

Record

In transition

Record is a specialist asset manager providing currency hedging, absolute return and private markets solutions to large institutional clients, with \$114.6bn of assets under management (AUM). FY26 revenue fell 4% to £40.1m and PBT fell 10% to £9.8m, as a shift in the AUM mix to lower-margin mandates outweighed disciplined cost control, with the operating margin held at 25.0%. AUM rose 14%, led by 19% growth in Private Markets, where Solutions for Asset Managers fees grew 39%. The ordinary dividend of 3.60p is held at a 92% payout, though the shares were down c 11% on the day of the results. With a debt-free balance sheet and c £4m of near-complete mandates, FY27 has started with clear momentum.

Lower fees reflect a shift in AUM mix

FY26 revenue declined 4% to £40.1m even as AUM rose 14% to \$114.6bn, reflecting a shift in the mix towards lower-margin mandates rather than any fall in assets. Management fees fell 5% to £35.4m and performance fees 12% to £2.8m; within management fees, Risk Management slipped 5% to £23.8m and Absolute Return fell 42% to £2.1m, while Private Markets grew 11% to £9.5m. Operating costs were cut 2% to £30.4m as lower variable compensation and reduced technology spend offset hiring into new initiatives, holding the margin at 25.0% (FY25: 25.6%). PBT of £9.8m fell 10%, but EPS dropped a steeper 22% to 3.92p, as the prior-year tax charge was reduced by deferred tax asset recognition.

Private markets driving the growth pivot

The strategic direction is unchanged: building on the strength of its traditional risk management business while growing higher-quality, longer-duration, higher-margin revenue in Absolute Return and Private Markets. Private Markets AUM grew 19%, led by Solutions for Asset Managers, where fees rose to £5.0m, and Infrastructure Equity Fund deployments began generating fees. Newer strategies are beginning to contribute: alongside the EM Sustainable Finance Fund, Record has announced a \$1bn Sharia-compliant supply chain finance fund with OWI and Khalij, and signed non-binding terms relating to a \$2.2bn food security financing.

Valuation: Yield underpinned by cash generation

Record remains cash generative and debt free, with £13.0m of cash supporting the 6%-plus dividend yield on consensus. Two further Infrastructure Equity deployments and new Dynamic Hedging wins are already secured early in FY27, supporting current expectations. The key question, in our view, is how quickly the private markets diversification translates into reported fee growth, with the resilient FY26 result and held dividend sitting in contrast to a softer near-term share price.

Consensus estimates					
Year end	Revenue (£m)	EPS (p)	DPS (p)	P/E (x)	Yield (%)
3/26	40.1	3.92	3.60	13.8	6.6
3/27e	44.7	3.90	2.80	13.9	5.2
3/28e	47.9	4.70	3.40	11.5	6.3

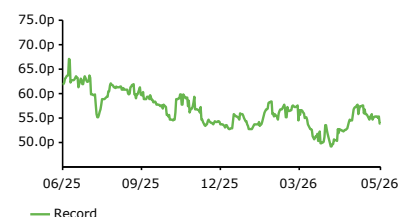
Source: Record

Financials

24 June 2026

Price 54.20p
Market cap £108m

Share price performance



Share details

Code	REC
Listing	LSE
Shares in issue	199.1m
Net cash/(debt) at 31 March 2026	£13.0m

Business description

Record is a specialist independent asset, currency and derivatives manager. It provides a number of products and services for institutional clients, including passive and dynamic hedging, and a range of currency for return strategies, including funds and customised segregated accounts.

Bull points

- Highly cash generative and debt-free; consensus dividend yield above 8%.
- Private Markets momentum, with Solutions fees up 39%, AUM 19%.
- New higher-margin, longer lock-up strategies now generating revenue.

Bear points

- Management and performance fees both fell on mandate mix.
- Revenue concentrated in lower-yield, price-sensitive currency hedging mandates.
- Large new initiatives are early-stage and partly on non-binding terms.

Analysts

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