

DATA PACK 2019

Full Year Results

HARGREAVES
LANSDOWN

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SUMMARY INCOME STATEMENT

ALL FIGURES IN £MILLIONS		FY 2019	FY 2018	FY 2017
Revenue	+7%	480.5	447.5	385.6
Fair value gains on derivatives		2.2	2.3	2.2
Staff costs	+11%	(97.2)	(87.4)	(68.6)
Other Operating costs	+11%	(75.4)	(67.8)	(53.9)
FSCS costs		(6.8)	(3.5)	(4.2)
Operating profit	+4%	303.3	291.1	261.1
Investment revenue and other gains*	+87%	2.8	1.5	4.7
Finance costs		(0.3)	(0.2)	-
Profit before tax	+5%	305.8	292.4	265.8
Tax	+4%	(58.2)	(55.7)	(53.8)
Profit for the period	+5%	247.6	236.7	212.0
Basic earnings per share (pence)	+5%	52.1	49.7	44.7
Diluted earnings per share (pence)	+5%	52.0	49.6	44.6

* Investment revenue in FY 2017 includes a £3.7m one-off gain on disposal of a holding in Euroclear plc.

GROUP NET REVENUE ANALYSIS

ALL FIGURES IN €MILLIONS		FY 2019	FY 2018	FY 2017
Platform fees (1)	+4%	206.2	198.0	169.3
Net renewal income (1)	+7%	6.0	5.6	6.3
Management fees (1)	+9%	22.0	20.2	17.1
HL Fund AMC (1)	+2%	68.3	67.2	56.5
Stockbroking income (2)	-8%	67.1	72.6	61.6
Interest receivable (1)	+75%	73.5	42.1	36.6
On-going adviser charges (1)	-3%	11.5	11.9	11.1
Adviser charges (2)	-11%	10.8	12.1	11.0
Funds Library (3)	+3%	8.9	8.6	7.5
Other Income (2)	-31%	6.4	9.3	8.7
Total revenue	+7%	480.7	447.6	385.7
Less commission payable (1)		(0.2)	(0.1)	(0.1)
Total net revenue	+7%	480.5	447.5	385.6

		H1 2019	FY 2018	FY 2017
(1) Net recurring revenue	+12%	387.3	344.9	296.9
(2) Transactional revenue	-10%	84.3	94.0	81.2
(3) Other revenue	+3%	8.9	8.6	7.5
Total net revenue	+7%	480.5	447.5	385.6

NET REVENUE MARGINS

	FY 2019			FY 2018		
	Revenue £m	Ave Assets £bn	Margin bps	Revenue £m	Ave Assets £bn	Margin bps
Renewal income (net of loyalty bonus)	-			-		
Platform fee	206.2			198.0		
Total net revenue from funds	206.2	50.6	41	198.0	48.4	41
Stockbroking commission	64.2			69.4		
Management fees	22.0			20.2		
Total revenue from other stock	86.2	31.4	27	89.6	28.3	32
Total revenue from cash	73.2	10.2	72	42.1	8.8	48
HL Funds¹	68.3	9.2	74	67.2	9.1	74
Double-count ²	-	(9.1) ²	-	-	(9.1) ²	-
	433.9	92.3	47	396.9	85.5	46
Other income ³	46.6	0.5 ⁴		50.6	-	
Total revenue	480.5	92.8²		447.5	85.5²	

1 Annual management charge on HL Funds, i.e. excluding the platform fee, which is included in revenue on funds.

2 HL Funds AUM included in Funds AUA for platform fee and in HL Funds for annual management charge. Total average AUA excludes HL Fund AUM to avoid double-counting.

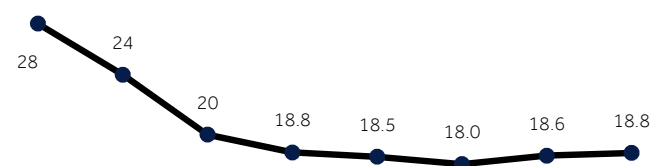
3 Other income includes advisory fees, FundsLibrary revenues, Active Savings and ancillary services (e.g. annuity broking, distribution of VCTs and Hargreaves Lansdown Currency and Market Services).

4 Average cash held via Active Savings.

COSTS

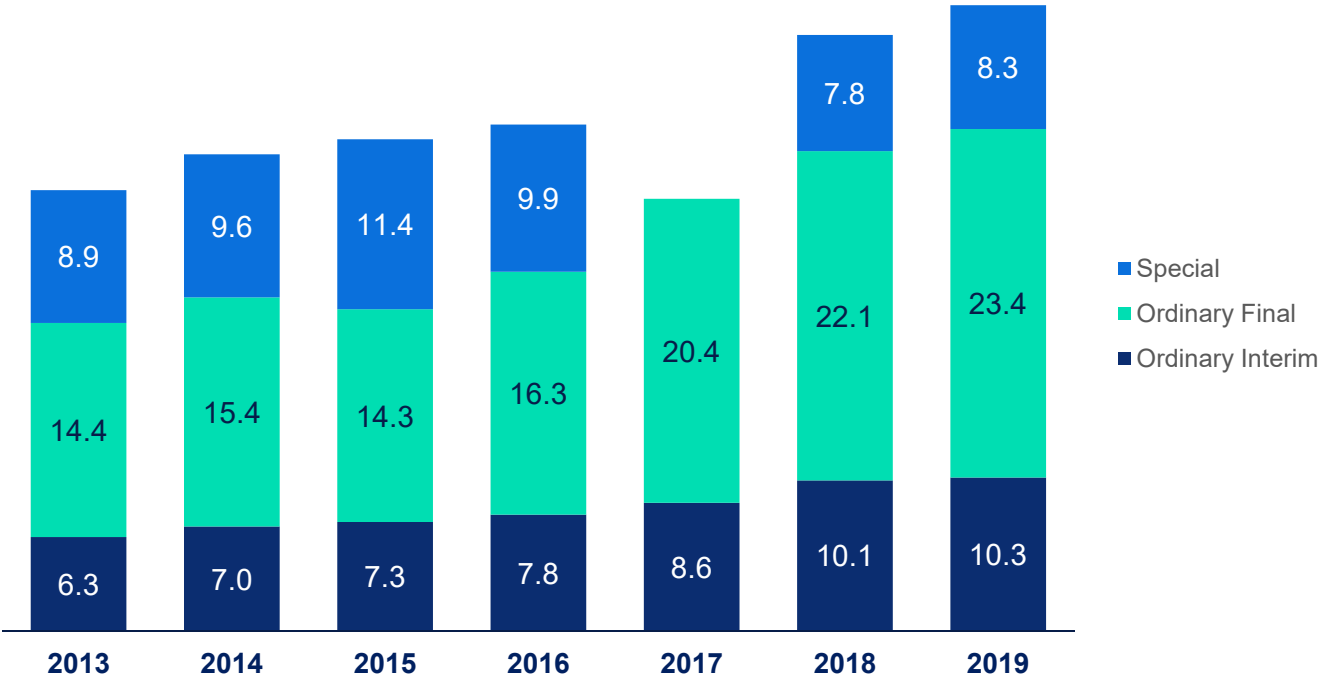
		FY 2019	FY 2018	FY 2017
Staff costs	+11%	£97.2m	£87.4m	£68.6m
Marketing and distribution spend	-22%	£12.7m	£16.3m	£14.3m
Depreciation, amortisation & financial costs	+20%	£12.4m	£10.3m	£9.0m
Other costs	+22%	£50.3m	£41.2m	£30.6m
FSCS levy costs	+94%	£6.8m	£3.5m	£4.2m
Total operating costs	+13%	£179.4m	£158.7m	£126.7m
Ave. no of staff (FTE)	+13%	1,574	1,398	1,043
No of staff at end of period (FTE)	+6%	1,586	1,499	1,185

Group Cost Ratio* (bps) FY 2012 to FY 2019



*Cost ratio is measured as operating costs (including the FSCS levy) divided by average AUA

DIVIDENDS (PENCE PER SHARE)



TOTAL ASSETS UNDER ADMINISTRATION

	FY 2019	FY 2019 H2	FY 2019 H1	FY 2018	FY 2018 H2	FY 2018 H1	FY 2017	FY 2017 H2	FY 2017 H1
	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
AUA at start of period	91.6	85.9	91.6	79.2	86.1	79.2	61.7	70.0	61.7
Underlying net new business*	7.3	4.8	2.5	7.6	4.3	3.3	6.9	4.6	2.3
Market movement & other	0.3	8.5	(8.2)	5.9	1.4	4.6	10.6	4.6	6.0
Founder transfers*	-	-	-	(1.1)	(0.1)	(1.0)	-	-	-
AUA at end of period	99.3	99.3	85.9	91.6	91.6	86.1	79.2	79.2	70.0
Net new business inflow %**	8 %	11%	5%	10%	10%	8%	11%	13%	7%

* Underlying net new business for FY 2018 excludes the transfer off the Vantage platform of £902 million of Hargreaves Lansdown plc shares and the withdrawal of £188 million of Hargreaves Lansdown plc placing proceeds during the period that were held by a founder. These are shown as "Founder transfers" in the table above.

** Half year net new business flows have been annualised.

ASSETS BY PRODUCT AND ASSET TYPE

VANTAGE	SIPP ³	ISA	FUND & SHARE ⁴	TOTAL FY 2019	FY 2018	FY 2017	CLOSING AUA FY 2019	VANTAGE	ACTIVE SAVINGS	PMS	TOTAL
	£bn	£bn	£bn	£bn	£bn	£bn		£bn	£bn	£bn	£bn
AUA at start of period	29.5	35.4	23.0	88.0	75.7	58.7					
Underlying net new business ¹	2.3	3.1	1.2	6.5	7.6	6.8	Funds	50.5		3.3	53.8
Market movement & other ²	0.5	(0.1)	(0.1)	0.3	5.8	10.1	Shares	33.7		-	33.7
Founder transfers ¹	-	-	-	-	(1.1)	-	Cash	10.7	1.0	0.1	11.8
AUA at end of period	32.3	38.4	24.2	94.8	88.0	75.7	Closing AUA	94.8	1.0	3.4	99.3
Net new business inflow %	8%	9%	5%	7%	10%	12%					
Market movement %	2%	0%	0%	0%	8%	17%					

1 Underlying net new business for FY 2018 excludes the transfer off the Vantage platform of £902 million of Hargreaves Lansdown plc shares and the withdrawal of £188 million of Hargreaves Lansdown plc placing proceeds during the period that were held by a founder. These are shown as "Founder transfers" in the table above.

2 Market movement includes other growth factors, such as retained investment income, totalling £986m (FY 2018: £827m, FY 2017: £734m).

3 Vantage SIPP AUA includes £7,424m income drawdown assets at 30 June 2019 (30 June 2018: £6,678m, 30 June 2017: £5,626m)

4 Vantage Fund & Share Account includes £3.5bn as at 30 June 2019 (30 June 2018 £3.7bn, 30 June 2017: £3.4bn) of Hargreaves Lansdown plc shares.

VANTAGE SPLIT BY ASSET CLASS

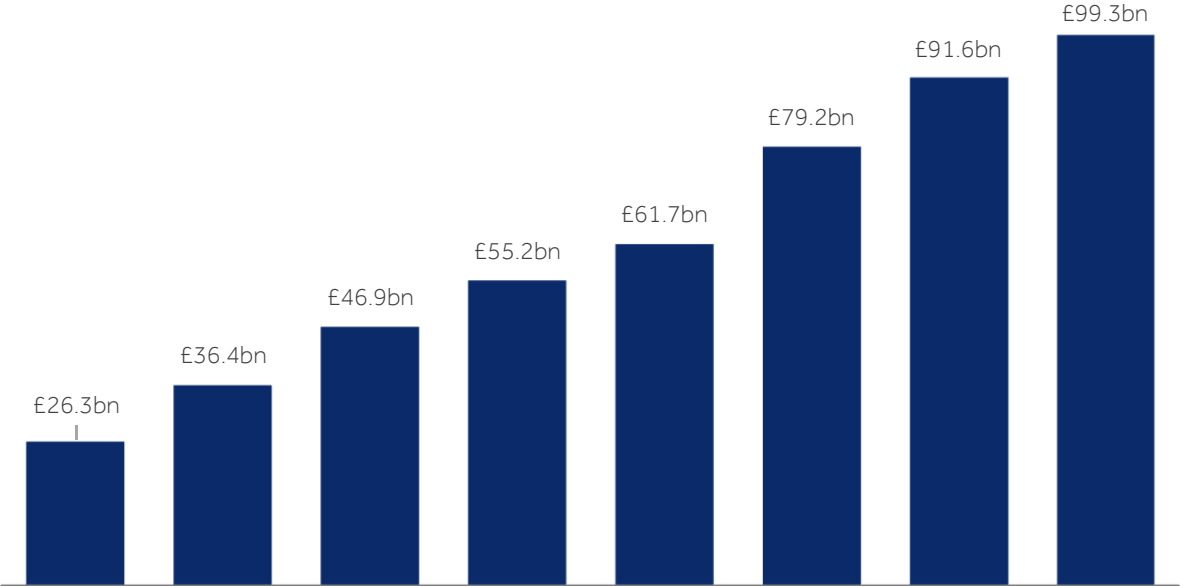
	SIPP	ISA	F&S/Other	Total
At 30 June 2019				
Stocks and shares	25%	29%	60%	36%
Investment funds	59%	62%	33%	53%
Cash	16%	9%	7%	11%
% of Vantage	34%	40%	26%	100%
AUA (£m)	32.3	38.4	24.2	94.8
At 30 June 2018				
Stocks and shares	25%	28%	59%	35%
Investment funds	59%	63%	34%	54%
Cash	16%	9%	7%	11%
% of Vantage	34%	40%	26%	100%
AUA (£m)	29.5	35.4	23.0	88.0

VANTAGE OTHER INFORMATION

	SIPP	ISA	F&S/Other	Total FY 2019	FY 2018	FY 2017
Total No. of equity deals* ('000)	1,466	2,447	1,369	5,282	5,369	4,952
Total client share deals ('000)	1,230	1,819	1,133	4,182	4,414	4,101
% online (of client share deals)	99%	98%	98%	98%	98%	98%
No. of fund deals ('000)	5,008	6,297	1,107	12,412	11,890	10,466
Average active client value at period end (£'000)	82.8	48.5	66.8	78.0	81.3	80.1
Average age (years)	47.5	46.6	57.0	47.6	47.8	48.7
New active accounts ('000)	39	82	36	157	175	154
Total active accounts ('000)				1,608	1,450	1,276
Clients registered for online access				90%	90%	89%
Clients registered for paperless service				77%	78%	76%

* Includes 1,100,000 automated share deals i.e. income reinvestment, fee sales and regular savings (FY 2018 : 955,000, FY 2017 851,000)

GROWTH IN TOTAL AUA







Total AUA FY 2012 to FY 2019 (£ billion)

	2012	2013	2014	2015	2016	2017	2018	2019
Market growth/other	-6%	+19%	+11%	+5%	+1%	+17%	+6%	0%
Organic growth¹	+13%	+19%	+18%	+13%	+11%	+11%	+10%	+8%
Total growth in AUA	+7%	+38%	+29%	+18%	+12%	+28%	+16%	+8%

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

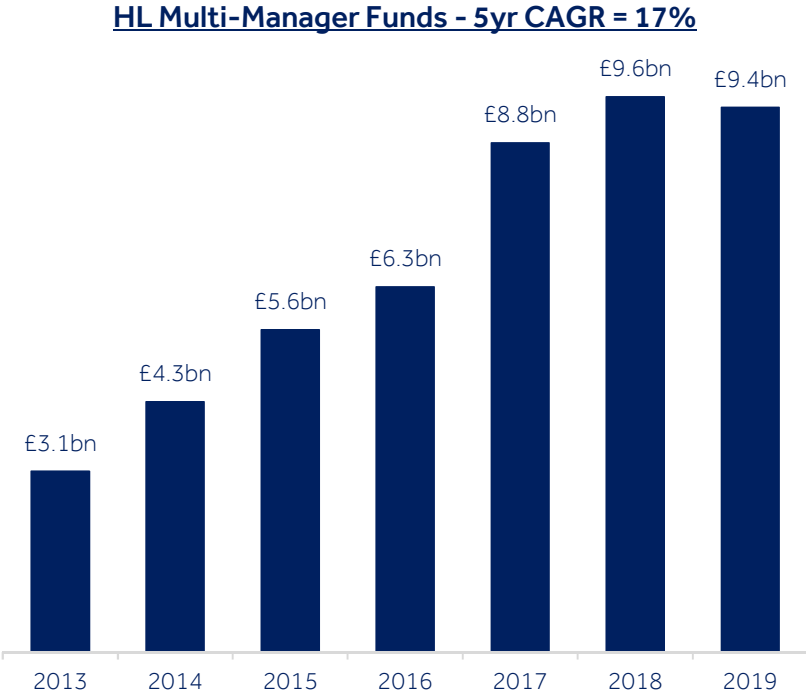
HL WORKPLACE SOLUTIONS (PREVIOUSLY CORPORATE VANTAGE)

	As at 30 June 2019	As at 30 June 2018	% change	12 months increase in FY 2019	12 months increase in FY 2018
 Members*	115,040	99,809	+15%	15,231	17,804
 Schemes *	463	425	+9%	38	38
 Annual Premiums **	£381m	£314m	+21%	£67m	£43m
 AUA	£3,717m	£3,120m	+19%	£597m	£627m

*Numbers relate to schemes either live or contracted.

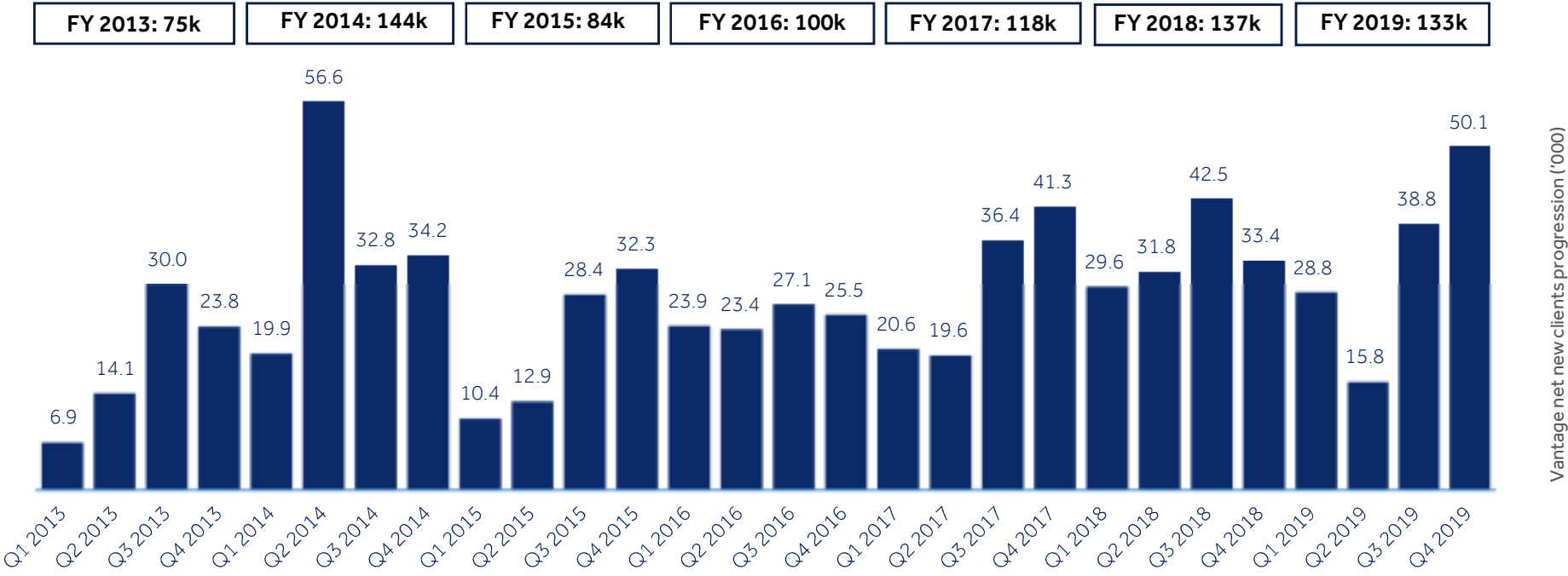
**Only includes those annual premiums already being received.

GROWTH IN HL FUNDS



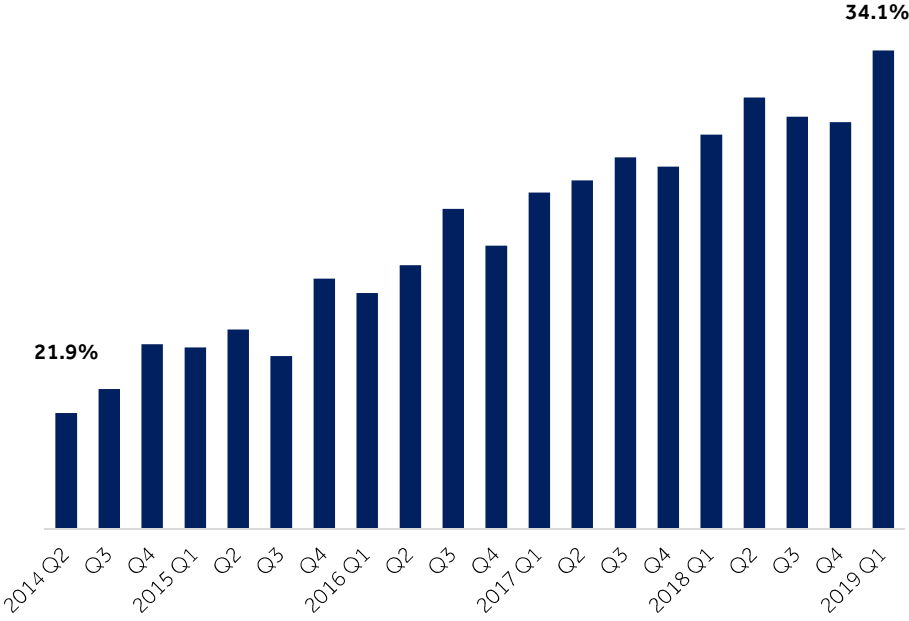
HLMM FUNDS (£m)	JUNE-19
Income & Growth	2,826
Special Situations	1,816
Balanced Managed	1,208
Strategic Bond	1,061
High Income	558
Equity & Bond	298
Asia & Emerging Markets	223
UK Growth	199
Strategic Assets	195
European	180
Multi-Manager Funds	8,564
HL Select Global Growth Shares	339
HL Select UK Growth Shares	298
HL Select UK Income Shares	184
Equity Funds	821
TOTAL	9,385

NET NEW CLIENTS



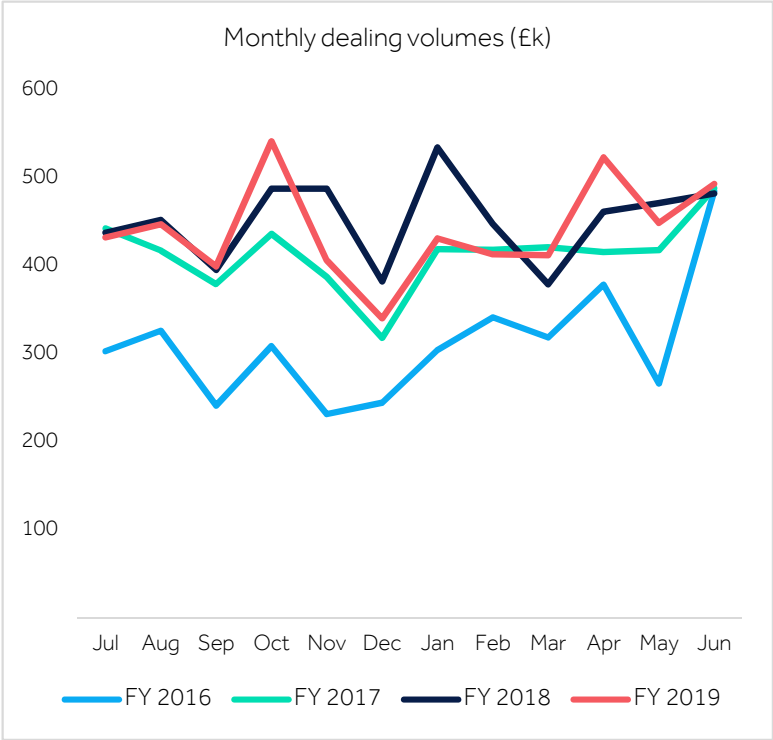
STOCKBROKING VOLUMES

Execution-only market share

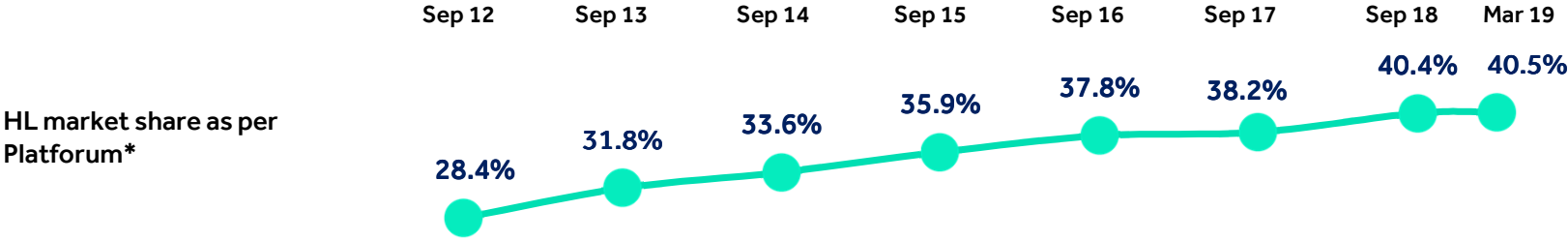


Source: Compeer XO Quarterly Benchmarking Report Quarter 1 2019

Monthly dealing volumes (£k)

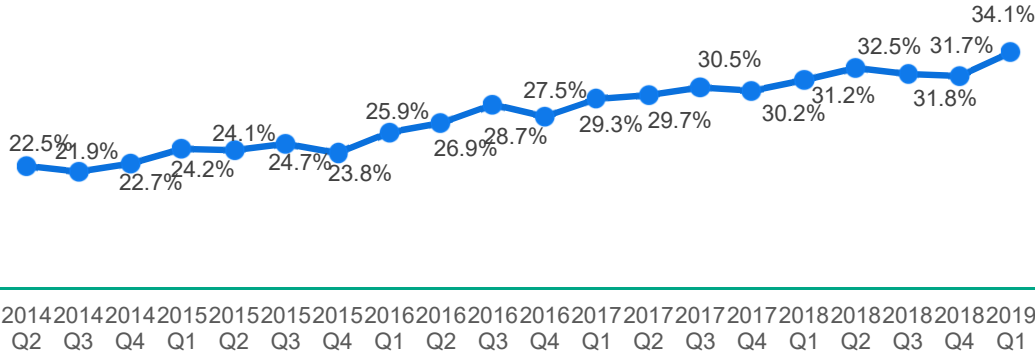


MARKET SHARE STATISTICS



* The Platform Direct Platform Guide Reports share of Assets Under Administration (February 2019)

HL UK stockbroking volumes vs XO peer group**



** Source: Compeer Quarterly Benchmarking Report – Q1 2019