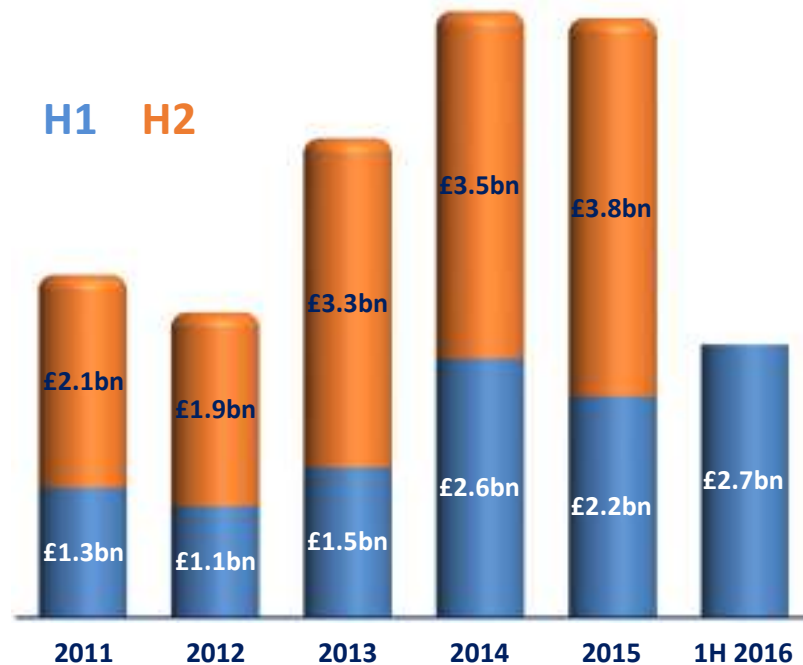
Vantage Margin – Future Drivers

	H1 2016	FY 2015	H2 2015	H1 2015
Funds	45bps	46bps	45bps	47bps
Equities	27bps	29bps	27bps	31bps
Cash	55bps	53bps	45bps	62bps
<hr/>				
Vantage margin	42bps	43bps	42bps	45bps

£55.9bn Vantage AUA

GOOD LONG TERM TRENDS

VANTAGE NET NEW BUSINESS (£BN)



Net new business inflows FY 2011 to H1 2016 (£ billion), first vs. second half

SIMILAR ASSET MIX

ASSET CATEGORY

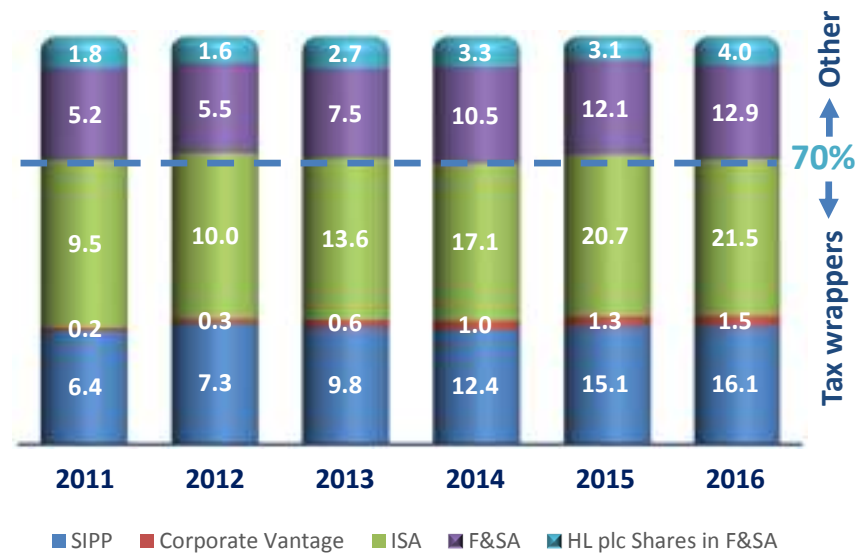
55% of Vantage AUA held in investment funds

36% stocks and shares

9% cash

(At 30 June 2015: 56%, 34%, 10% respectively)

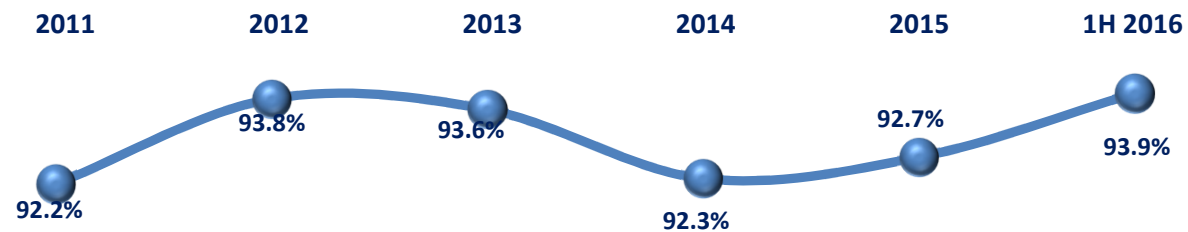
STICKY ASSETS



Asset retention

CLIENT AND ASSET RETENTIONS REMAIN VERY HIGH

ASSET RETENTION



CLIENT RETENTION



Discretionary and managed

HLMM FUNDS CONTINUE TO ATTRACT STRONG INFLOWS

KPIs		H1 2016	H1 2015	FY 2015
Net revenue	+19%	£29.1m	£24.5m	£52.4m
Net recurring revenue	+1pts	94%	93%	93%
Operating profit margin (on net revenue)	+2.8pts	78.5%	75.7%	76.0%
HLMM AUA (Vantage)	+47%	£3,249m	£2,215m	£2,959m
HLMM AUA (PMS)	+8%	£2,644m	£2,450m	£2,576m
Discretionary AUM at period end*	+23%	£6.17bn	£5.00bn	£5.85bn
Net new business inflows	+15%	£319m	£278m	£937m

Decreased ave. number of advisers from 106 to 95

* Made up of PMS (HLMM & non-HLMM (£219m)), HLMM in Vantage and HLMM held by third parties (£25m)

Third Party/Other Services

PENSION REFORMS INTRODUCED IN MARCH 2014 REDUCING ANNUITY VOLUMES

EXPECT TO SEE GROWTH IN DEVELOPING BUSINESSES + THIRD PARTY PENSIONS DECLINE IN FAVOUR OF VANTAGE

KPIs		H1 2016	H1 2015	FY 2015
Net revenue	-9%	£10.4m	£11.4m	£21.8m
Operating profit margin on net revenue	-22.3pts	32.9%	55.2%	49.2%
Annuity commissions	-27%	£0.8m	£1.1m	£1.9m
Initial commissions third party corporate pensions	-89%	£0.1m	£0.9m	£1.2m
HL Markets* net revenue	-6%	£1.5m	£1.6m	£3.2m
Funds Library net revenue	-6%	£3.0m	£3.2m	£6.4m

* Relates to Currency and CFDs

Continued cost control

		H1 2016	H1 2015	H2 2015
Commission payable (loyalty bonus)	-21%	£41.9m	£53.1m	£47.9m
Staff costs	+19%	£30.3m	£25.5m	£27.6m
Marketing and distribution spend	-	£5.5m	£5.5m	£7.2m
Depreciation, amortisation & financial costs	+27%	£2.8m	£2.2m	£2.9m
Office running costs	+5%	£2.3m	£2.2m	£2.1m
Other costs	+33%	£10.1m	£7.6m	£8.9m
Other operating costs	+19%	£51.0m	£43.0m	£48.7m
Total FSCS levy costs	-	-	(0.3)	£4.7m
Total operating costs	-3%	£92.9m	£95.9m	£101.3m

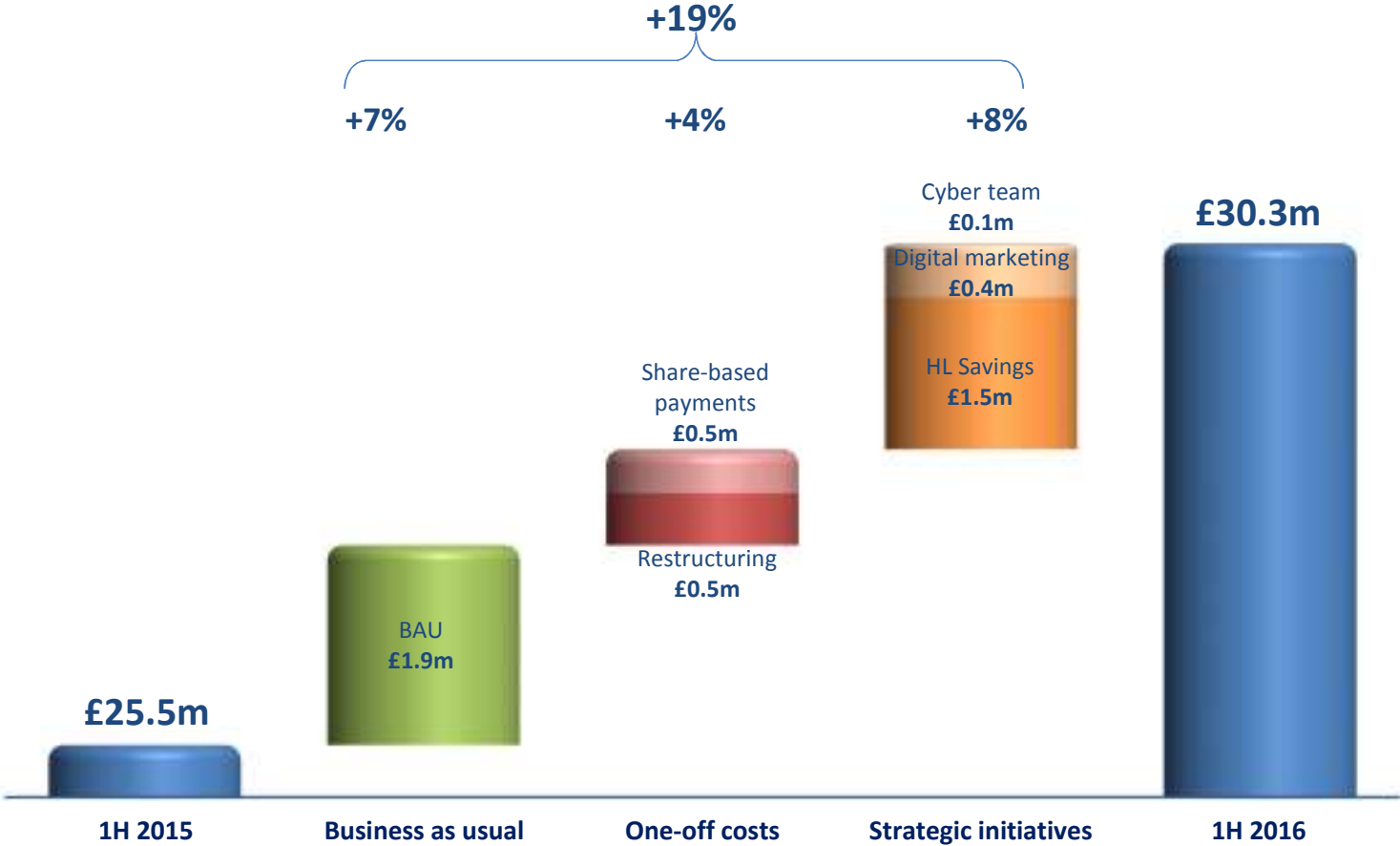
Focus:

- **Tight control of BAU costs**
- **Value for money on investment spend**

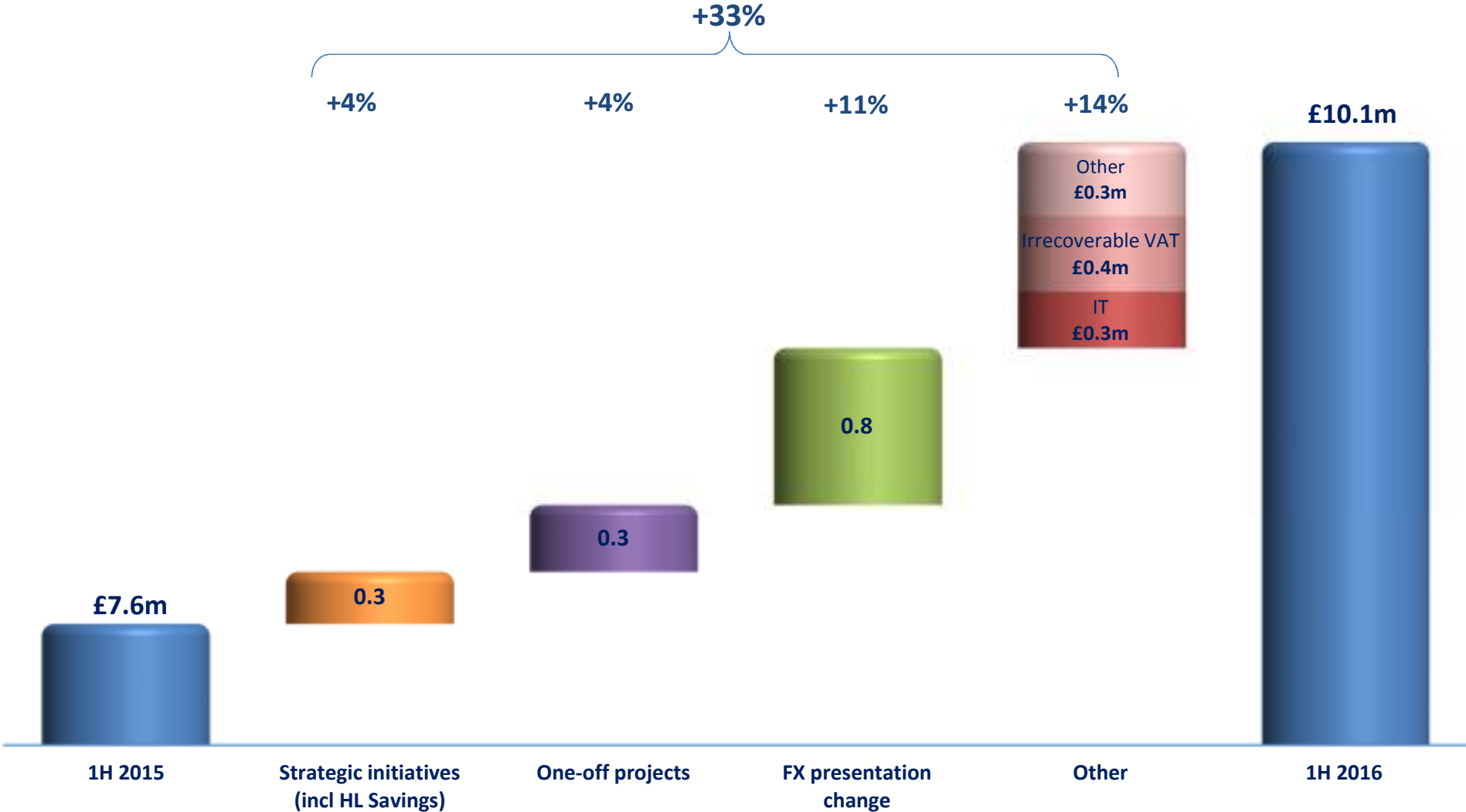
Staff costs

		H1 2016	FY 2015	H2 2015	H1 2015
Staff costs	+19%	£30.3m	£53.1m	£27.6m	£25.5m
No of staff at end of period	+9%	985	970	970	904
Ave. no of staff (FTE)	+9%	964	914	947	881

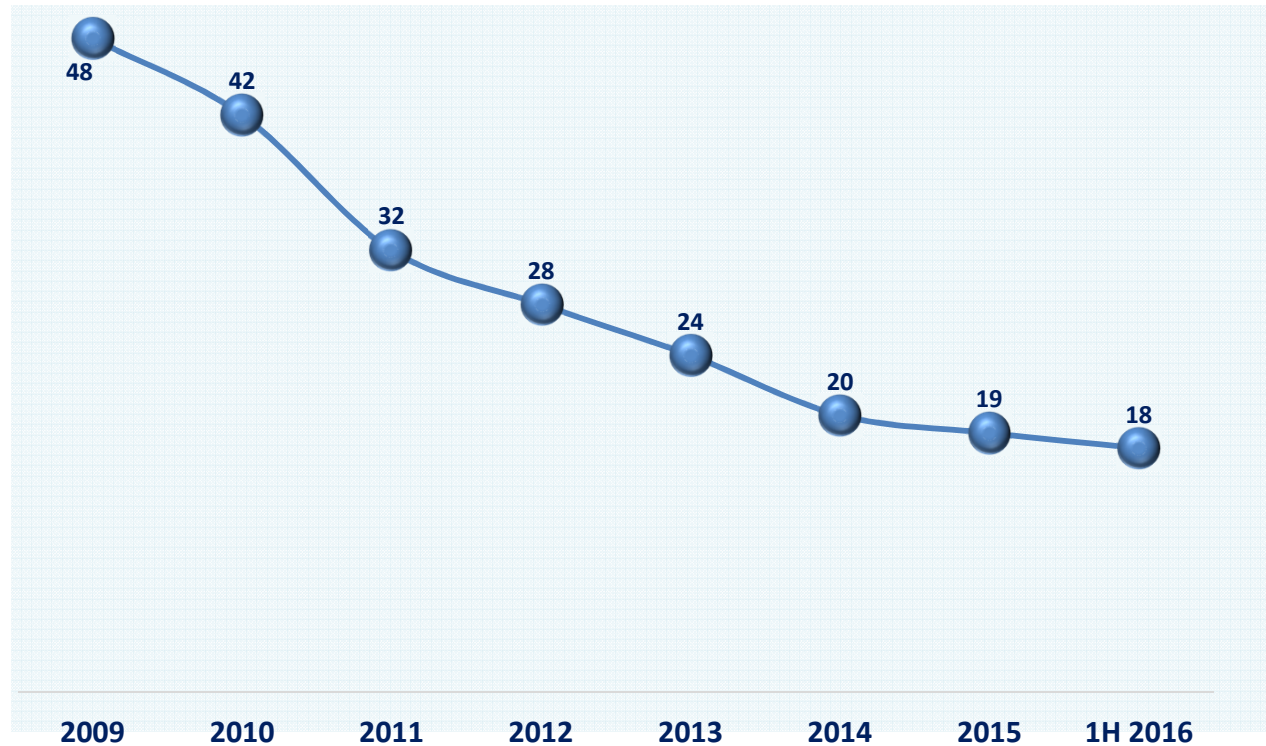
Staff costs bridge



Other costs bridge



The cost ratio continues to improve



Group Cost Ratio (bps) FY 2009 to HY 2016

Clear and consistent focus on simplicity and on operating efficiency

Investing in client experience and convenience to make our platform even better

Summary and outlook

- Good growth in volatile markets
- Stabilisation of margins
- Return to profit growth
- Confidence and opportunities to invest in the future

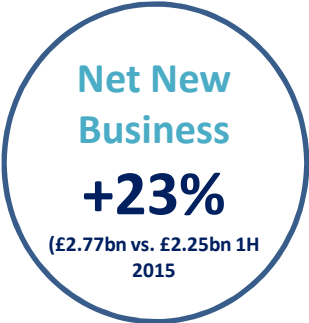
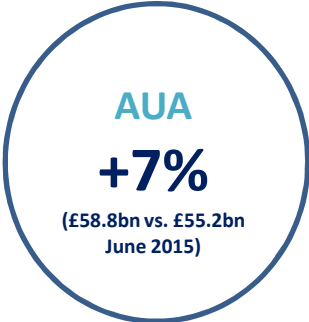
Ian Gorham, CEO

Results comment

Strategy update

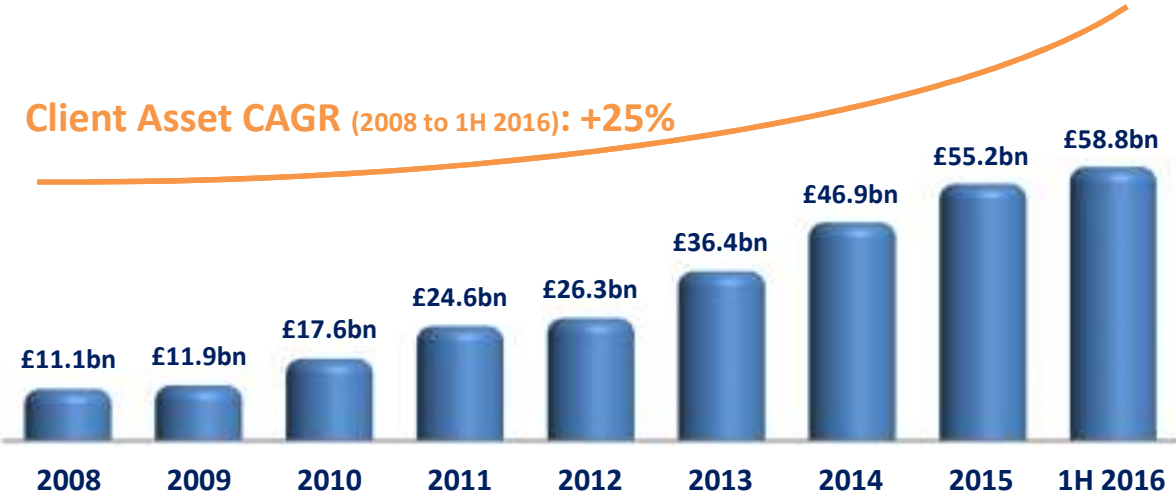
Other information

Results comment

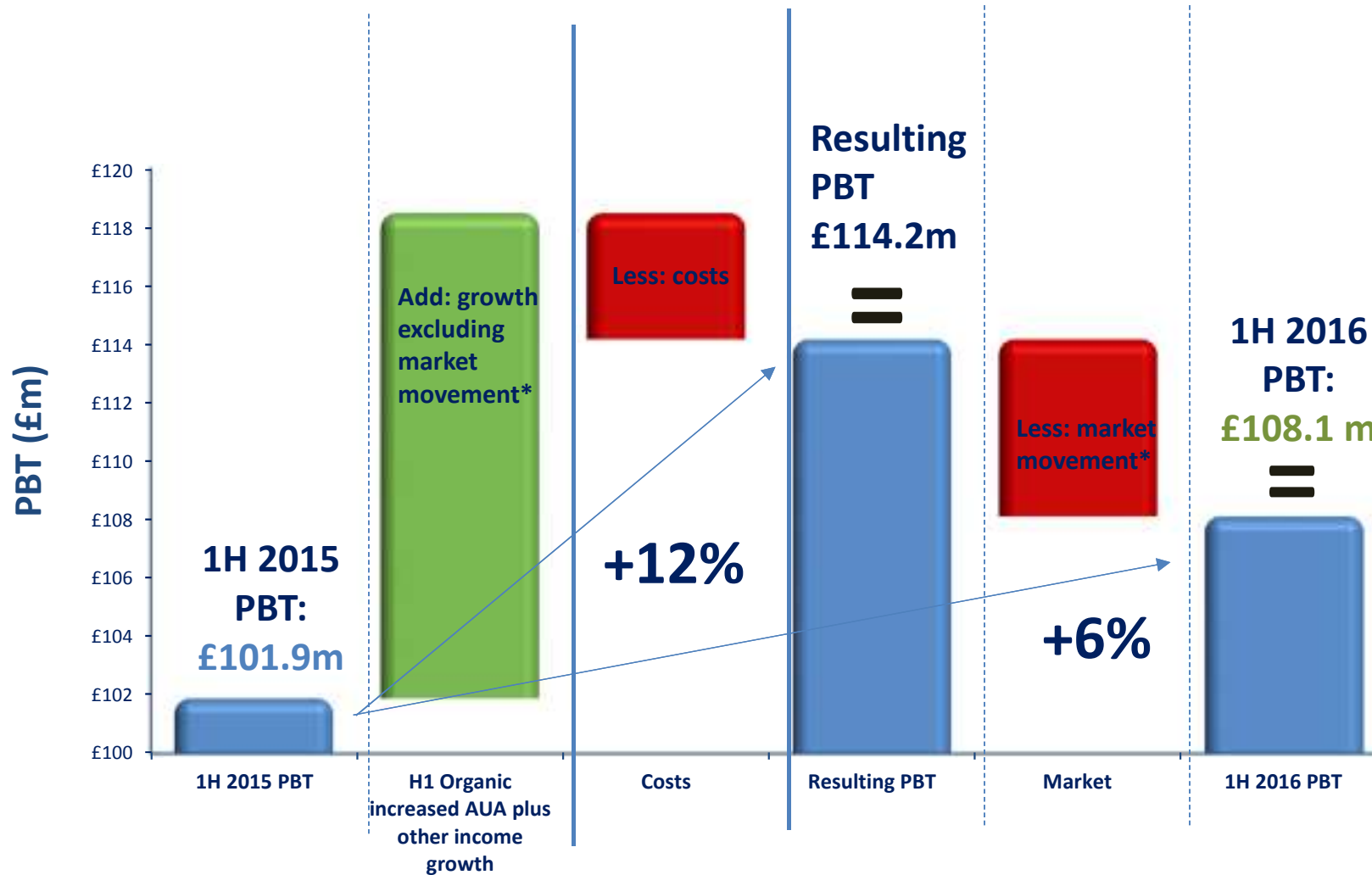


Strong growth despite environment

Weak markets (FTSE All Share -3.5%)



Effect of stock markets



Growth in Account Assets

Net New Business (Vantage)		1H2016	1H2015
ISA	-12%	£0.7bn	£0.8bn
SIPP	+71%	£1.2bn	£0.7bn
Fund and Share	+14%	£0.8bn	£0.7bn
TOTAL	+23%	£2.7bn	£2.2bn

- ISA & Fund & Share held up well given market turbulence
- Considerable pensions growth

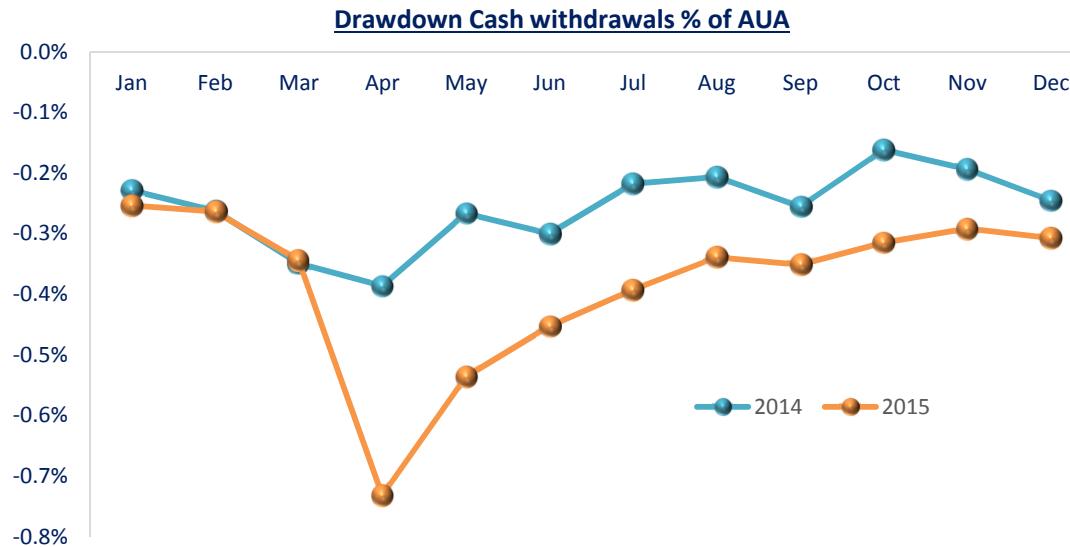
Client and Asset Retention



- Retention remains excellent at 94.5% and 93.9% respectively
- Transfers out remain normalised at low levels

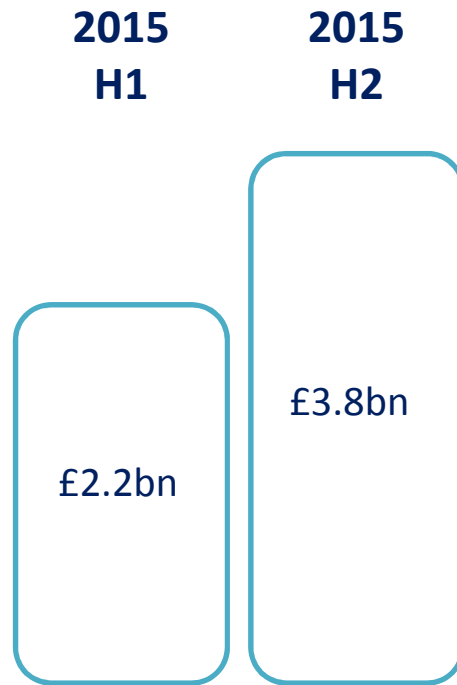
Pension freedoms

- Net new clients into drawdown up 122% vs 1H 2015
- Net new business into drawdown up 70% vs 1H 2015



- Some withdrawals when the reforms were introduced in April but soon returning to previous levels
- Mainly small pots cashing out (88% less than £30,000)

2nd Half Outlook



Last year **63%** new assets in 2nd half

Historically between **57-68%** 2nd half*

- **Tax year-end** in 2nd half
- ISA & Fund & Share held up well **but tend to reflect lower markets**
- **Potential pensions tax relief changes?** Could be helpful
- No Lloyds TSB, but share offers more relevant to new clients than assets. Have gathered many interested potential investors.

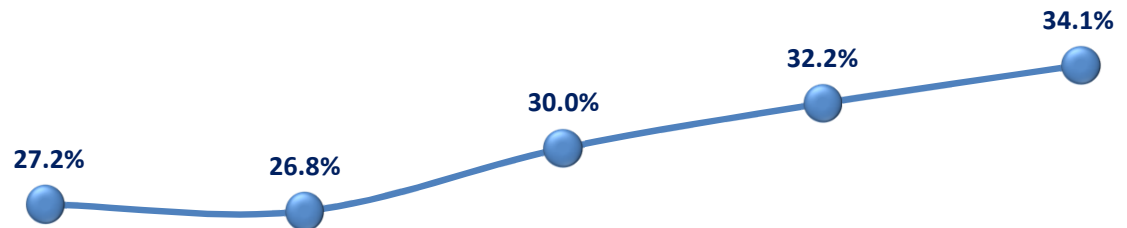
*Net New Assets full year 2011 onwards

HL D2C market share increased further

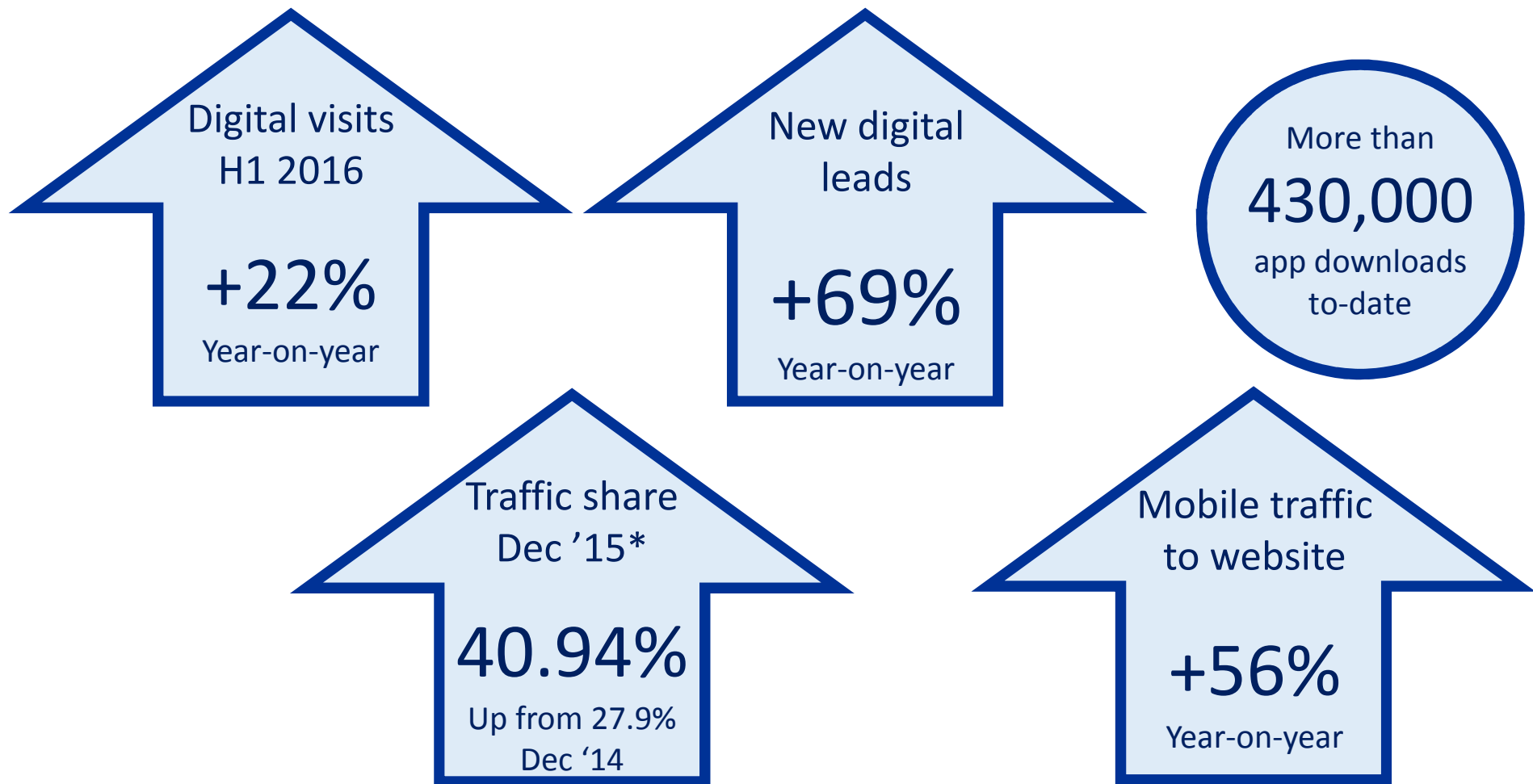
HL market share
as per Platform*



Adjusted for HL
shares held on the
platform







Digital Performance



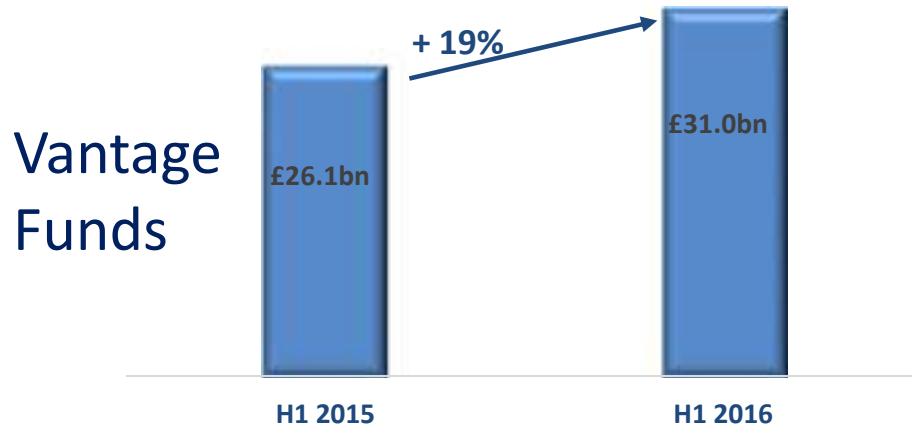
Corporate

Auto enrolment phasing in, affects all employers by Q1 2017. Potential for higher take up rates c.10% AE opt-out rates (DWP)

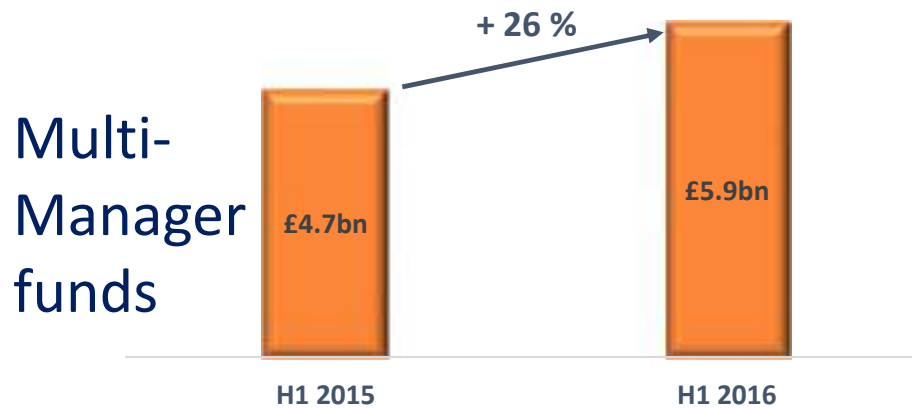
	<u>As at 31 Dec 2015</u>	<u>As at 30 June 2015</u>	% change	6 months increase in H1 2016	6 months increase in H1 2015
 Members*	59,407	53,318	+11%	6,089	6,094
 Schemes *	288	256	+13%	32	13
 Annual Premiums **	£218.0m	£197.1m	+11%	£20.9m	£10.1m
 AUA	£1,489m	£1,301m	+14%	£188m	£130.3m

*Numbers relate to schemes either live or contracted. ** Only includes those annual premiums already being received.

Funds & Fund Management



- 3 New Funds



- 2 New Launches
 - HL Strategic Assets
 - High Income

Robo: Portfolio Plus



HL Portfolio+

Ready-made investing managed by our experts

[← Back to overview](#)

Portfolio+ is not personal advice. If you are unsure if it is an appropriate service for you or which portfolio is suitable for your circumstances, contact us for advice. As the value of investments can fall as well as rise you should anticipate holding it for at least 5 years and not invest monies you may need before then. Tax rules can change and the benefits will depend on your circumstances.



- Now **£206m assets** in Portfolio +
- Gathering c. £30m per month (c. 7% of net new assets)
- Valid demand
- Self Directed and Advised still substantially larger

HL Savings: Deposit Service

- A **digital deposit service** built to address the savings market.
- The service will be **characterised by ease of use and choice**. HL will make available a range of offers provided by a **manageable number of select supplier banks & building societies**

Progress

- Good engagement from banking community
- Expecting 5-8 main banking partners plus discussions with others through 2016
- Significant development work progress
- Legal frameworks addressed for both banking and building society market
- Agreement on IT communication interface with institutions

HL Savings: Deposit Service: Why use it?

Client

- Savings at click of mouse
- See assets all in one place
- Spread across FSCS
- Range of returns
- Maximise interest return
- Minimise paperwork
- Optimise cash portfolio

Bank

- Acquire retail money
- Reduced acquisition cost
- Reduced overheads
- Diversify funding sources

HL Savings: Peer to peer

- Project to build own P2P platform
- Given scale of potential HL investors/lenders, we intend to offer lending to both Consumer & SME markets
- Offer to client lender will be simple, transparent and offer good returns.

Progress

- Core P2P IT build progresses, anticipate to be completed by July
- Integration into central IT systems expect to complete slightly after
- Client facing website build commenced
- FCA regulatory application submitted shortly
- Finalising legal work verifying assets as collateral

HL Savings: P2P: Why use it?

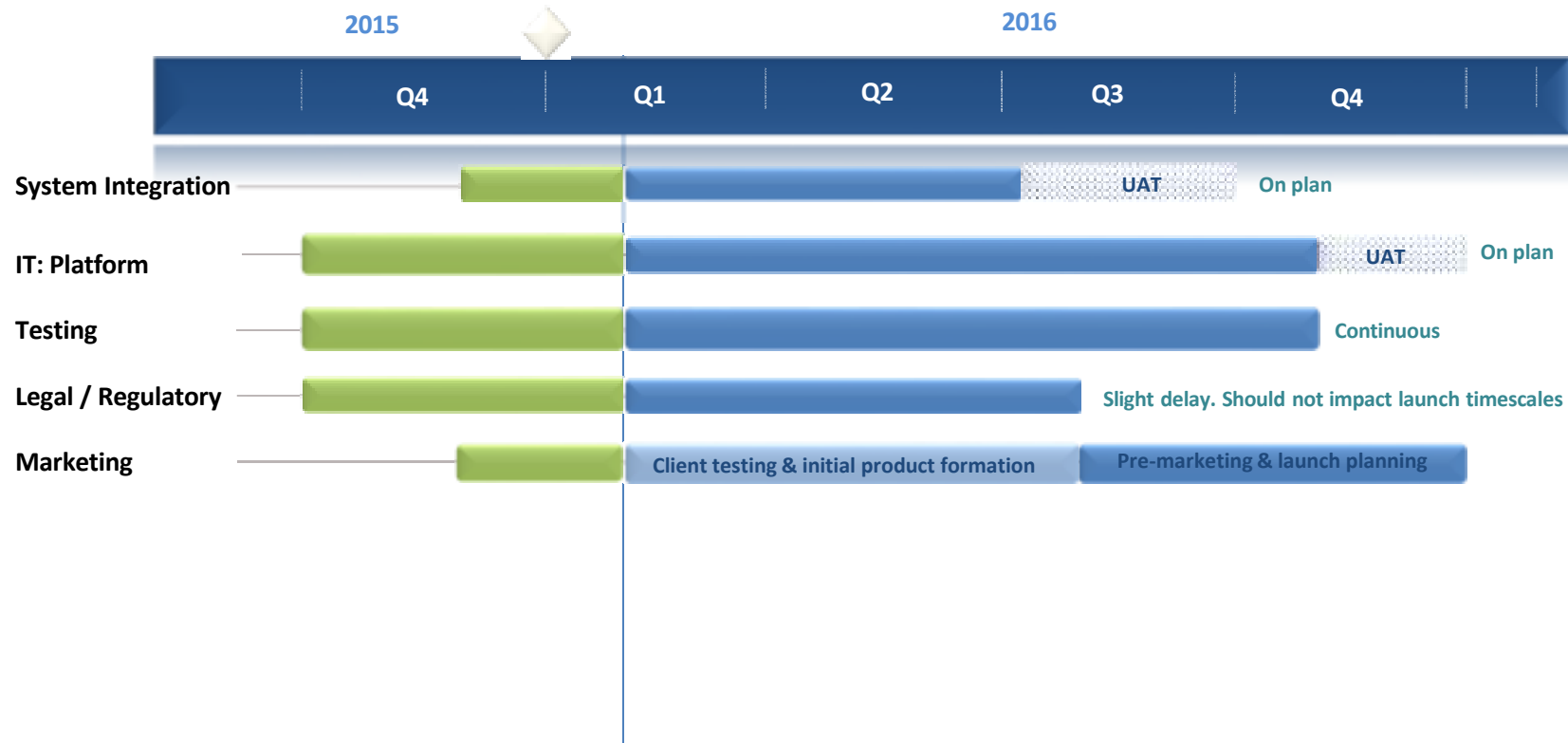
Client lender

- Lend at click of mouse
- Diversified loan portfolio
- Better return than deposit
- Asset backed borrowing
- Minimise paperwork
- Optimise portfolio risk combining with cash
- Secondary market

Client borrower

- Competitive rates
- Larger personal loans
- Keep assets invested
- Easy to use
- No early repayment fees
- Manage assets & loans in one place

HL Savings - Timelines



HL Savings: What demand is out there?

- Recently updated our market research data
- Surveyed 1,605 clients
- 62% of respondents said they would use the service*
- Surveys indicate many clients have more in cash savings than currently invested on Vantage

**for some or all of their cash savings*

Regulation



- No major regulatory items!
- FAMR review of interest, may be mildly positive

Summary

- Robust business during choppy stock markets
- Pensions helpful. New clients especially strong.
- Continued progress in market share incl. digital
- Success with new initiatives, funds & portfolio +
- HL Savings plans on track
- Happy with progress

Appendices

Index

Contents	Slide	Contents	Slide
Financial		AUA and volumes	
Market consensus	46	Assets under administration	53
Divisional net revenue	47-48	Growth in total AUA	54
Third party and other services revenue	49	Vantage AUA & Net new business	55
Platform net revenue and average AUA	50	Growth and scale	56
Costs	51	Net new clients	57
Interim dividend	52	Divisional results	58
		Vantage AUA	59
		Vantage AUA analysis	60
		Vantage AUA analysis by sector	61
		Vantage AUA by geographical exposure	62
		Other	
		Vantage – other information	63
		Share dealing volumes	64

Market consensus

To exclude the effect of outdated forecasts, HL maintains a 'consensus tracker' to which analysts are invited to contribute their latest forecasts. The table below represents the position based on the consensus tracker as at 28/01/16.

13 analysts have contributed to the tracker.

H1 2016	Average	Range Min	Range Max	Reported
Net revenue (£m)	161.2	156.4	164.0	158.8
Profit before tax (£m)	110.9	104.6	115.4	108.1
Diluted EPS (pence)	18.6	17.6	19.2	18.3
DPS (pence)	8.1	7.6	8.8	7.8
Vantage Net New Business (£bn)	2,759	2,400	3,100	2,734

Divisional net revenue

		H1 2016	H1 2015	FY 2015
Vantage	+10%	£119.3m	£108.2m	£220.0m
Discretionary	+19%	£29.1m	£24.5m	£52.5m
Third Party & Other Services	-9%	£10.4m	£11.4m	£21.8m
Total	+10%	£158.8m	£144.1m	£294.2m
Vantage net revenue		H1 2016	H1 2015	FY 2015
Net renewal income	-12%	£5.8m	£6.6m	£12.9m
Share of HL Multi Manager AMC (pre RDR)		-	-	-
Platform fee	+16%	£68.5m	£59.0m	£123.8m
Management fees	+18%	£7.3m	£6.2m	£12.4m
Interest receivable	+7%	£13.9m	£13.0m	£24.2m
Initial income	-	-	-	-
Stockbroking income	+4%	£18.6m	£17.9m	£35.4m
Advice and other charges*	-5%	£5.2m	£5.5m	£11.3m
Total	+10%	£119.3m	£108.2m	£220.0m
% of Group net revenue		75%	75%	75%

* Includes the paper based valuation statement fee

Divisional net revenue

Discretionary and Managed net revenue

		H1 2016	H1 2015	FY 2015
Renewal income	-	£0.1m	£0.1m	£0.3m
Ongoing advice fee	+2%	£5.8m	£5.7m	£11.7m
HL Multi Manager fund AMC	+27%	£21.4m	£16.9m	£36.5m
Advice charges	-	£1.4m	£1.4m	£2.9m
Interest receivable	-	£0.0m	£0.0m	£0.0m
Other	-	£0.4m	£0.4m	£1.1m
Total	+19%	£29.1m	£24.5m	£52.5m
% of Group net revenue		18%	17%	18%

Third Party & Other Services net revenue

Corporate pensions	-38%	£1.5m	£2.4m	£3.4m
Investments	+13%	£2.7m	£2.4m	£5.0m
Personal life & pensions	-8%	£1.1m	£1.2m	£2.2m
Other services	-6%	£5.1m	£5.4m	£11.2m
Total (further breakdown on next page)	-9%	£10.4m	£11.4m	£21.8m
% of Group net revenue		7%	8%	7%

Third Party & Other Services net revenue

3P Corporate Pensions net revenue				H1 2016	H1 2015	FY 2015	
Renewal income		-22%	£0.7m	£0.9m	£1.5m		
Initial income	- corporate annuities	-	£0.2m	£0.2m	£0.4m		
	- corporate pensions	-89%	£0.1m	£0.9m	£0.8m		
Advisory fees		+25%	£0.5m	£0.4m	£0.7m		
Total		-38%	£1.5m	£2.4m	£3.4m		
3P Investments net revenue							
Renewal income		+13%	£2.7m	£2.4m	£4.9m		
Initial income		-	-	-	£0.1m		
Total		+13%	£2.7m	£2.4m	£5.0m		
3P Personal Pensions net revenue							
Renewal income		-	£0.3m	£0.3m	£0.5m		
Initial income	- Annuities	-22%	£0.7m	£0.9m	£1.5m		
	- pensions/other	+100%	£0.1m	-	£0.2m		
Total		-8%	£1.1m	£1.2m	£2.2m		
Other Services net revenue							
Stockbroking income		-5%	£1.9m	£2.0m	£3.9m		
- <i>Certificated</i>		-20%	£0.4m	£0.5m	£0.7m		
- <i>Currency services</i>	} HL Markets	-	£0.9m	£0.9m	£2.1m		
- <i>CFD & Spreadbetting</i>		-	£0.6m	£0.6m	£1.1m		
Interest receivable		-	-	-	£0.1m		
Funds Library income		-6%	£3.0m	£3.2m	£6.4m		
Other/advice fees		-	£0.2m	£0.2m	£0.8m		
Total		-6%	£5.1m	£5.4m	£11.2m		
 Total Third Party & Other Services net revenue				-9%	£10.4m	£11.4m	£21.8m

Platform net revenue and average AUA

	H1 2016			FY 2015
	Revenue £m	Ave Assets £bn	Margin %	Margin %
Renewal income (net of loyalty bonus)	5.8			
Platform fee	68.5			
Initial commission	-			
Total net revenue from funds*	74.3	32.7	0.45%	0.46%
Stockbroking commission	18.6			
Management fees	7.3			
Total revenue from other stock	25.9	19.0	0.27%	0.29%
Total revenue from cash	13.9	5.0	0.55%	0.53%
Other income	5.2			
Total Investment Platform margin	119.3	56.7	0.42%	0.43%

*'Post RDR' income and AUA includes PMS

Costs

		H1 2016	H1 2015	FY 2015	H2 2015
Commission payable (loyalty bonus)	-21%	£41.9m	£53.1m	£101.0m	£47.9m
Staff costs	+19%	£30.3m	£25.5m	£53.1m	£27.6m
Marketing and distribution spend	-	£5.5m	£5.5m	£12.7m	£7.2m
Depreciation, amortisation & financial costs	+27%	£2.8m	£2.2m	£5.1m	£2.9m
Office running costs	+5%	£2.3m	£2.2m	£4.3m	£2.1m
Other costs	+33%	£10.1m	£7.6m	£16.5m	£8.9m
Other operating costs	+19%	£51.0m	£43.0m	£91.7m	£48.7m
Total FSCS levy costs	-	-	(0.3)	£4.4m	£4.7m
Total operating costs	-3%	£92.9m	£95.9m	£197.1	£101.3m
Ave. no of staff (FTE)	+9%	964	881	914	947
No. of staff at end of period (FTE)	+9%	985	904	970	970

Interim dividend up 7% to 7.80p

Interim ordinary dividend
 Interim special dividend
Interim dividend payable 31st March 2016

Total interim dividend – March 2016

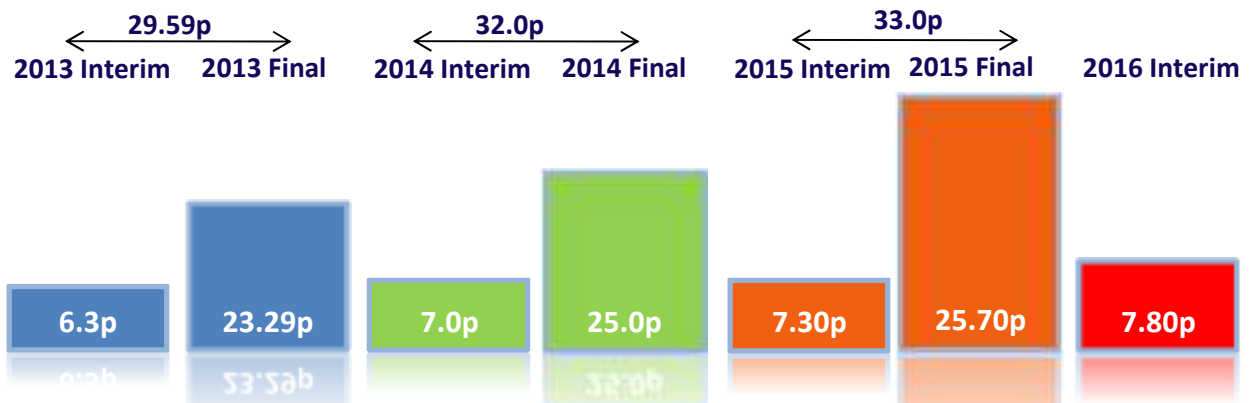
Total final dividend

Total ordinary dividend

Total special dividend

Total dividend per share

H1 2016	% of PAT	FY 2015
Pence per share		Pence per share
7.80p		7.3p
-		-
7.80p		7.3p
£36.9m		
		25.7p
	65%	21.6p
	34%	11.4p
	99%	33.0p



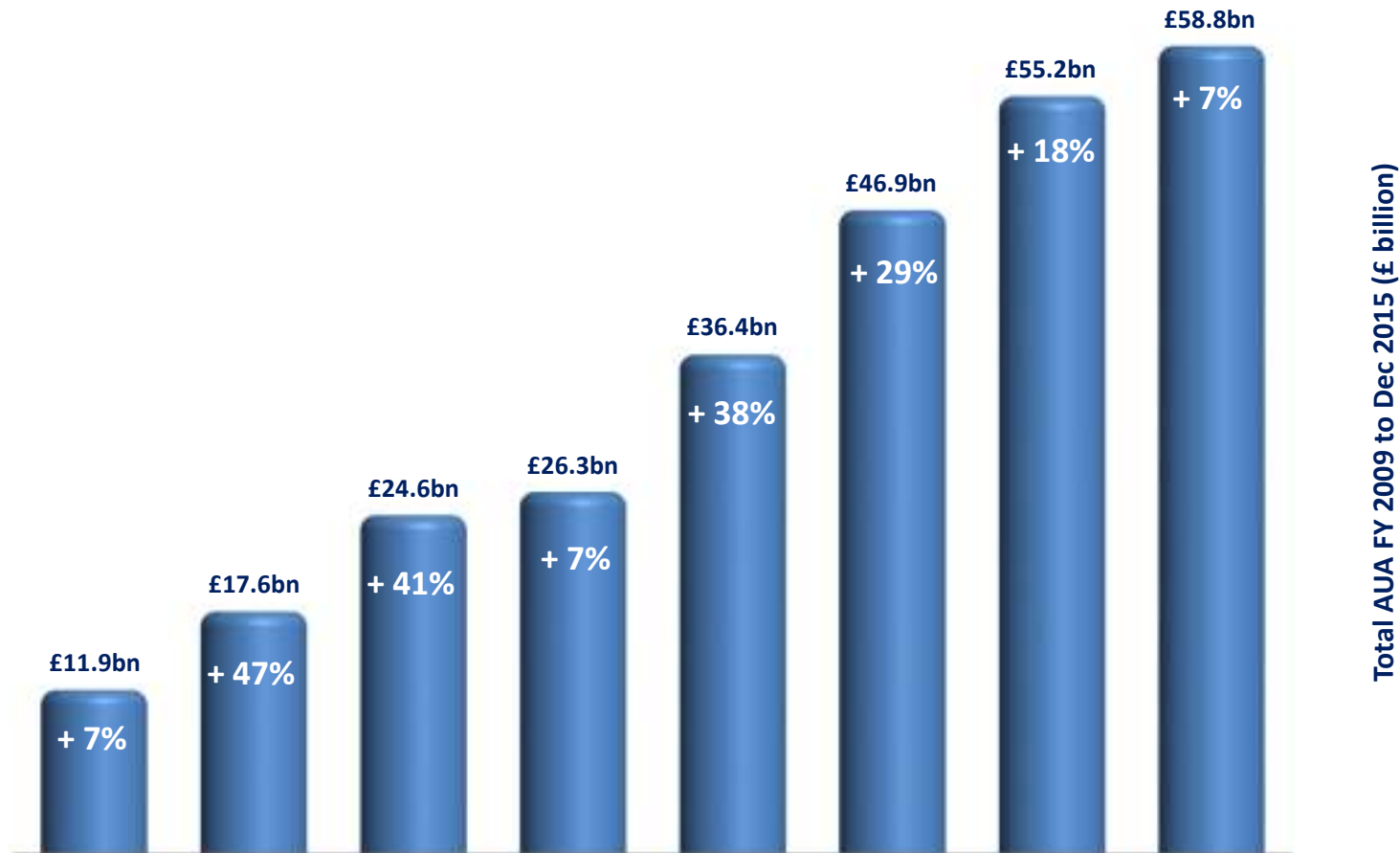
DIVIDEND

Interim and final dividend (p)

Total assets under administration

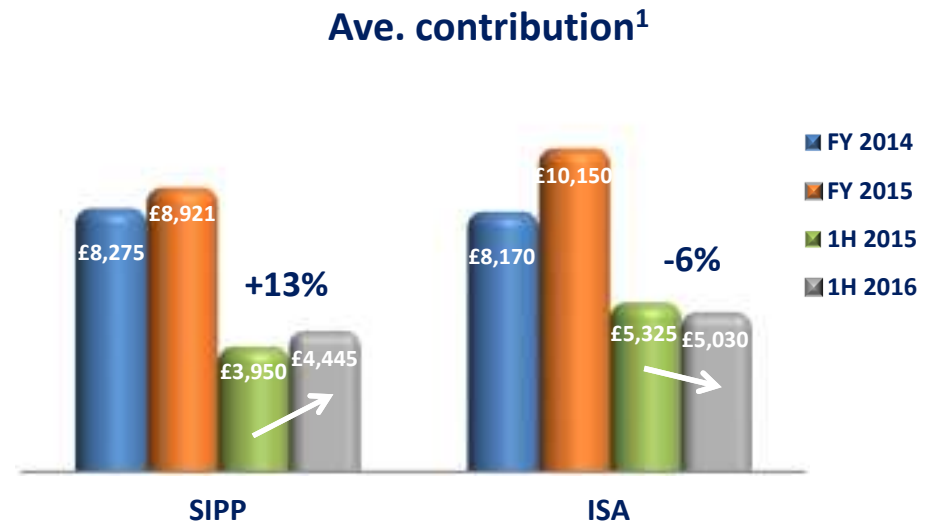
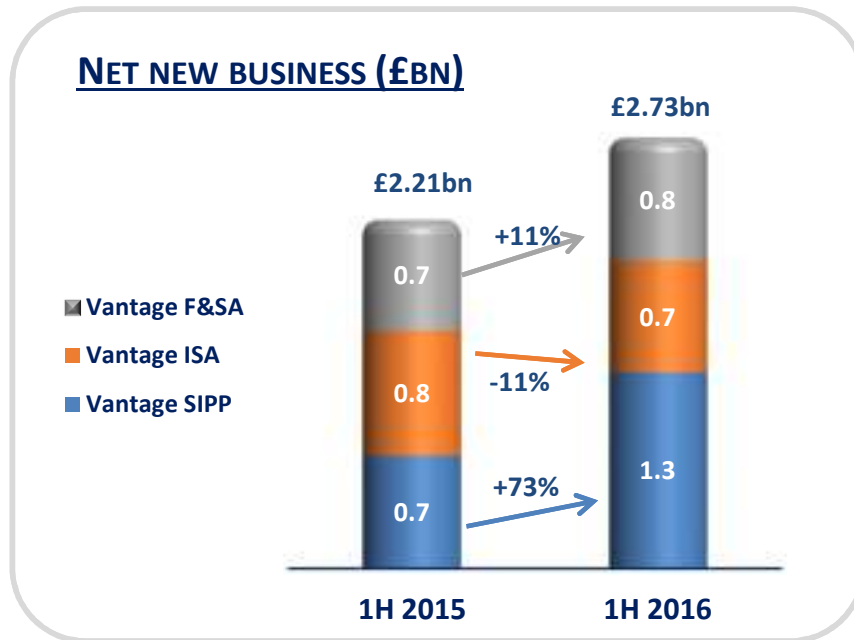
	Vantage AUA	Discr. AUM	Less MM funds in Vantage	H1 2016	H1 2015	FY 2015
	£bn	£bn	£bn	£bn	£bn	£bn
AUA at start of period	52.3	5.8	(2.9)	55.2	46.9	46.9
Net new business inflows	2.7	0.3	(0.3)	2.8	2.3	6.1
Market movement	0.9	-	-	0.8	(0.1)	2.2
AUA at end of period	55.9	6.2	(3.3)	58.8	49.1	55.2
Net new business inflow %	5%	5%	10%	5%	5%	13%
Month end ave. FTSE All-Share				3474.06	3564.77	3628.84

Growth in total AUA



	2009	2010	2011	2012	2013	2014	2015	1H 2016
Market/other growth ²	-11%	+19%	+21%	-6%	+19%	+11%	+5%	+2%
Organic growth ^{1,2}	+18%	+28%	+20%	+13%	+19%	+18%	+13%	+5%
Total growth in AUA ²	+7%	+47%	+41%	+7%	+38%	+29%	+18%	+7%

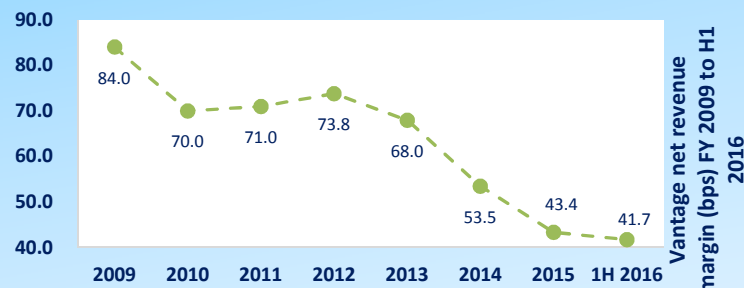
Vantage AUA & Net new business



¹ Average contribution for those clients who have contributed during the year, includes both member and employer contributions including SIPP tax relief

Growth and scale

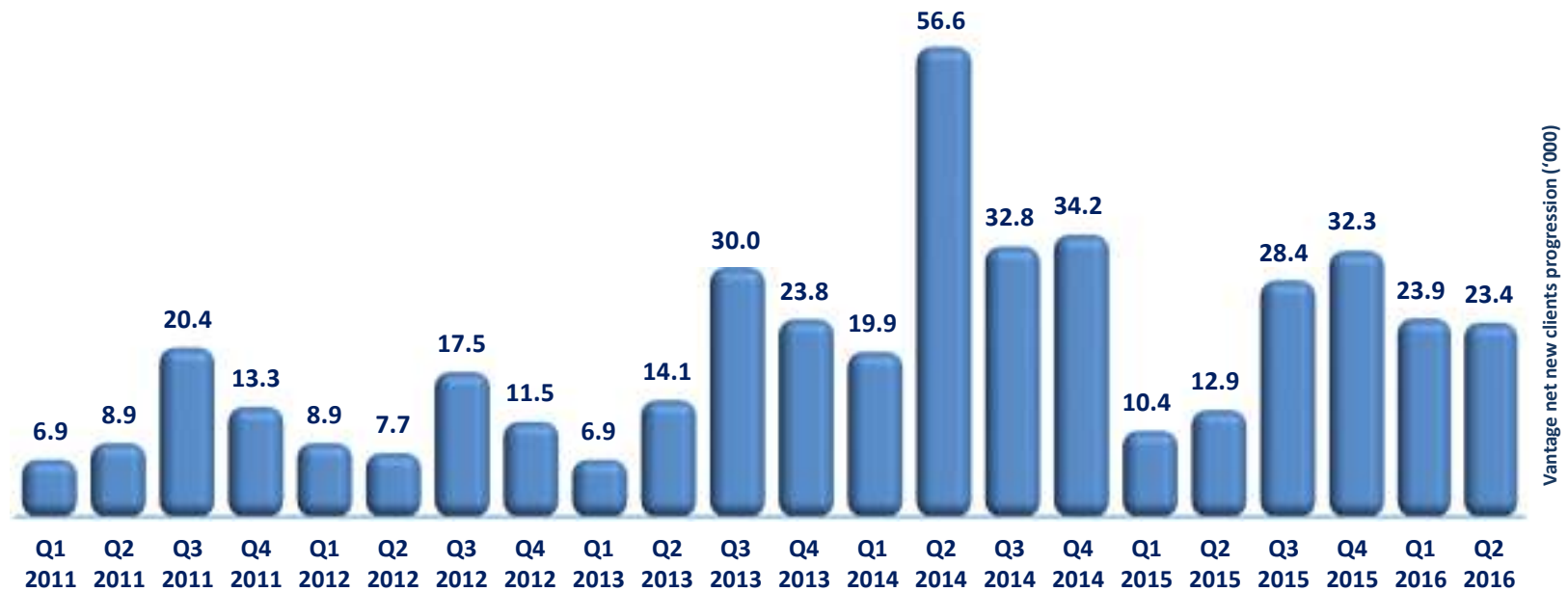
Lower interest rates + lower post RDR charges (from 1.3.14) have contributed to a reduced Vantage net revenue margin this year



Historically the **combined** effect of **growth in AUA** and benefits of **increased scale** has more than offset reductions to net income margin and **driven growth in profit.**

	Vantage net revenue margin	Group net revenue margin	Total AUA	Group cost ratio improvement
FY 2007 *	60bps	111bps	£10.2bn	60.7bps
H1 2016	42bps	55bps	£58.8bn	17.8bps
Change	-30%	-50%	+476%	+71%

Net new clients



Divisional results

	Net revenue	Operating profit
H1 2015	£144.1m	£101.4m
Vantage (platform)	+£11.1m	+£5.0m
Discretionary & Managed	+£4.6m	+£4.4m
Third party & Other services	-£1.0m	-£3.0m
H1 2016	£158.8m	£107.8m

See Appendices for breakdown of divisional revenues

Vantage AUA

70% of Vantage AUA in tax wrappers (Jun 15: 71%)

	SIPP** £bn	ISA £bn	F&S/Other*** £bn	Total £bn	H1 2015 £bn	FY 2015 £bn
Total AUA at start of period	16.4	20.7	15.2	52.3	44.2	44.2
Net new business inflows	1.3	0.7	0.8	2.7	2.2	6.0
Market movement *	(0.1)	0.0	0.9	0.9	(0.1)	2.0
AUA at end of period	17.6	21.5	16.9	55.9	46.3	52.3
Net new business %	8%	3%	5%	5%	5%	14%
Market movement %	0%	0%	6%	2%	0%	5%
Net business inflows H1 2015	0.7	0.8	0.7		2.2	6.0

* H1 2016 Market movement includes other growth factors, such as retained investment income, totalling £290m (H1 2015: £245m, FY 2015: £494m). Figures contain roundings.

** H1 2016 Vantage SIPP AUA includes £3,811m income drawdown assets at 31 December 2015 (31 Dec 2014 £2,871m, 30 June 2015: £3,424m)

*** H1 2016 Vantage Fund & Share Account includes £4.0bn as at 31 Dec 2015 (31 Dec 2014: £2.7bn, 30 June 2015: £3.1bn) of Hargreaves Lansdown plc shares.

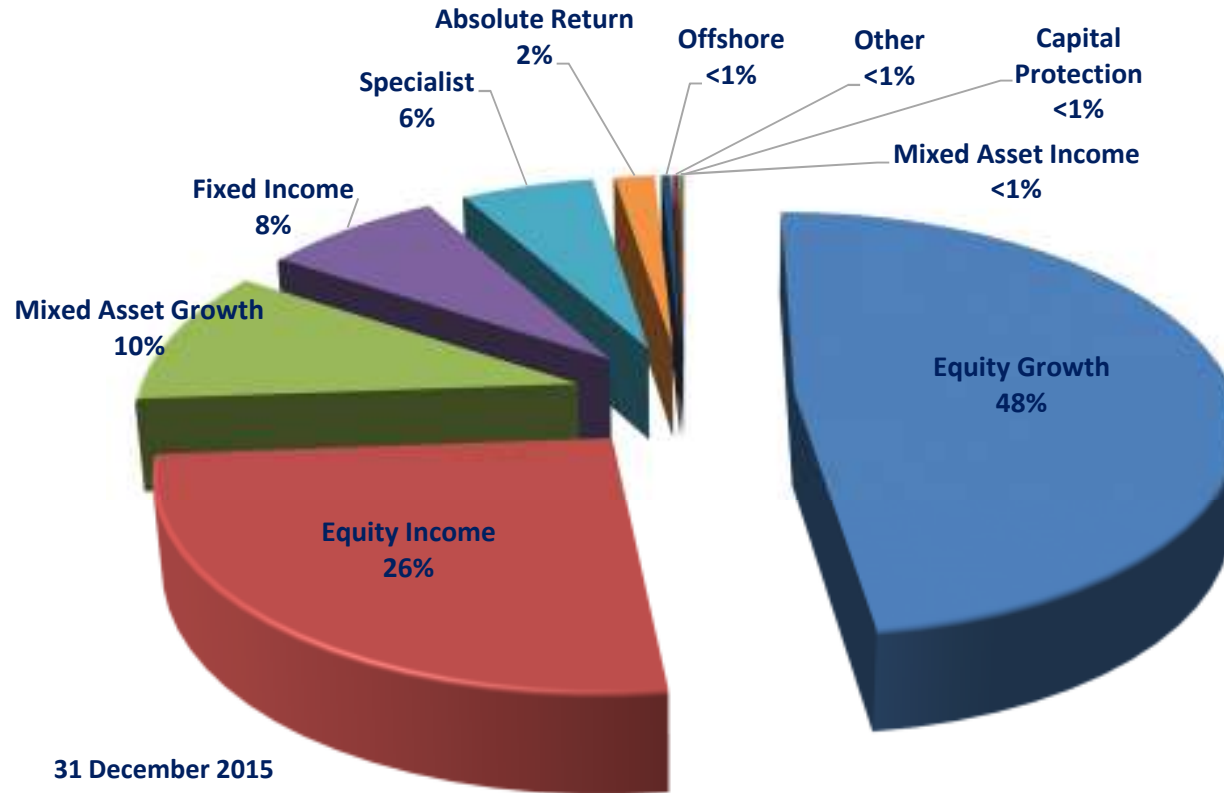
Vantage AUA analysis

70% of Vantage AUA in tax wrappers (Jun 2015: 71%)

	SIPP	ISA	F&S/Other	Total
At 31 Dec 2015				
Stocks and shares	25%	24%	61%	36%
Investment funds	60%	69%	33%	55%
Cash	15%	7%	6%	9%
% of Vantage	31%	39%	30%	100%
At 30 Jun 2015				
Stocks and shares	25%	24%	58%	34%
Investment funds	58%	68%	35%	56%
Cash	17%	8%	7%	10%
% of Vantage	31%	40%	29%	100%

Vantage AUA analysis by sector

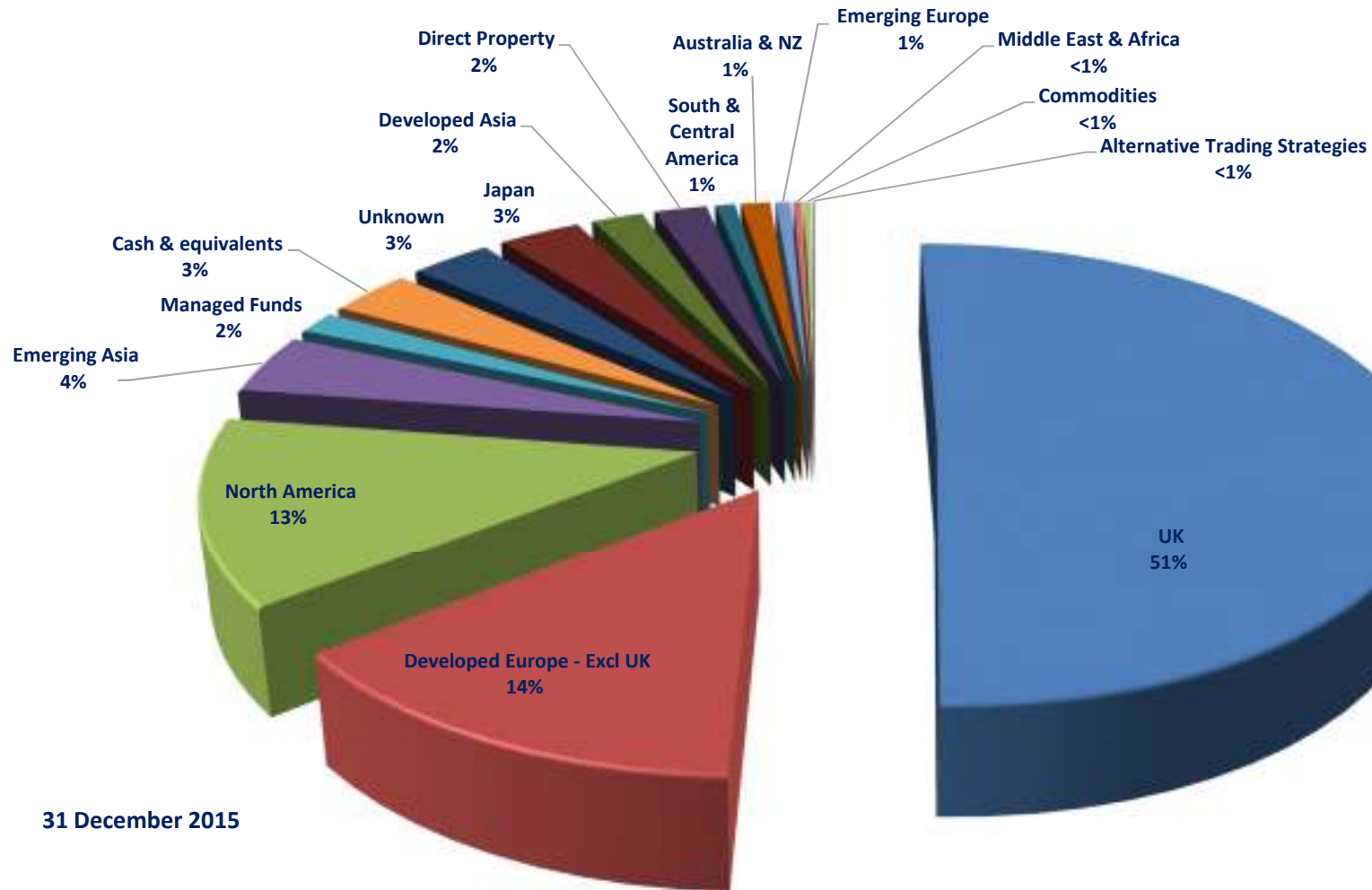
55% of Vantage AUA held as investment funds (Jun 2015: 56%) across the following sectors:



Mix of assets held has remained constant since June 2015

Vantage AUA Investment funds geographical exposure

51% (June 2015: 51%) of underlying holdings within clients investment funds are located within the UK



31 December 2015

Vantage – other information

	SIPP	ISA	F&S/Other	Total	H1 2015	FY 2015
Total No. of equity deals* ('000)	469	720	462	1,651	1,565	3,425
Total client share deals ('000)	398	508	375	1,281	1,246	2,806
% Internet (of client share deals)	99%	97%	97%	98%	96%	97%
No. of fund deals ('000)	1,690	1,912	398	4,000	3,151	7,363
Average active client value at period end (£'000)	71.8	42.6	63.5	72.2	69.5	71.9
Average age (years)	47.6	50.1	57.6	50.0	51.7	50.6
Net new active accounts ('000)	21	25	10	56	28	105
Total active accounts ('000)				1,058	926	1,003
Clients registered for online access				88%	86%	88%
Clients registered for paperless service				72%	68%	71%

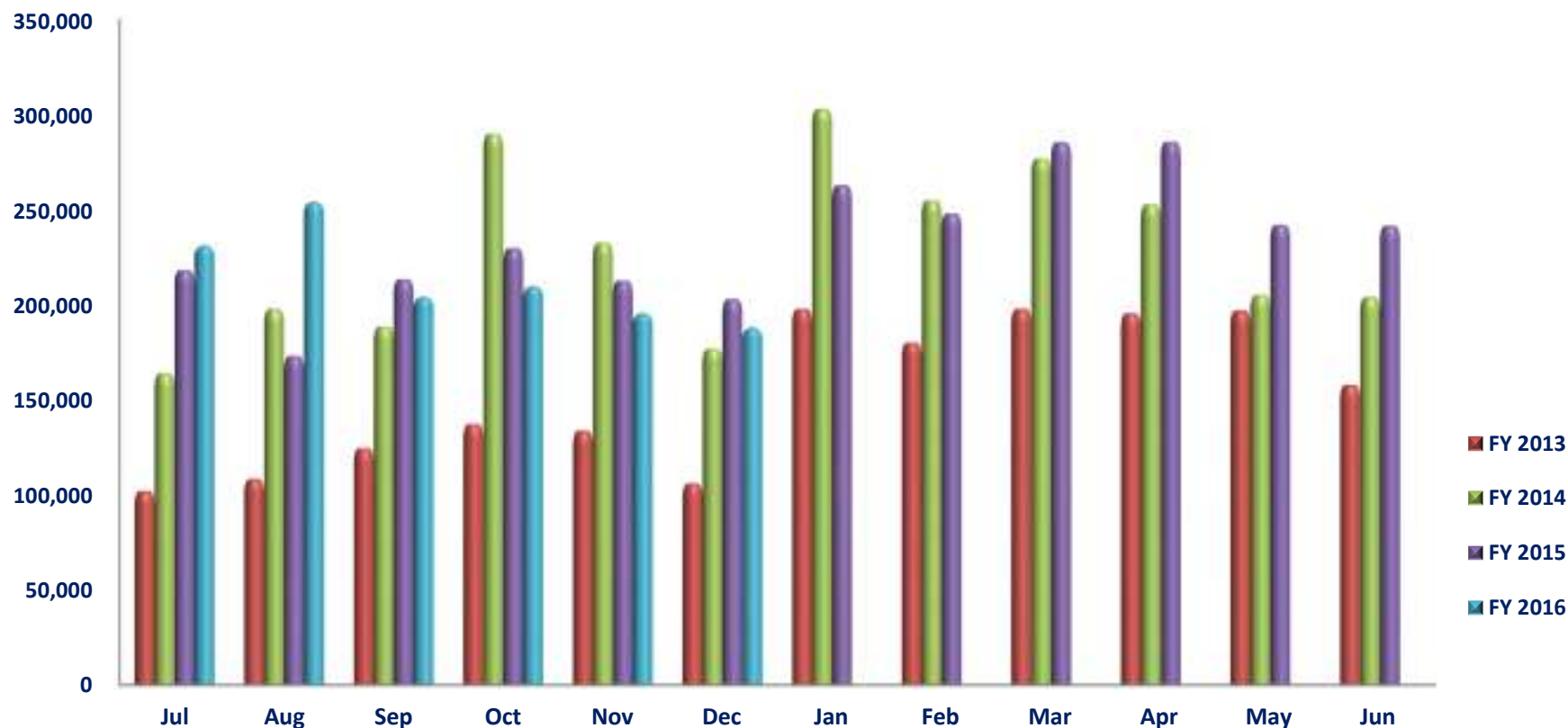
* Includes 370,000 automated share deals i.e. income reinvestment, fee sales and regular savings (H1 2015: 320,000 , FY 2015 : 619,000)

Share dealing volumes (Vantage)

Client-driven share dealing volumes +2.7% vs H1 2015

Client-driven Automated*

FY 2015	2,821,000	619,000
H1 2015	1,253,000	320,000
H1 2016	1,287,000	370,000



*Income reinvestment levels decreased from June 2014, resulting in an increase in automated deal volumes