

## Trading update

15 May 2019

Hargreaves Lansdown plc (“Hargreaves Lansdown” or the “Company” or the “Group”) today publishes a trading update in respect of the four month period to 30 April 2019 (“the period”).

### Highlights

- Net new business of £2.9 billion in the period
- Year to date net new business of £5.4 billion
- Assets under administration (“AUA”) of £97.8 billion as at 30 April 2019
- 1,188,000 active clients, with net new clients of 53,000 in the period
- Year-to-date total net revenue of £395.9 million, up 8%

### Chris Hill, Chief Executive Officer, commented:

“We are pleased with the strong tax year end, delivering net new business of £2.9 billion and welcoming another 53,000 net new clients despite the market backdrop. It is also pleasing to see the benefit of our investment coming through with Active Savings continuing to gather momentum and the announced transfers of clients and assets from Witan Investment Services, JP Morgan and Baillie Gifford.

Whilst political and macro-economic uncertainty remains, we are confident that our continued focus on the needs of UK investors and savers means that we are well positioned to deliver attractive growth.”

### Assets under administration and net new business

£ billion	Four months to 30 April 2019	Ten months to 30 April 2019
Opening AUA	85.9	91.6
Net new business	2.9	5.4
Market movements	9.0	0.8
<b>Closing AUA</b>	<b>97.8</b>	<b>97.8</b>

Net new business was £2.9 billion during the period (2018: £3.3bn), taking year to date net inflows to £5.4 billion (2018: £6.6bn). The period started slowly but built momentum, particularly across the tax year-end. New business was driven by organic new clients, ongoing wealth consolidation onto our platform from existing clients, flows into our cash management service “Active Savings” (£399m) and a direct back book transfer from Witan Investment Services (£267m). In addition, the rebranded Wealth 50 list of funds, the HL Select Global Growth fund launch and the introduction of an “Easy Access” account in Active Savings have all helped to attract new clients and inflows.

Rising stock markets have led to a positive market movement of £9.0bn, which combined with net new business has driven AUA to a record £97.8 billion as at 30 April 2019.

Transfers from Witan Investment Services are expected to complete before our year-end and while we will start the transfer process of clients from J.P. Morgan and Baillie Gifford, most of the clients and their respective assets are expected to arrive in the early months of the next financial year. We look forward to welcoming these new clients and delivering them an exceptional client experience. Year to date we have added 97,000 net new clients, taking total active client numbers to 1,188,000.

### Net revenues

Net revenue for the period was £159.5 million (2018: £150.6m), benefitting from a greater level of AUA and a higher cash revenue margin, which have more than offset a fall in stock broking revenues driven by reduced dealing volumes as a consequence of low investor confidence and lower charges on overseas dealing. This has resulted in year to date net revenue of £395.9 million (2018: £366.6m), 8% higher than last year.

**Contacts:****Investors**

James Found, Head of Investor Relations  
Philip Johnson, Chief Financial Officer  
+44(0)117 988 9898

**Media**

Danny Cox, Head of Communications  
Chris Hill, Chief Executive Officer  
+44(0)117 317 1638

**Forward looking statements**

*This announcement contains forward-looking statements with respect to the financial condition, results and business of the Group. By their nature, forward-looking statements involve risk and uncertainty because they relate to events, and depend on circumstances, that will occur in the future. The Group's actual results may differ materially from the results expressed or implied in these forward-looking statements. Nothing in this announcement should be construed as a profit forecast. This announcement is unaudited. This statement should not 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.*

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## Assets Under Administration

Average AUA (£billion)	4 months to 30 April 2019	3 months to 31 December 2018	3 months to 30 September 2018	2 months to 30 June 2018	4 months to 30 April 2018
Funds	50.2	48.1	52.0	50.9	48.5
Shares	31.4	29.5	32.0	30.8	28.6
Cash	10.5	10.2	9.7	9.6	9.0
HL Funds	9.1	8.9	9.6	9.6	9.1
Active Savings	0.6	0.3			
Double count <sup>1</sup>	(9.0)	(8.9)	(9.5)	(9.5)	(9.0)
Total	92.8	88.1	93.8	91.4	86.2

AUA (£billion)	As at 30 April 2019	As at 31 December 2018	As at 30 September 2018	As at 30 June 2018	As at 30 April 2018
Funds	52.7	46.6	52.0	51.0	49.6
Shares	33.4	28.5	32.2	31.0	29.6
Cash	10.9	10.4	9.7	9.6	9.5
HL Funds	9.4	8.6	9.6	9.6	9.4
Active Savings	0.8	0.4	0.1	-	-
Double count <sup>1</sup>	(9.4)	(8.6)	(9.5)	(9.5)	(9.3)
Total	97.8	85.9	94.1	91.6	88.8

Average AUA (£billion)	10 months to 30 April 2019	10 months to 30 April 2018
Funds	50.1	47.8
Shares	31.0	27.8
Cash	10.1	8.6
HL Funds	9.2	9.1
Active Savings	0.4	-
Double count <sup>1</sup>	(9.1)	(9.0)
Total	91.7	84.3

<sup>1</sup> All HL Funds are held in Vantage or the Portfolio Management Service (PMS) and are included in the Funds category of the table with the exception of a small balance held off platform by third parties. To avoid double counting the amount held in Vantage or PMS has been deducted.

AUA (£billion)	4 months to 30 April 2019	3 months to 31 December 2018	3 months to 30 September 2018	2 months to 30 June 2018	4 months to 30 April 2018
Opening AUA	85.9	94.1	91.6	88.8	86.1
Net new business <sup>1</sup>	2.9	1.2	1.3	1.0	3.3
Market movements	9.0	(9.4)	1.2	1.9	(0.6)
Founder transfer <sup>2</sup>	-	-	-	(0.1)	-
Closing AUA	97.8	85.9	94.1	91.6	88.8

<sup>1</sup> Net new business in the 4 months to 30 April 2019 includes £267m of flows acquired from Witan Investment Services.

<sup>2</sup> Net new business excludes the withdrawal of £110 million of Hargreaves Lansdown plc placing proceeds during the period that were held by a founder.