Hargreaves Lansdown PLC

Unaudited preliminary results for the year ended 30 June 2011

1 September 2011

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

Mike Evans
Chairman

Tracey Taylor
Finance Director

Ian Gorham
Chief Executive

Overview and financial results

Tracey Taylor
Finance Director

2011 overview

Another record year

Strong financial results

Developments during the year

- New CEO September 2010, new NED
- New initiatives, incl. stockbroking service + tariff improvements
- Volatile markets, but strong trading post year end
- RDR, FSA Platform Paper

Good progress with our developing businesses

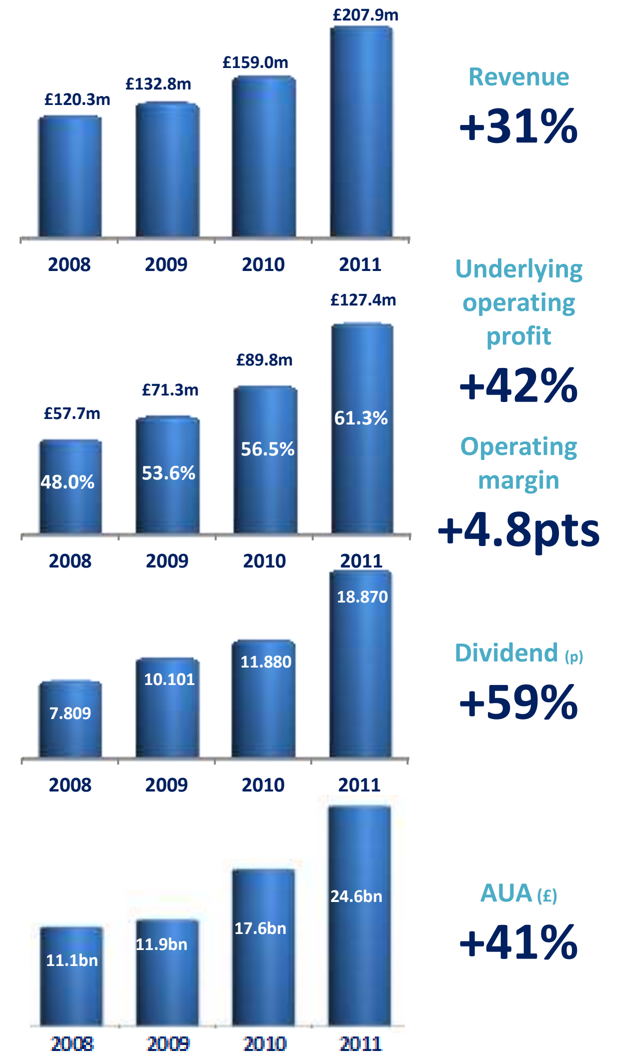
- Annuity business +17%, Funds Library +92%
- Good progress with Corporate Vantage

Excellent progress with our core businesses

- AUA £24.6bn (+41%, +£7.1bn)
- 380,000 active Vantage clients (+15%)
- Share dealing volumes +17%

Strong new business momentum

- Net new business £3.5bn (2010: £3.3bn)

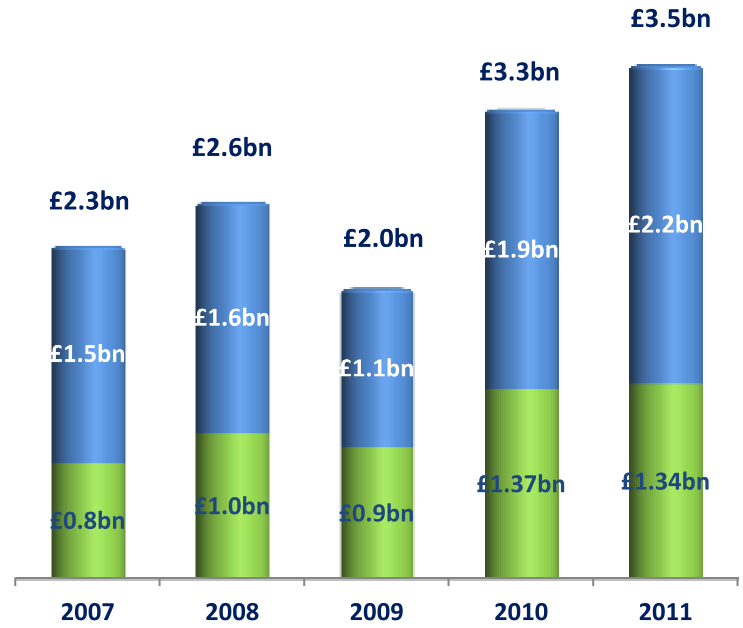


Overview: AUA

20% organic growth

- Growth in net new business
- £7.1bn increase in AUA

		FY 2011	FY 2010
Total AUA at start of year		£17.5bn	£11.9bn
Market/other growth		£3.6bn	£2.3bn
Market growth %		**+21%**	**+19%**
Net new business inflows	+6%	£3.5bn	£3.3bn
Organic growth %		**+20%**	**+28%**
Total AUA at end of year	+41%	£24.6bn	£17.5bn
FTSE All-Share	+22%	3096.72	2543.47
Daily ave. FTSE All-Share	+12%	2963.21	2655.99



Net new business inflows FY 2007 to 2011 (£ billion) – first vs. second half

2011 Group results

	Change	FY 2011	FY 2010
Revenue	+31%	**£207.9m**	£159.0m
Underlying operating profit [1]	+42%	**£127.4m**	£89.8m
Underlying operating profit margin[1]	+4.8pts	**61.3%**	56.5%
Underlying profit before tax [1]	+42%	**£129.0m**	£90.7m
One-off premises costs		**-**	£4.4m
Additional FSCS levy		£3.0m	-
Profit before tax as reported	+46%	**£126.0m**	£86.3m
Underlying diluted earnings per share[1,2]	+44%	**20.0p**	13.9p

[1] Underlying profit excludes one-off costs related to the additional FSCS levy (FY 2011) and to the move to new offices (FY 2010)

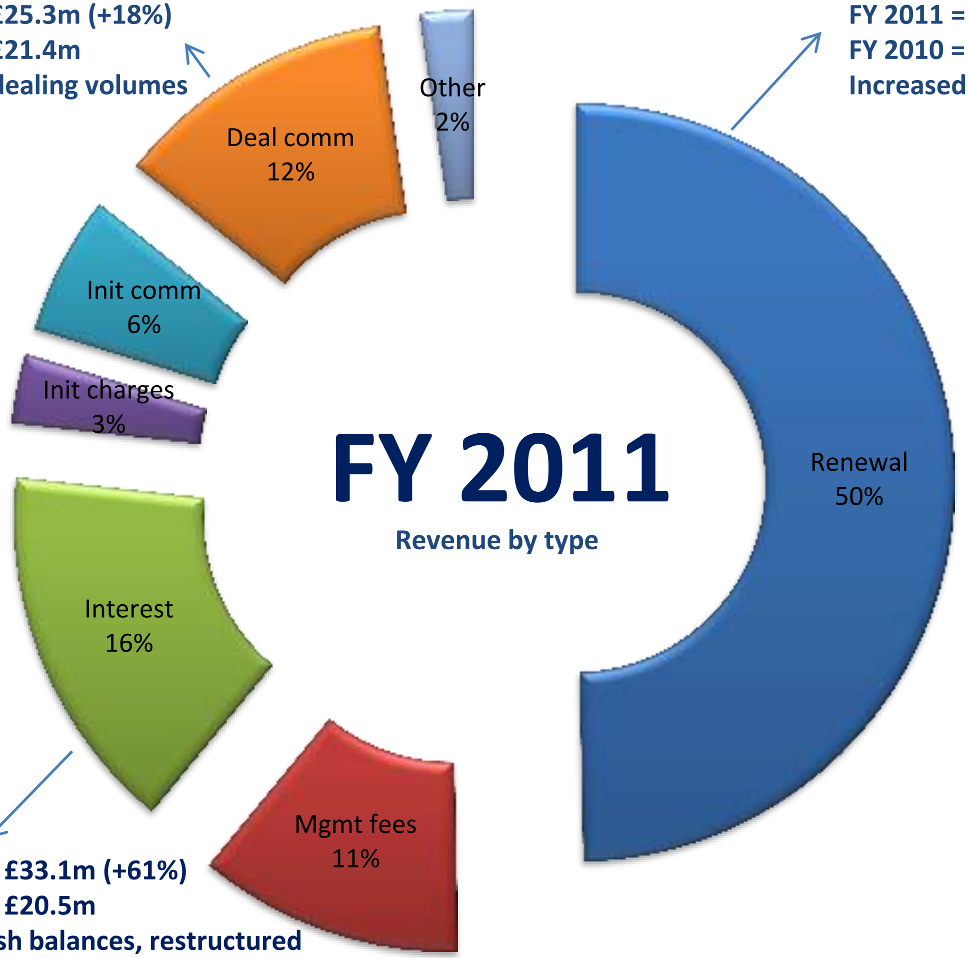
[2] Underlying diluted EPS compares to consensus of 19.7p (Bloomberg, 30 August 2011)

Revenue

Recurring revenues 78% (FY 2010: 72%)

FY 2011 = £25.3m (+18%)
FY 2010 = £21.4m
Increased dealing volumes

FY 2011 = £104.4m (+40%)
FY 2010 = £74.7m
Increased in line with AUA



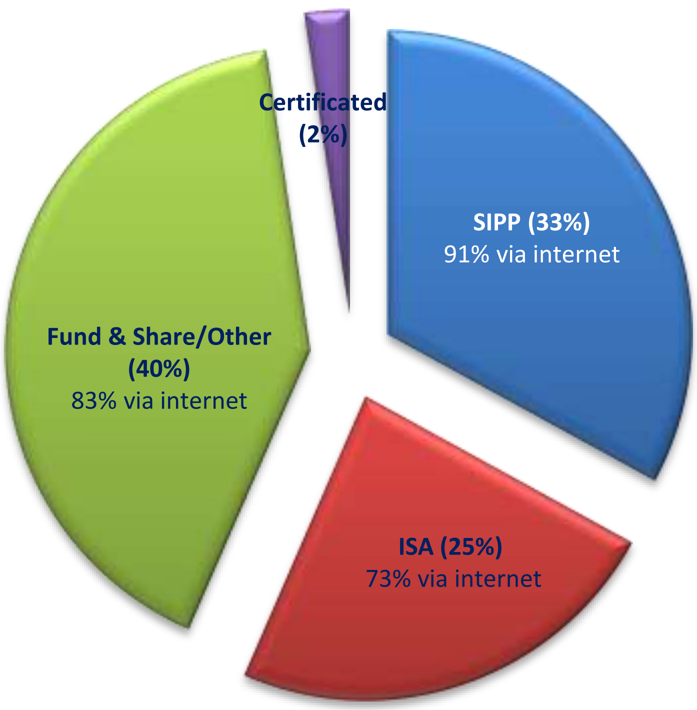
FY 2011 = £33.1m (+61%)
FY 2010 = £20.5m
Higher cash balances, restructured treasury arrangements

Revenue bridge

2010		**£159.0m**
Management fees		+£5.3m
Renewal income		+£29.7m
Dealing commission		+£3.9m
Interest		+£12.6m
Initial charges		-£1.2m
Initial commission		-£2.5m
Other		+£1.1m
2011	**+31%**	**£207.9m**

Dealing income and volumes

Group stockbroking income up 18% to £25.3m (2010: £21.4m)



Stockbroking equity deal volumes, by product (% of total)

83% of Vantage equity deals were carried out through our website (2010: 79%).

Total equity deal volumes

+17%

- FY 2011 1,300,000
- FY 2010 1,107,000
- FY 2009 766,000
- FY 2008 492,000

Average deals per Vantage client

- FY 2011 3.6 p.a
- FY 2010 3.5 p.a
- FY 2009 2.8 p.a
- FY 2008 1.8 p.a

Frequency of online dealing p.a

- 71% of online dealing clients <10 times p.a
- 29% = 10+ times p.a

Sharedealing – improvements

New tariff introduced on 1st August 2011

Lower online share dealing charges	• Charges reduced from £9.95-£29.95 (depending on value of trade) to **£5.95-£11.95** (depending on volume of trades)
Reduced ISA annual account charge	• Maximum charge reduced from £200 to £**45** p.a
Extended service	• Stop loss, limits, online overseas dealing, longer opening hours, i-Phone and Android apps

Frequent traders benefit from much lower charges

Estimated average online commission reduces from £16.90 to c£10.40 per deal

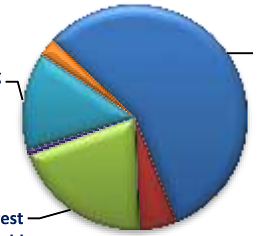
c.30,000 clients will benefit from ave. £60 p.a reduction to ISA charge

Divisional results

	Revenue	Underlying Operating profit
FY 2010	£159.0m	£89.8m
Vantage	+£48.3m	+£35.1m
Discretionary & Managed	+£1.8m	+£3.1m
Third party & Other services	-£1.2m	-£0.6m
FY 2011	£207.9m	£127.4m

Vantage

77% of Group revenue



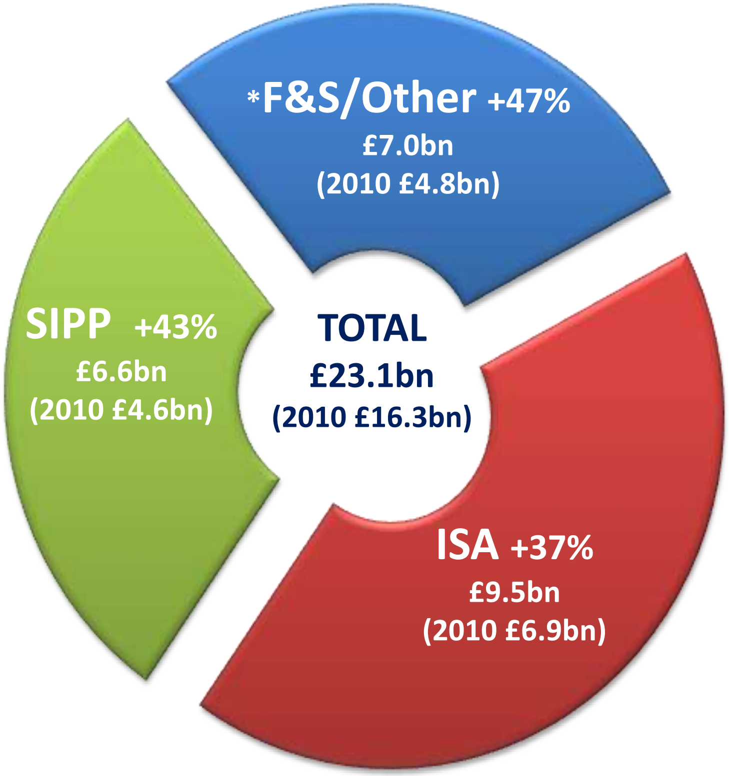
- 42% growth in AUA
- Constant gross revenue margin
- Costs well controlled
- 50000 new clients

		FY 2011	FY 2010
Revenue	+43%	£160.5m	£112.2m
Average gross revenue margin (on AUA*)	-	0.78%	0.78%
Underlying operating profit margin	+4.3pt	61.8%	57.5%
Average cost ratio (on AUA*)	+0.03pt	0.24%	0.27%
No. of active Vantage clients ('000)	+15%	380	330
Average active client value at 30 June (£000)	+23%	60.7	49.3
Vantage AUA at end of period	+42%	£23.1bn	£16.3bn

* Based on average monthly value of Vantage AUA (investment funds, cash, and stocks and shares)

Vantage AUA

£6.8bn increase in Vantage AUA



Cash 10% (2010 12%)

Equities* 30% (2010 28%)

Investment funds 60% (2010 60%)

		FY 2011	FY 2010
AUA at start of year		£16.3bn	£10.9bn
Market/other growth		£3.4bn	£2.2bn
Market growth %		**+21%**	**+20%**
Net new business inflows	+6%	£3.4bn	£3.2bn
Organic growth %		**+21%**	**+29%**
AUA at end of year	+42%	£23.1bn	£16.3bn

* AUA includes £1.9bn of Hargreaves Lansdown plc shares held in the Fund and Share account (2010: £1.1bn)

Vantage net new business £3.4bn

- More clients, saving less
- Increased regular savings
- £50,000 tax relief limit on pensions
- Very high client retention rate

Net new business	FY 2011	FY 2010
Vantage SIPP	£1.4bn	£1.3bn
Vantage ISA	£1.3bn	£1.3bn
Vantage F&S/Other	£0.7bn	£0.6bn
Vantage total	**£3.4bn**	**£3.2bn**

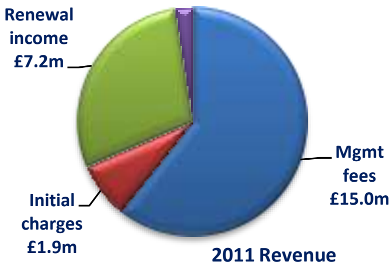
Gross new business	New contribs	Transfers
Vantage SIPP	30%	70%
Vantage ISA	54%	46%
Vantage F&S/Other	70%	30%

Ave client contribution[1]		FY 2011	FY 2010
SIPP	-17%	£8,820	£10,590
ISA	-2%	£7,740	£7,900

Regular savings			
Total regular savings in year	+32%	**£185m**	**£140m**
Regular savings June run rate (annualised)	+28%	**£211m**	**£164m**

[1] Average contribution for those clients who have contributed during the year, includes both member and employer contributions, includes SIPP tax relief averaging £1370 (2010: £1490) and net contribution of £7450 (2010: £9100) per client.

Discretionary & Managed

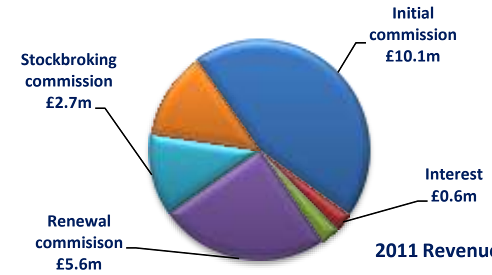


12% of Group revenue

- 1% initial advice fee (2010: average 2%)
- Improved productivity of advisers

		FY 2011	FY 2010
Revenue	+8%	£24.7m	£22.9m
Recurring revenue	+9pts	91%	82%
Underlying operating profit margin	+9.5pts	70.1%	60.6%
No. of PMS clients ('000)	+7%	11.4	10.7
Average PMS client value at year end (£'000)	+15%	£134.3	£116.4
Net new business inflows	-	£0.20bn	£0.20bn
Discretionary AUM at period end	+27%	£2.33bn	£1.83bn

Third Party/Other Services



11% of Group revenue

- Funds Library 92% and Annuity business 17% revenue growth
- Decrease in Corporate Pensions revenue

		FY 2011	FY 2010
Revenue	-5%	£22.7m	£23.9m
Underlying operating profit margin	+0.6pts	48.3%	47.7%
No. of annuities	+10%	8,192	7,477
Ave. annuity size (£'000)	+13%	£37.0	£32.8
Certificated dealing volumes	-14%	28,900	33,800
Corporate pensions revenue	-27%	£5.3m	£7.3m

Costs

Underlying costs well controlled

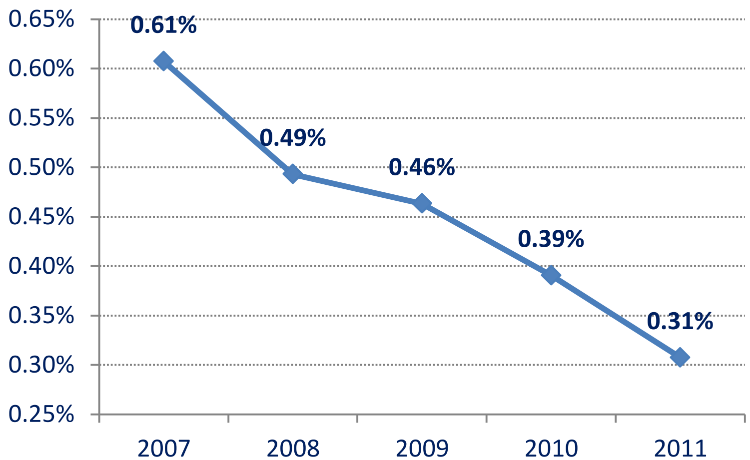
- Increased premises costs (FY2011 + £1.2m)
- Scalable operations

		FY 2011	FY 2010
Staff costs	+11%	£40.1m	£36.0m
Commission payable (loyalty bonus)	+33%	£15.7m	£11.8m
Marketing and distribution spend	+12%	£9.2m	£8.2m
Depreciation, financial costs	-4%	£2.6m	£2.7m
Premises costs	+41%	£4.1m	£2.9m
Other overheads	+16%	£8.8m	£7.6m
Underlying costs	**+16%**	**£80.5m**	**£69.2m**
Additional FSCS levy		£3.0m	-
One-off costs (relating to new offices)		-	£4.4m
Total costs	**+13%**	**£83.5m**	**£73.6m**
Ave. no of staff	+3%	647	628
No of staff at end of period	+3%	664	644
% variable staff costs (discretionary bonus + share based payment)	+12pts	33%	21%

Operating leverage

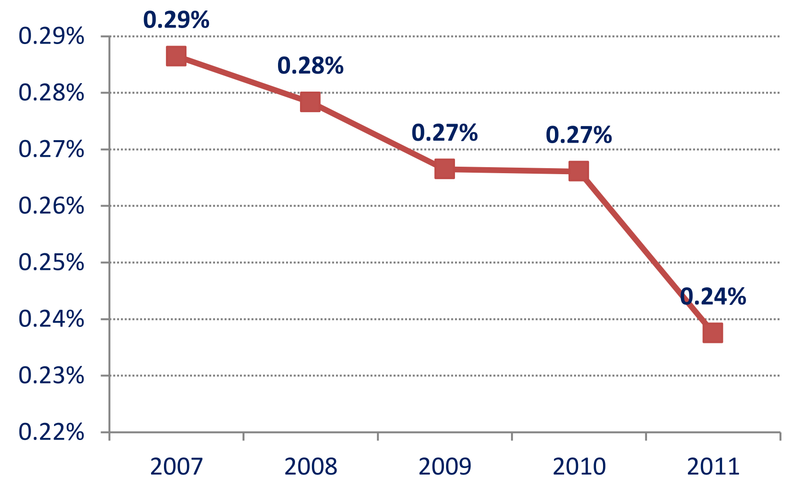
Group cost ratio has improved by 8bps
Vantage cost ratio has improved by 5bps since 2007 (ave. 4.8% p.a)

Group cost ratio



Total operating costs (excluding loyalty bonus) as a % of Total AUA (bps)

Vantage cost ratio



Vantage operating costs (excluding loyalty bonus) as a % of Vantage AUA (bps)

Costs represent underlying operating costs excluding loyalty bonus. Cost ratio = costs / average AUA.

Cash and regulatory capital

- Strong balance sheet
- Low normal capex requirement
- FSA "Strengthening capital requirements"
- Consistently cash generative, no debt
- Regulatory capital (6 x Pillar 1)

	30 Jun 2011	30 Jun 2010
	£m	£m
Capital resources	**131**	**65**
Pillar 1 regulatory requirement	(9)	(7)
Surplus group capital resources	**122**	**58**
Declared second (final) dividend	(67)	(11)
Total after dividend	**55**	**47**
Surplus of regulated companies	**46**	**42**
Cash resources	**108**	**61**

Dividend

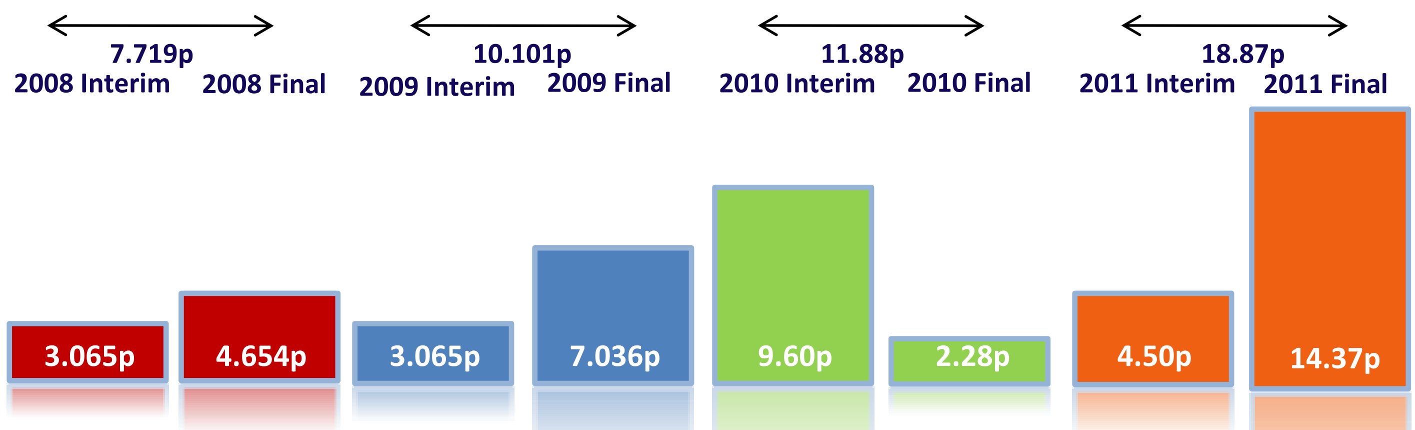
18.87p dividend per share (+59%)

A higher March 2010 interim dividend was paid in advance of 10% increase to top rate of income tax

	% of PAT	FY 2011 Pence per share	% of PAT	FY 2010 Pence per share
Interim dividend (ordinary)		**4.50p**		**9.60p**
Final dividend		**14.37p**		**2.28p**
Total dividend		**18.87p**		**11.88p**
Total ordinary dividend	**65%**	**12.91p**	65%	8.58p
Total special dividend	**30%**	**5.96p**	25%	3.30p
Total dividend per share	**95%**	**18.87p**	**90%**	**11.88p**

DIVIDEND

Interim and final dividend (p)

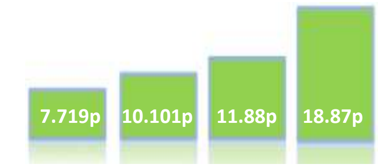


Summary

Cash generative

92%
Op. cash flow as % of op. profit

+59%
growth in dividend per share



Strong growth

+41%
AUA, growth since June 2010

Organic growth

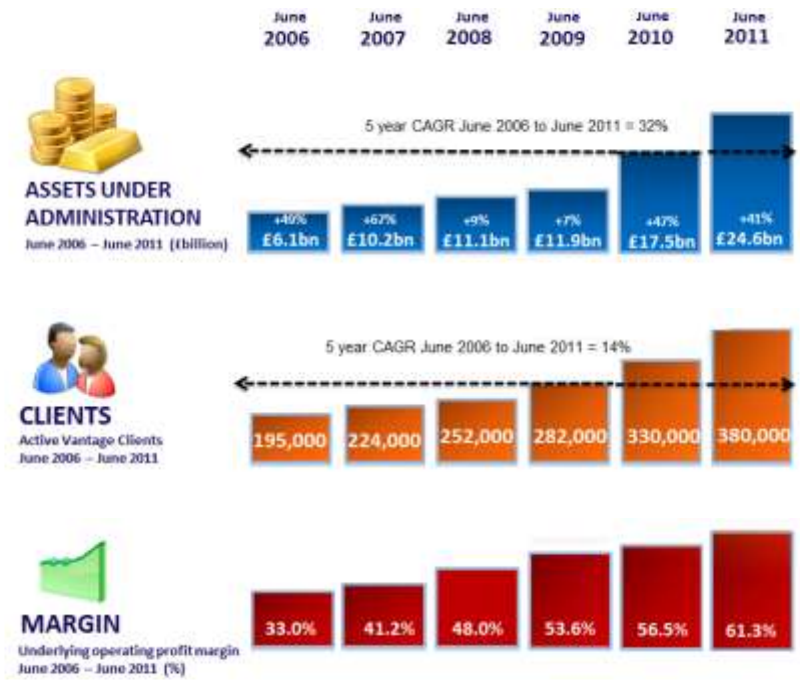
20%
Organic growth in AUA
(net new inflows £3.5bn)

Client recruitment

+50,000
Active Vantage clients

Record profits

+42%
Underlying PBT, 2011 vs 2010



Current trading

July 2011 vs July 2010: net inflows +28%, dealing volumes +11%, new clients +14%

August 2011 (to 29th) vs August 2010: net inflows + >30%, dealing volumes + >100%,

Since the year-end FTSE All-Share down by 12% (at 30 August 2011)

HARGREAVES LANSDOWN

www.HL.co.uk

Strategy and outlook
Ian Gorham
Chief Executive

Strong 2011 results despite headwinds

	June 2007	June 2008	Dec 2008	June 2009	Dec 2009	June 2010	Dec 2010	June 2011
ASSETS UNDER ADMINISTRATION June 2007–June 2011 (£billion)	£10.2bn	£11.1bn	£9.9bn	£11.9bn	£15.6bn	£17.5bn	£22.3bn	£24.6bn
CLIENTS Active Vantage Clients June 2007–June 2011	224,000	252,000	259,000	282,000	300,000	330,000	346,000	380,000
PROFIT June 2007–June 2011 (£m)	£40.7m	£57.7m		£71.2m		£89.8m		£129.0m
FTSE All Share	3404.14	2855.69	2209.29	2172.08	2760.80	2543.47	3062.85	3096.72

+£7.1bn AUA

+50,000 clients

Strong delivery of key goals

Asset gathering	+£7.1 bn	✓
Excellent service	96% rate service good or better* 92% asset retention rate Negligible complaints and falling Various service improvements	✓
Efficiency improvements	4.8pts increase in operating margin 8pts decrease in costs:AUA ratio 74% clients online (+3 percentage points)	✓
Quality staff	Good time to recruit & retain	✓

Best Prices, Best Service, Best Information

* Source: HL Client Satisfaction Survey (June 2011)

Update : Key Initiatives

- Investment Supermarket Strategy
- Expansion of Advice
- Corporate Vantage
- Digital Media Strategy

Investment Supermarket

The best place to buy any mainstream retail investment direct

- Retain focus on funds
- Increase focus and presentation of other investments

Reasons:

- Encourage client asset consolidation. 47% of clients hold more than a fund.
- Attraction of new investment – over 50% of first transactions are not a fund
- Potential for additional earnings both recurring & transactional
- Promotes unbiased nature of service

First Phase : Stockbroking

Second Phase : other investments

Stockbroking improvements

£5.95

Why?

- Attraction: Average age of stockbroking clients younger
- Retention: Leavers gave feedback
- Consolidation: 33% of clients had account elsewhere + attract funds

THE NEW SERVICE – LAUNCHED 1 AUGUST 2011

- TARIFF IMPROVEMENT
- ONLINE OVERSEAS DEALING
- STOPS & LIMITS
- BETTER INFORMATION
- ACTIVE MARKETING

Ave. commission ↓ £16.90 to c£10.40 per deal.

ISA charge ↓ to 0.5% max £45 p.a (was max.£200)

US, Canadian and European markets online.

Same low dealing tariff for all of above.

Telephone dealing open until 9pm.

Improved deal for other investments such as PIBS etc.

Stockbroking improvements

£5.95

RESPONSE TO DATE

- Extremely positive
- Early days and market volatility created August volume too but…

	2011	2010	+/-
New Accounts in August	4,924	3,010	+63%
Non-fund deals 15-26 August	58,200	29,677	+96%
Overseas dealing 15-26 August	2,418	698	+246%
Overseas Online	65%	-	

Update : Key Initiatives

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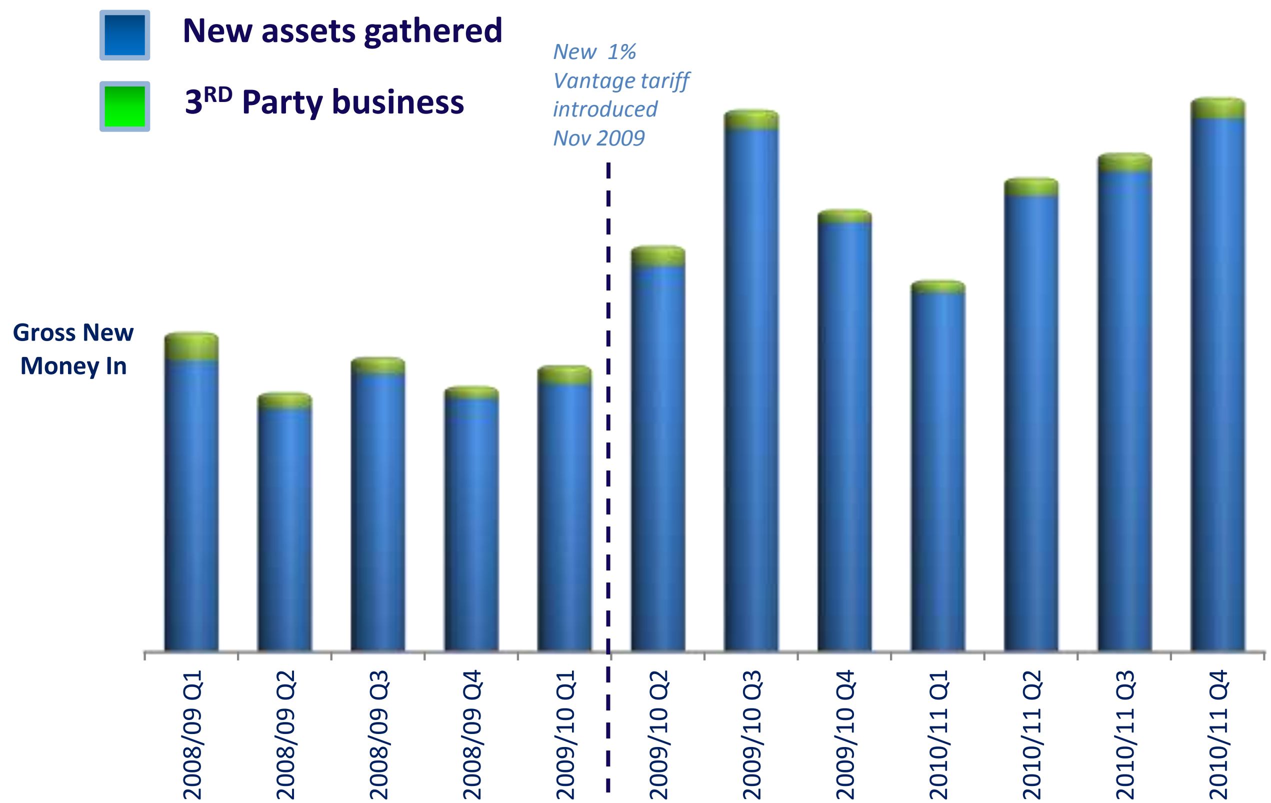
Advice

FY 2011 Ave. new business per adviser - £9.2m Advisers – 68

FY 2010 Ave. new business per adviser - £7.8m Advisers – 71



74	75	73	70	70	70	66	66	68	71	Average number of advisors

- New recruits, academy
- Build scalable advice proposition
- Challenges – liability and resource

Update : Key Initiatives

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Corporate Vantage - recap

Aims

Regular premiums, transfer values

Engage younger clients

Share of large corporate pensions market

Service

Co-branded website, implementation, information, support

Free to employer, employee has SIPP, ISA, Fund& Share account

Corporate version of Vantage. Shared back office.

Target

Appropriate employers

Nature

Long term. Launched end-July 2010.

Market potential

Pension contributions into private schemes £bn (2008)*

* 2008. Source: Office for National Statistics

Corporate Vantage - update

Key performance indicators	6 months		
	30 Jun 2011	31 Dec 2010	Annualised Growth
Growth in members*	2,417	1,065	+254%
Growth in schemes*	27	9	+400%
Annual premiums*	£14m	£4m	+500%
Value of AUA	£33.5m	£8.5m	+580%

Observation:

	Corporate V	SIPP (2003)
AUA at end of first year of launch	£33.5m	£30.5m

* numbers relate to schemes either live or in implementation (ie won and contracted) at 30 June 2011

Client Examples

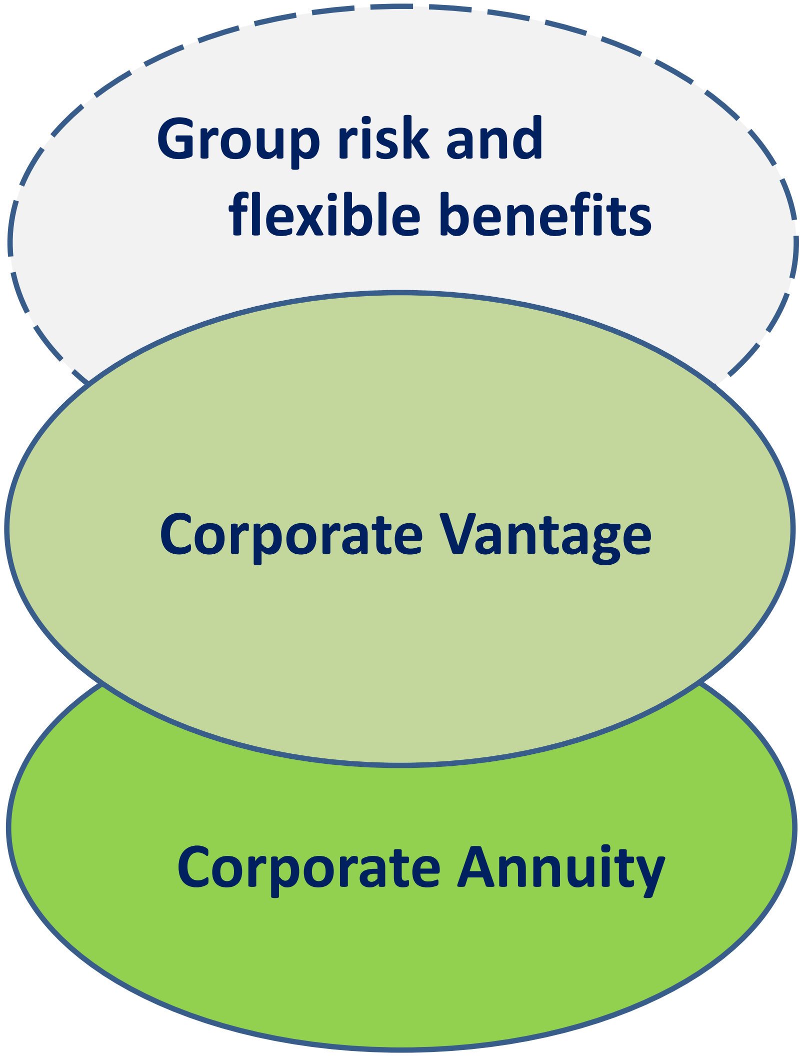
McCarthy & Stone

FERRING PHARMACEUTICALS

SVITZER

2 large professional services firms with 1,500 to 2,000 employees

Integrated workplace proposition



Corporate Annuity Clients

Update : Key Initiatives

- Investment Supermarket Strategy
- Expansion of Advice
- Corporate Vantage
- Digital Media Strategy

Digital media strategy

HL.co.uk Website

HL.co.uk shorter domain name

27,500,000 visits to website (up 24%)

Now ranked 679th most popular in UK (up 200 places)

Third party relationships

Content provision

Generates engagement

Electronic client acquisition

Targeted search

+18,000 new clients acquired online with no previous contact

Mobile media

iPhone & Android Apps

Downloadable content

Digital media strategy

Mobile Media – HL LIVE

3.5% of visits to website through mobile media BEFORE app launch

Launched 10 August 2011

Free. Full functionality

Advertising capability

Highly rated App

Over 11,000 downloads (at today)

Top 3 app store free finance app

Update : Key Initiatives

- Investment Supermarket Strategy ✓
- Expansion of Advice ✓
- Corporate Vantage ✓
- Digital Media Strategy ✓

New opportunities

This year – take advantage of recent enhancements

Two more asset gathering opportunities:

JUNIOR ISA

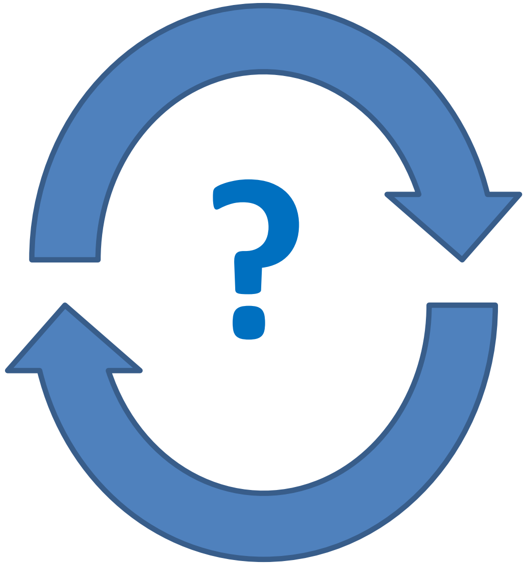
- £3600 annual allowance
- Launch 1st November
- **Aardman** engaged to provide unique character for money box incentive. (HL has IP).

- 8,500 people have registered interest
- Will campaign on eligibility (unfair exclusion of CTF holders)

ADDITIONAL CHANNELS

- Trial range of new channels e.g. affinity groups
- Fund Information FundsLibrary

The Wonderful World of.........



REGULATION

Once upon a time ………

Some financial advisers did bad things. FSA decided commission payments for personalised advice should end

= Retail Distribution Review (RDR)

= Two parts:

PS x/10	("The Adviser Part")	No more commission for advisers from 1.1.13	✓ HL complies
PS x/11	("The Platform Part")	Inconclusive	? More research

What did the Platform paper say?

"Platforms" must offer transfers in stock from 1.1.13 — **Good for HL**

Pass on various unit-holder information — **OK**

Disclose payments from product providers — **Confirmed**
(Detail unknown. Not required for SIPP)

"it would be desirable, in principle, to ban product provider payments to platforms. However .... further research is needed to ensure that the implications for consumers are fully understood before proposing new rules."

New!

Why is it an issue?

Currently……….

Client pays Annual Management Charge (say 1.5%)

Pays for…..

Fund manager

Some HL Services (e.g. free fund dealing)
"Loyalty bonus" back to client
Some profit

?: Maybe not allowed = FSA change of position

Q: Income from fund groups pays for services and contributes to profit. Would clients pay for the service directly?

Q: Is there some sort of competitive implication?

Key points

ONE This could affect source of £52.7m (c.25%) of revenue. It may need to be collected differently.

TWO Further FSA research. RDR's original focus on IFAs. Position on Execution Only for discussion

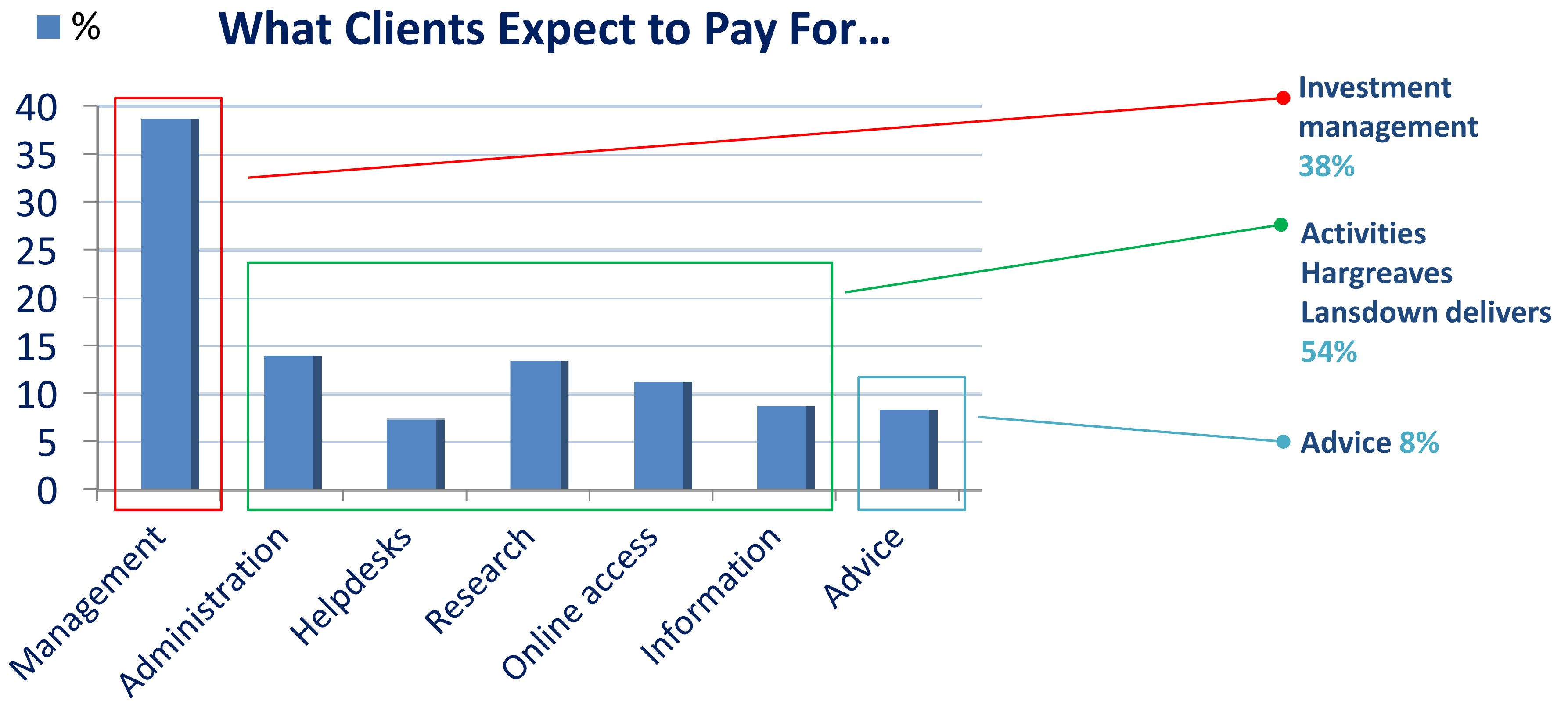
THREE No timescale for any "ban." Definitely after 31.12.12. RDR has taken 5 years already.

FOUR We have contingency plans and believe clients will pay for the service if they need to do so more explicitly.

A clear place in the value chain

Survey of 400 Hargreaves Lansdown clients, August 2011.

"[When paying charges], what proportion of the charge would you earmark for the following functions?"



The Contingency Plan

1. Re-organise to recognise parts of business not a “platform” :

- Media, Research
- SIPPs are excluded
- Non-platform administration (eg custody)

Should still be able to be paid for these

2. We have already-developed alternative charging models:

- Already use successfully for other investments

How could we replace the revenue?

To collect through other means: £ 52.7m

Observations:

If HL charged for fund dealing (currently free) …… £ 25 m

Plus account administration charge……? £ 20 m

When we apply a well known "unbundled" administration tariff…. £ 48.3 m

+ Income from admin activities outside platform status ….? £ ?? m

+ Income from unregulated/non-platform media & research ….? £ ?? m

NOTES!

1. In reality we would probably look to adopt some form of recurring income model. These observations are **theoretical.**

2. Some "unbundled" platforms charge dealing fees plus up to 55 basis points **just for administration.**

In summary.........

A. Plenty of water to go under bridge

- FSA U-turn (twice). Further research and consultation
- Any rules-based changes a long way off & subject to discussion

B. Plenty of Alternatives

- Confident in position and ability to innovate
- Will deliver easily on known rules
- Not complacent – have alternatives up our sleeve
- More explicit charging anyway to accommodate passive funds and potential shifts in active fund pricing

C. Believe revenue should be replaceable

- Affects other competitors too

Competition

Barriers to entry are formidable

- Scale and expertise, client and marketing base, own platform.
- Profitability gives options. Many competitors are not.
- Dominant.

Client satisfaction and retention

- Outstanding client retention and satisfaction
- Transfers in from other companies outweigh out in the majority of cases.

Response

- Reinvest economies of scale in price, service and information
- Best place to buy any investment directly in the UK.
- Watch, assess, respond if necessary
- Have always said industry margins will reduce over time, but volume should offset

In summary

Record Results

Another great year despite challenging economic environment

- Have delivered on all strategic activity, both growth and efficiency
- Service levels and retention as high as ever
- Another great year despite challenging economic environment

Fundamentals are as good as they have ever been

- Dominant position

Next year will be about:

- Further energy into enhancing the business and strengthening position
- Reaping rewards of investment and improvements
- Making most of opportunities – Junior ISA, Pension changes, RDR

Appendices

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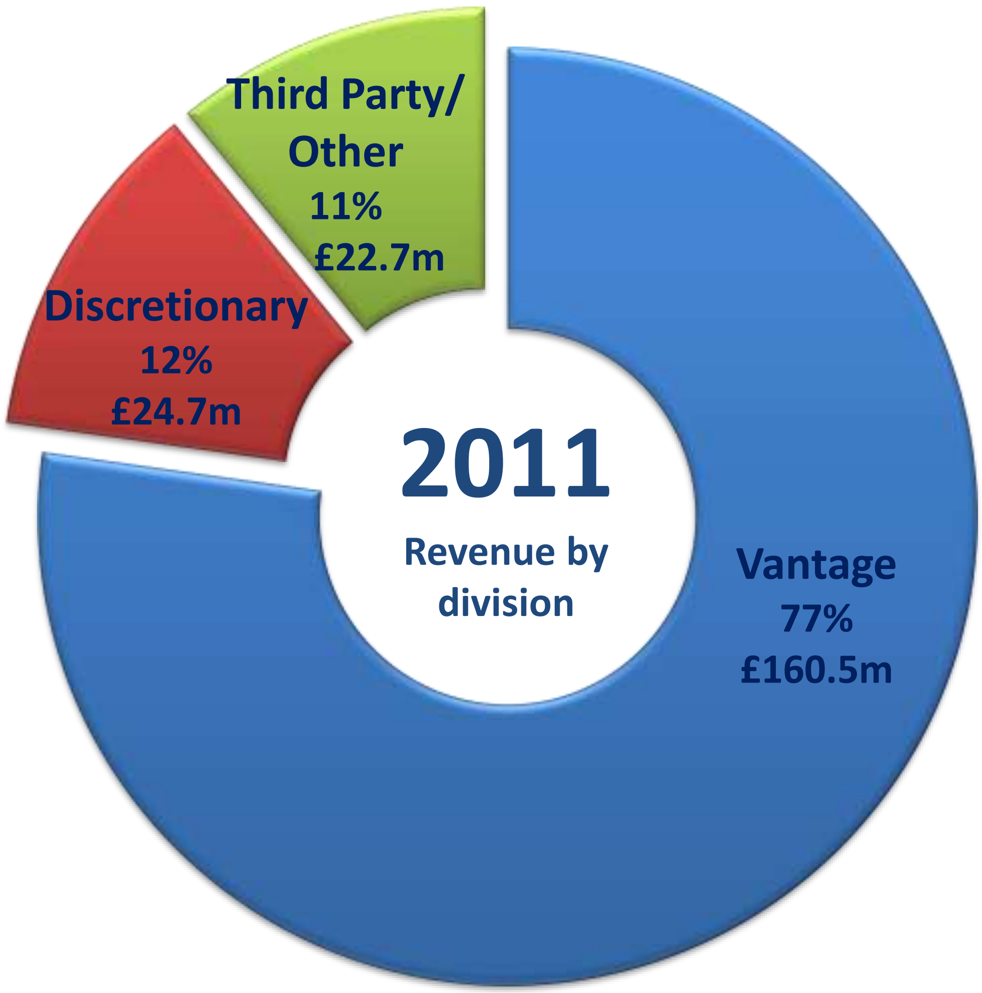
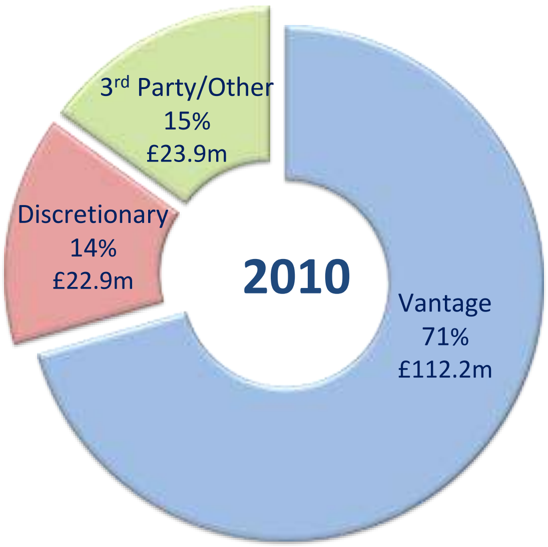
HARGREAVES LANSDOWN

www.HL.co.uk

Divisional Revenue





Vantage Revenue

	Change	FY 2011	FY 2010
Renewal income	+46%	£91.6m	£62.6m
Management fees	+45%	£8.7m	£6.0m
Interest receivable	+63%	£32.3m	£19.8m
Initial commission	-24%	£1.3m	£1.7m
Stockbroking commission	+22%	£22.6m	£18.6m
Initial and other charges	+14%	£4.0m	£3.5m
Total	+43%	**£160.5m**	**£112.2m**
% of Group revenue		77%	71%

Discretionary & Managed Revenue

	Change	FY 2011	FY 2010
Renewal income	+16%	£7.2m	£6.2m
Management fees	+20%	£15.0m	£12.5m
Initial charges	-49%	£1.9m	£3.7m
Interest receivable	+100%	£0.2m	£0.1m
Other	-	£0.4m	£0.4m
Total	+8%	**£24.7m**	**£22.9m**
% of Group revenue		12%	14%

Third Party & Other Services Revenue

	Change	FY 2011	FY 2010
Corporate pensions	-27%	£5.3m	£7.3m
Investments	-13%	£4.5m	£5.2m
Personal life & pensions	+8%	£6.5m	£6.0m
Other services	+19%	£6.4m	£5.4m
Total	-5%	**£22.7m**	**£23.9m**
% of Group revenue		11%	15%

Third Party - Corporate Pensions Revenue

		Change	FY 2011	FY 2010
Renewal income		+50%	£0.9m	£0.6m
Initial commission	- corporate annuities	-	£0.6m	£0.6m
	- corporate pensions	-42%	£3.3m	£5.7m
Advisory fees		+25%	£0.5m	£0.4m
Total		-27%	**£5.3m**	**£7.3m**
% of Group revenue			3%	5%

Third Party - Investments Revenue

	Change	FY 2011	FY 2010
Renewal income	-12%	£4.2m	£4.8m
Initial commission	-25%	£0.3m	£0.4m
Total	-13%	**£4.5m**	**£5.2m**
% of Group revenue		2%	3%

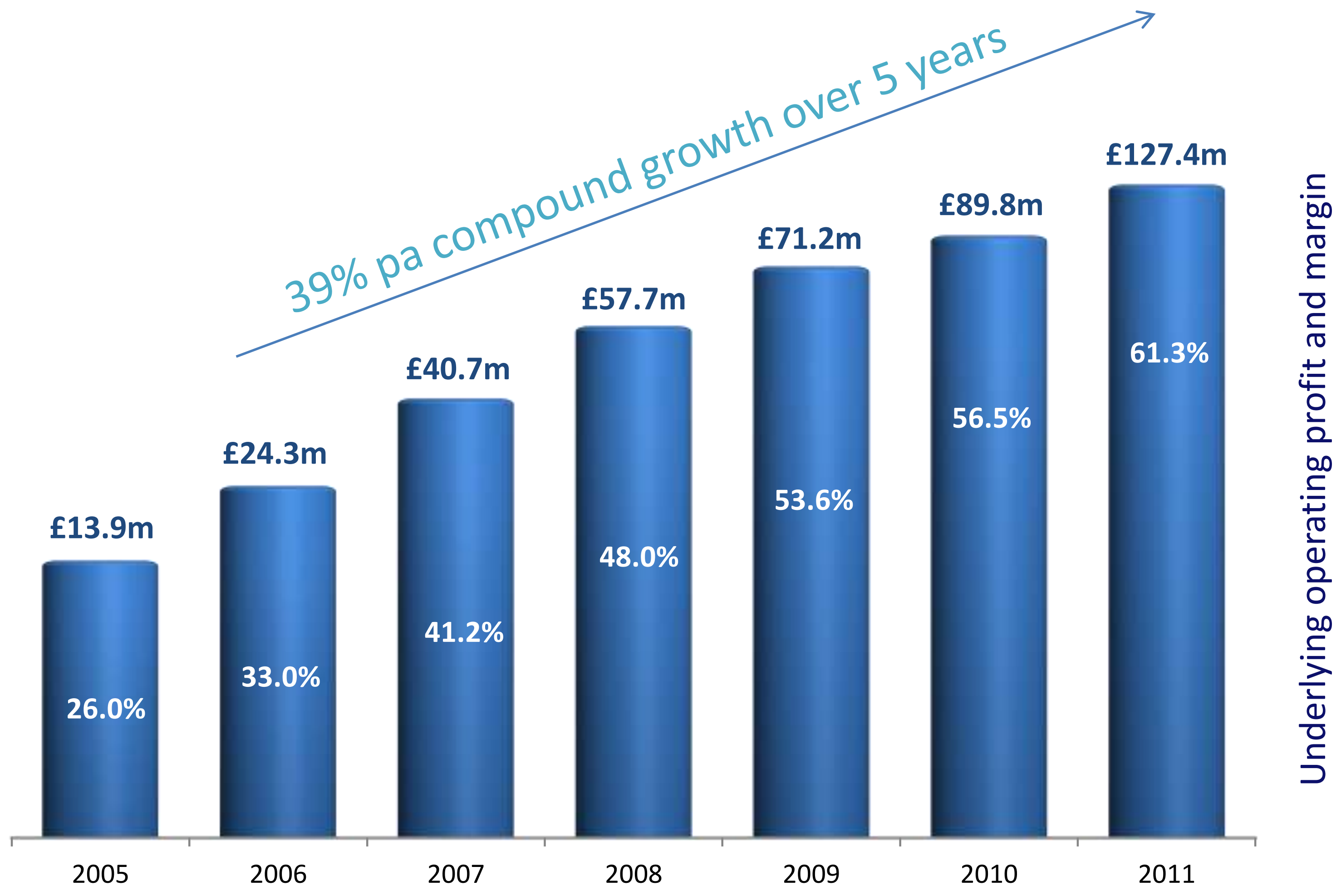
Third Party - Personal Pensions Revenue

		Change	FY 2011	FY 2010
Renewal income		-	£0.5m	£0.5m
Initial commission	- annuities	+16%	£5.8m	£5.0m
	- pensions/other	-60%	£0.2m	£0.5m
Total		+8%	**£6.5m**	**£6.0m**
% of Group revenue			3%	4%

Third Party - Other Services Revenue

	Change	FY 2011	FY 2010
Stockbroking commission	-4%	£2.7m	£2.8m
- Certificated	*-23%*	*£1.0m*	*£1.3m*
- Currency services	*+9%*	*£1.2m*	*£1.1m*
- CFD & Spreadbetting	*+25%*	*£0.5m*	*£0.4m*
Interest receivable	-	£0.6m	£0.6m
Funds Library income	+92%	£2.5m	£1.3m
Other	-14%	£0.6m	£0.7m
Total	-19%	**£6.4m**	**£5.4m**
% of Group revenue		3%	3%

Underlying operating profit margin



Simplified cash flow statement

	HL Cash £m	Client Settlement £m	Total £m
Cash bought forward	**61**	**10**	**71**
Profit after tax	92		92
Non cash – incl. depreciation	3		3
Tax charged less tax paid	4		4
Dividend	(31)		(31)
Capital expenditure	(2)		(2)
Increase in trade debtors	(18)	(54)	(72)
(Decrease)/increase in trade creditors	1	58	59
Employee Benefit Trust transactions	(2)		(2)
Cash carried forward	**108**	**14**	**122**

Dividend

59% growth in dividend per share

	% of PAT	FY 2011	% of PAT	FY 2010
		Pence per share		Pence per share
Interim ordinary dividend		4.50p		8.00p
Interim special dividend		-		1.60p
Total interim dividend		**4.50p**		**9.60p**
Final ordinary dividend		8.41p		0.58p
Final special dividend		5.96p		1.7p
Total final dividend		**14.37p**		**2.28p**
Total ordinary dividend	65%	12.91p	65%	8.58p
Total special dividend	30%	5.96p	25%	3.30p
Total dividend per share	**95%**	**18.87p**	**90%**	**11.88p**

Assets under administration

	Vantage AUA £bn	Discr. AUM £bn	Less MM funds in Vantage £bn	**FY 2011 £bn**	FY 2010 £bn
AUA at start of period	16.3	1.8	(0.6)	**17.5**	11.9
Net new business inflows	3.4	0.2	(0.1)	**3.5**	3.3
Market movement	3.4	0.3	(0.1)	**3.6**	2.3
AUA at end of period	**23.1**	**2.3**	**(0.8)**	**24.6**	17.5
Net new business inflow %	**21%**	**11%**		**20%**	28%
Daily ave. FTSE All-Share			**+12%**	**2963**	2656

FTSE All-Share has increased by 22% since 30 June 2010

AUA at 30 June 2011 includes £1.9bn representing Hargreaves Lansdown plc shares held in Vantage.

Vantage AUA

70% of Vantage AUA in tax wrappers (Jun 10: 70%)

	SIPP** £bn	ISA £bn	F&S/Other £bn	Total £bn	FY 2010 £bn
Total AUA at start of period	**4.6**	**6.9**	**4.8**	**16.3**	10.9
Net new business inflows	1.4	1.3	0.7	**3.4**	3.2
Market movement *	0.6	1.3	1.5	**3.4**	2.2
AUA at end of period	**6.6**	**9.5**	**7.0**	**23.1**	16.3
Net new business %	30%	19%	15%	**21%**	29%
Market movement %	13%	19%	31%	**21%**	20%
Net business inflows FY 2010	1.3	1.3	0.6		3.2

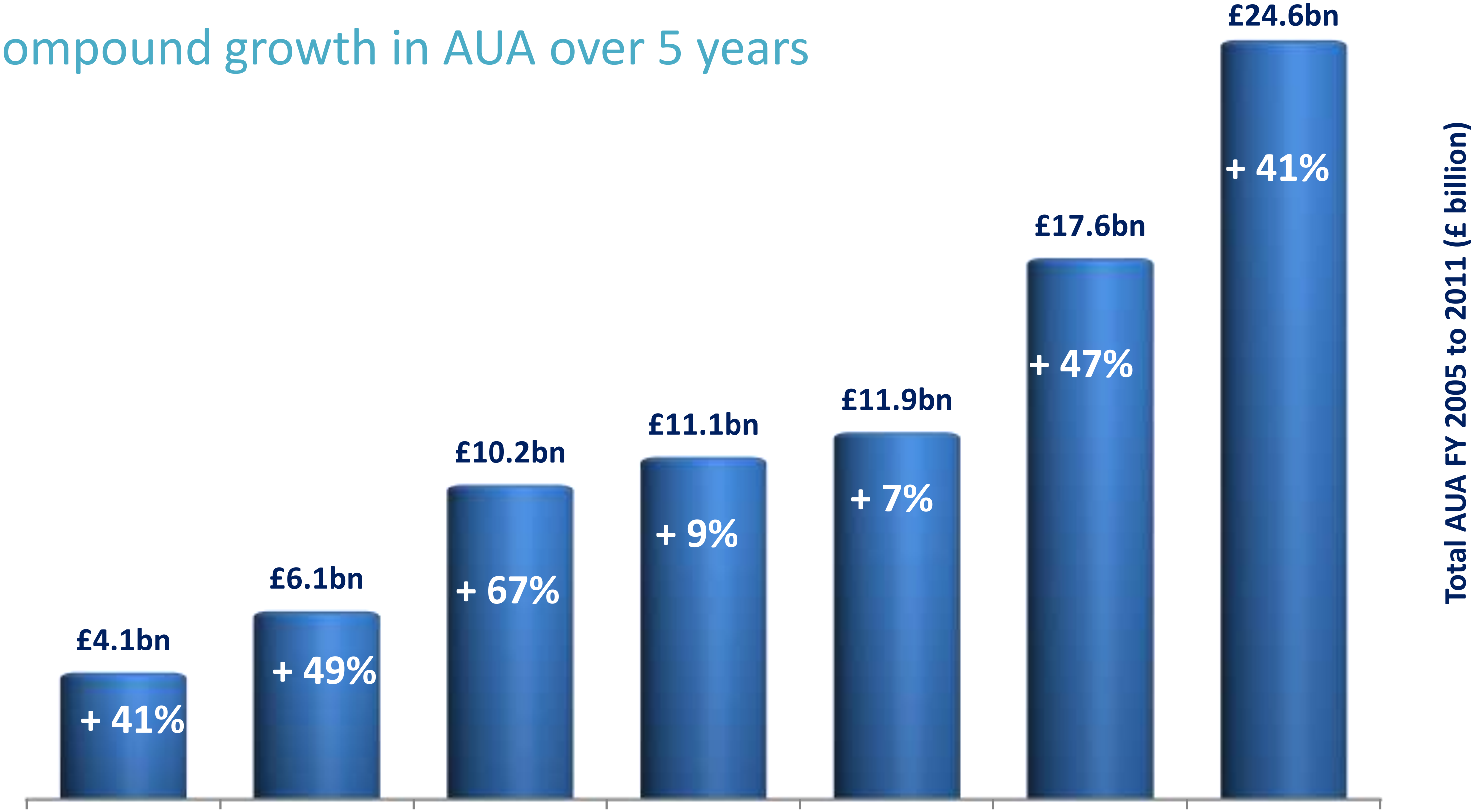
* Market movements includes other growth factors, such as retained investment income, totalling £176m (FY 2010: £167m). Figures contain roundings.

** Vantage SIPP AUA includes £1,105m income drawdown assets at 30 June 2011 (June 2010 £730m)

*** Vantage Fund and Share account includes £1.9 bn (2010: £1.1bn) of Hargreaves Lansdown plc shares with market growth of £0.8bn during the year.

Total AUA

32% p.a. compound growth in AUA over 5 years



	2005	2006	2007	2008	2009	2010	2011	5 yr CAGR
Market/other growth	+18%	+16%	+29%	-17%	-11%	+19%	+21%	
Organic growth[1]	+23%	+33%	+38%	+26%	+18%	+28%	+20%	
Total growth in AUA	+41%	+49%	+67%	+9%	+7%	+47%	+41%	**+32% p.a**

[1] Organic growth based on net inflows as a % of opening AUA

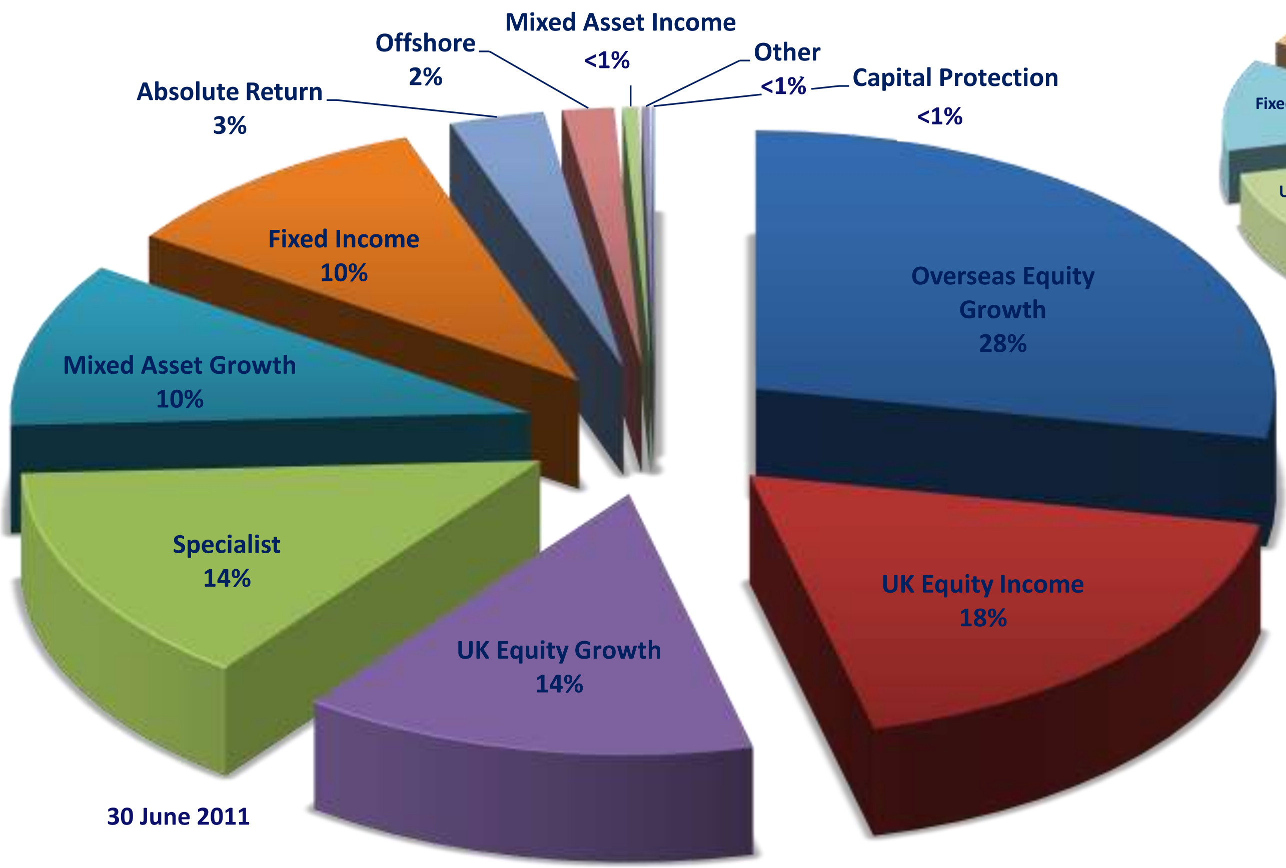
Vantage AUA analysis

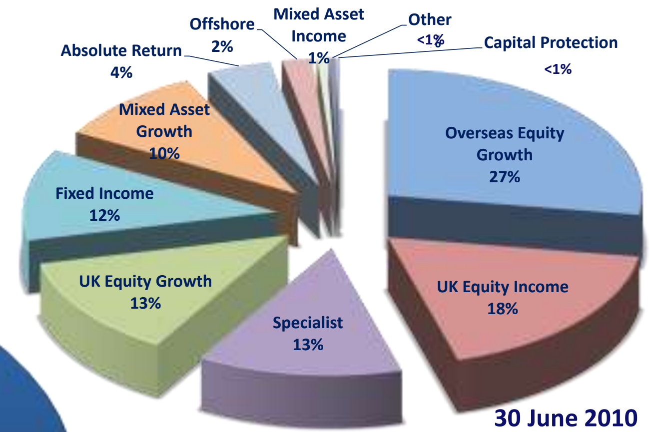
70% of Vantage AUA in tax wrappers (Jun 2010: 70%)

	SIPP	ISA	F&S/Other	Total
At 30 Jun 2011				
Stocks and shares	24%	16%	55%	**30%**
Investment funds	57%	77%	40%	**60%**
Cash	19%	7%	5%	**10%**
% of Vantage	**29%**	**41%**	**30%**	**100%**
At 30 Jun 2010				
Stocks and shares	22%	15%	52%	**28%**
Investment funds	52%	77%	41%	**60%**
Cash	26%	8%	7%	**12%**
% of Vantage	**28%**	**42%**	**30%**	**100%**

Vantage AUA analysis by sector

60% of Vantage AUA held as investment funds (Jun 2010: 60%) across the following sectors:



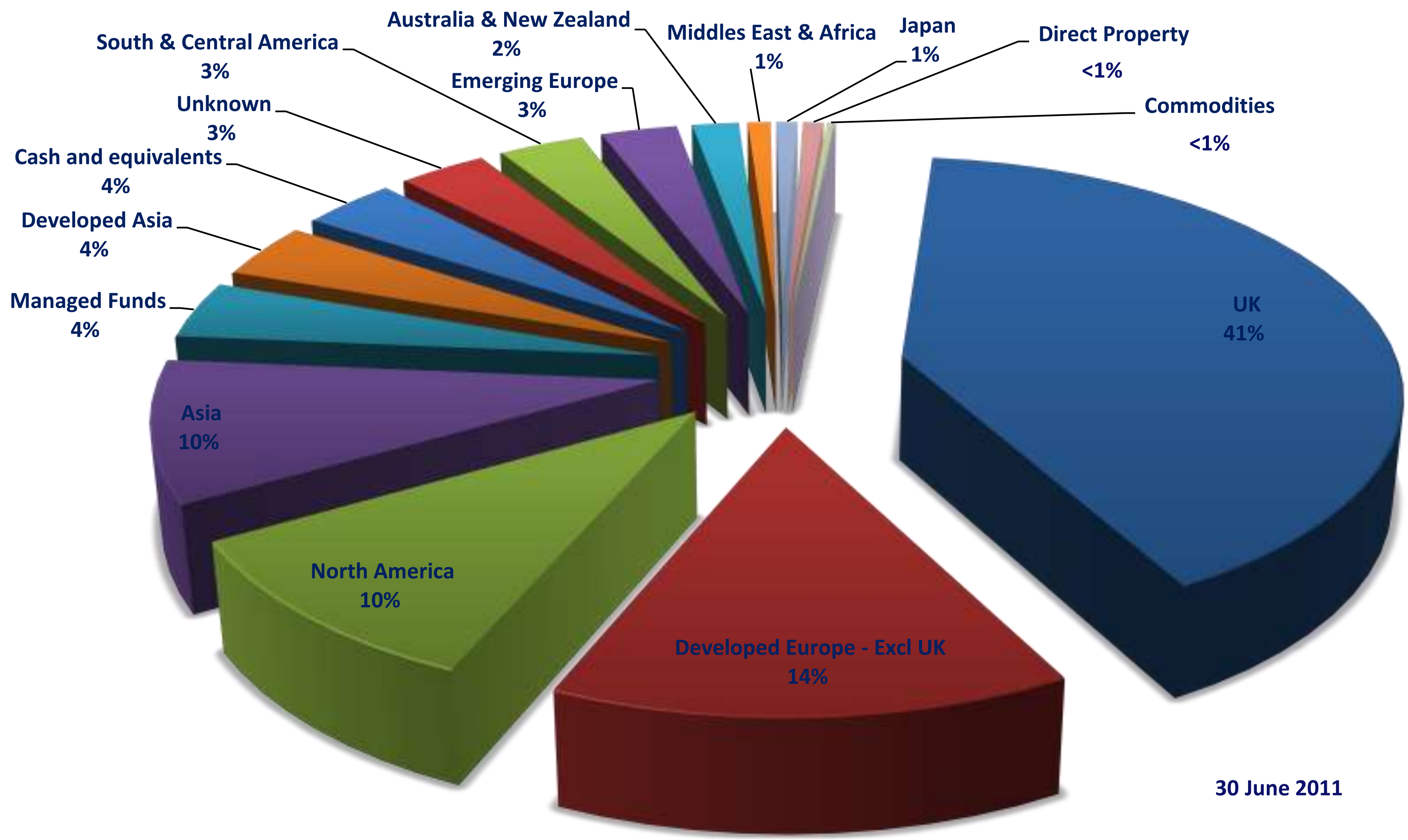


- ⬇ Absolute return
- ⬇ Fixed income

- ⬆ UK & Overseas equity growth
- ⬆ UK Equity growth
- ⬆ Specialist

Vantage AUA Investment funds geographical exposure

> 48% of underlying holdings within clients investment funds are located outside of the UK



30 June 2011

Vantage revenue and average AUA

	FY 2011		FY 2010	
	Revenue £m	Ave Assets £bn	Revenue £m	Ave Assets £bn
Renewal income	91.6		62.6	
Initial commission	1.3		1.7	
Total revenue from qualifying funds	**92.9**	**12.1**	**64.3**	**8.5**
Stockbroking commission	22.6		18.6	
Management fees	8.7		6.0	
Total revenue from other stock	**31.3**	**6.3**	**24.6**	**4.1**
Total revenue from cash	**32.3**	**2.1**	**19.8**	**1.9**
Other income	**4.0**		**3.5**	
Total	**160.5**	**20.5**	**112.2**	**14.5**
Average revenue margin	78bps		78bps	

Vantage – other information

	SIPP	ISA	F&S/Other	Total FY 2011	FY 2010
No. of equity deals	426,000	326,000	519,000	1,271,000	1,073,000
% Internet	91%	73%	83%	83%	79%
No. of fund deals	1,749,000	1,646,000	483,000	3,878,000	3,040,000
Average active client value at period end (£'000)	64.3	36.1	48.0	60.7	49.3
Average age (years)	47.7	57.1	57.1	54.9	55.3
New active accounts ('000)	27	28	16	71	
Clients registered for online access				74%	71%
Clients registered for paperless service				39%	33%

Commercial, IT & Operational

Progress and enhancements during 2011

RESTRUCTURED TREASURY	Better client deals and profit increase
EXTENDED OPENING HOURS	To improve client service
HL.co.uk	Bought for £1,000 and replaces H-L.
BACK OFFICE ENHANCEMENTS	Improved operating margin
IT SUSTAINABILTY PROJECT	Futureproofing. Website uptime 99.91%
10% IT DEVELOPER INCREASE	Increase in development capacity

All planned improvements delivered on time and to budget

Expansion of advice : recap of changes

Why?

Attraction:	Attract advisory clients
Retention:	Some EO clients require advice
Regulation:	RDR compliant

CHANGES MADE IN NOVEMBER 2009

TARIFF IMPROVEMENT	1% for advice
PROPOSITION IMPROVEMENT	Better advisory toolkit
REMUNERATION CHANGE	Salary + bonus

Other common questions

- **Focus:** UK. We are researching overseas but not primary focus
- **Acquisitions:** Gift horses only
- **Management:** Stable and working well
- **Other IFA assets:** No. HL always owns client relationship
- **Trading since 30 June:** Good

PS11/9: 12 reasons to be confident

1. Much water still to go under the bridge. No immediate changes. Plenty of issues for FSA to consider, No change before 1.1.2013.
2. All participants affected = no competitive impact.
3. Fund Charges should adjust to offset any new explicit charges.
4. Investing through an IFA would remain more expensive.
5. Clients have shown they will pay explicitly and other revenue models exist.
6. Our scale and profitability we will ensure we remain best value.
7. Evidence suggests unbundled models are generally more expensive.
8. Transfer business would likely increase if fund charges fell.
9. Little development work required to apply alternative charging.
10. It is material income, but should be replaceable and not the ranch.
11. Many valuable activities not platform related.
12. There have been plenty of spanners aimed at the works before.

Recent awards

2011
Best financial services Plc – UK Stock Market Awards 2011
Best Group SIPP – Pension and Investment Provider Awards (from the Financial Times Limited)

2010
Low Cost SIPP Provider of the Year 2010 - Investors Chronicle
Top 10 for Quality of Goods & Services - Most Admired UK Company Awards - Management Today
Retail Stockbroker of the Year - City A.M. Awards
Best Wealth Manager for Tax - FT and Investors Chronicle Wealth Management Awards
Best Group SIPP - TAS awards (the Pensions & Investment Group of The Financial Times Limited)
Best Online SIPP - TAS awards (the Pensions & Investment Group of The Financial Times Limited)
Best SIPP Provider - What Investment
Best Independent Financial Adviser - What Investment