

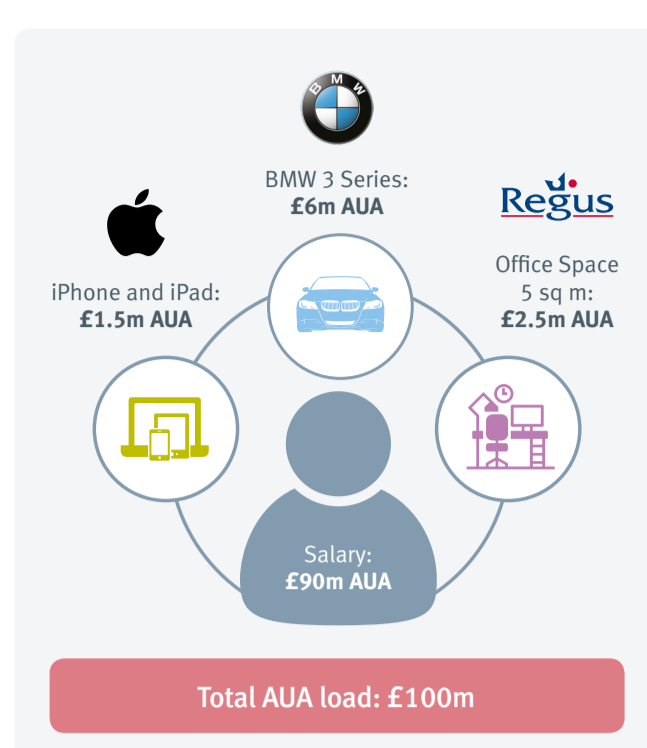
# Λ Giving your platform wings

In this Altus White Paper, we've revisited the theme of platform profitability. There is undoubtedly profit to be made in the platform sector, as evidenced by a few of the current high-flyers, however the question is whether the rest of the pack can slim down enough to get airborne.

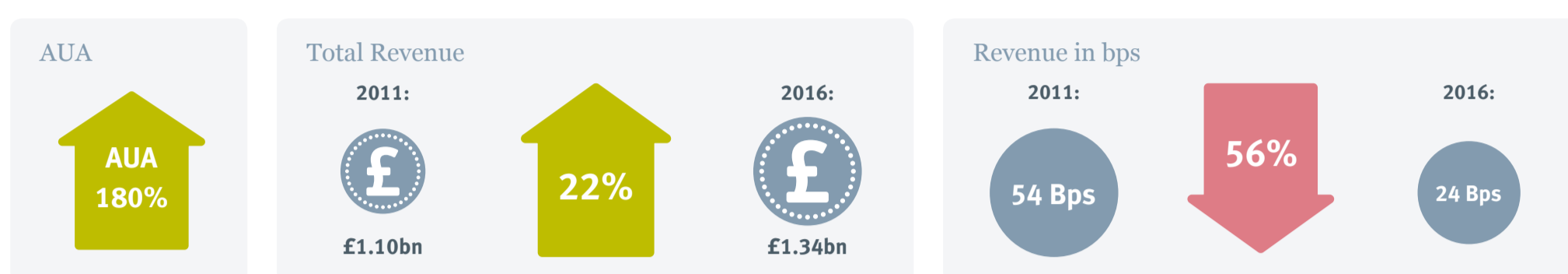
## What did we learn?

- The platform industry has taken off over the last 5 years but, for the majority, significant profits remain out of range.
- Margins have fallen, regulatory scrutiny has risen; platforms have had to deal with the turbulence this has caused.
- Automation is key but it can be expensive, so platforms need to be clear where they will get the most thrust.
- That means understanding where costs are high, where they are likely to get higher, and how to bring them safely back down to earth.
- Outsourcing can get you off the ground faster, but it will add to your payload over time.
- The price of flying is key, but don't forget the cost of your ground crew – they can ground your profits too if you're not careful.

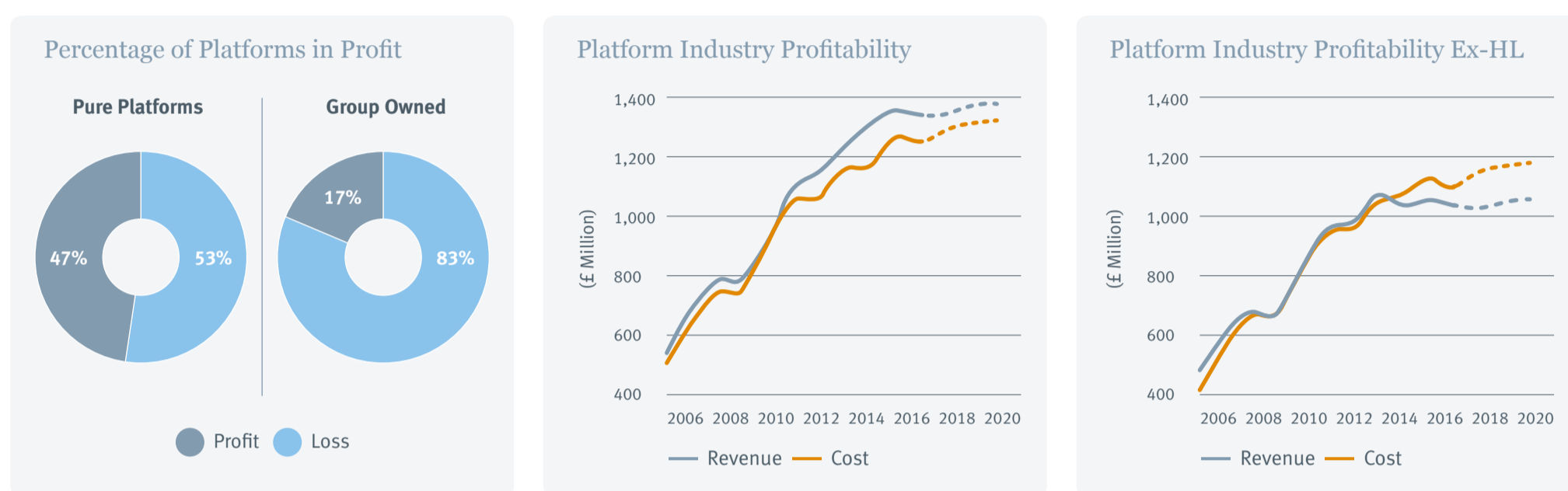
## The cost of sales (£160k package)



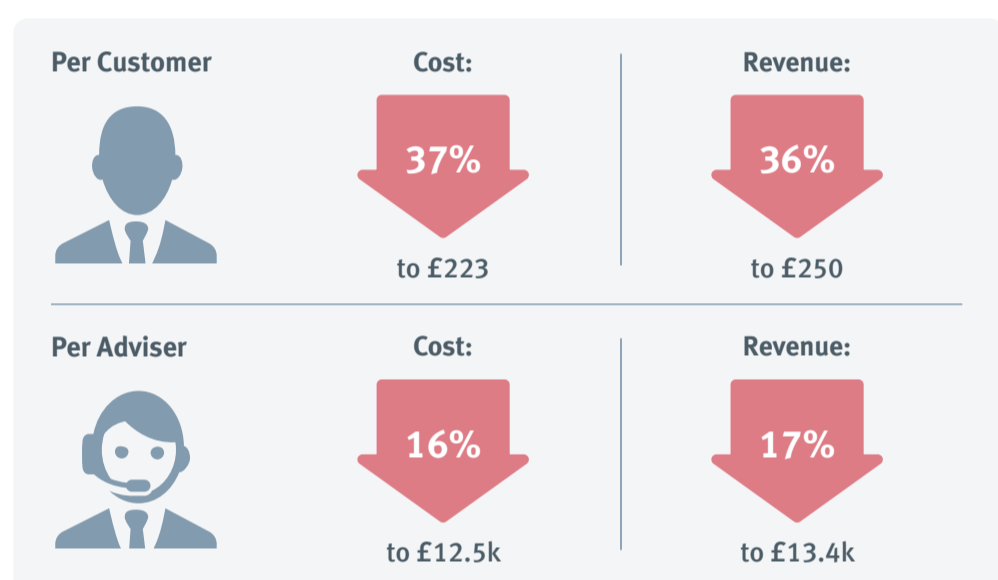
## Total AUA and revenue has risen, however revenue in bps has fallen



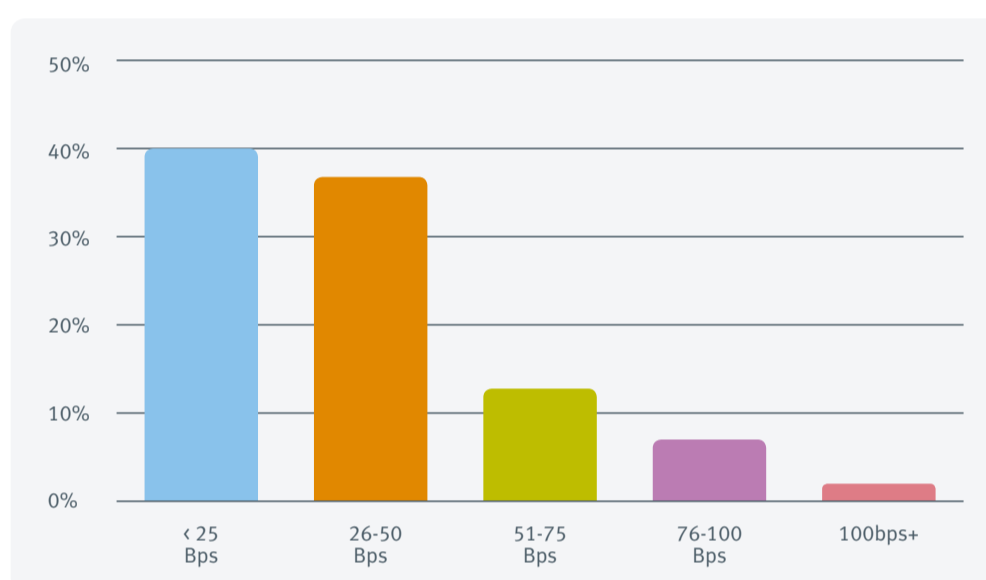
## The platform industry is still struggling to make a profit



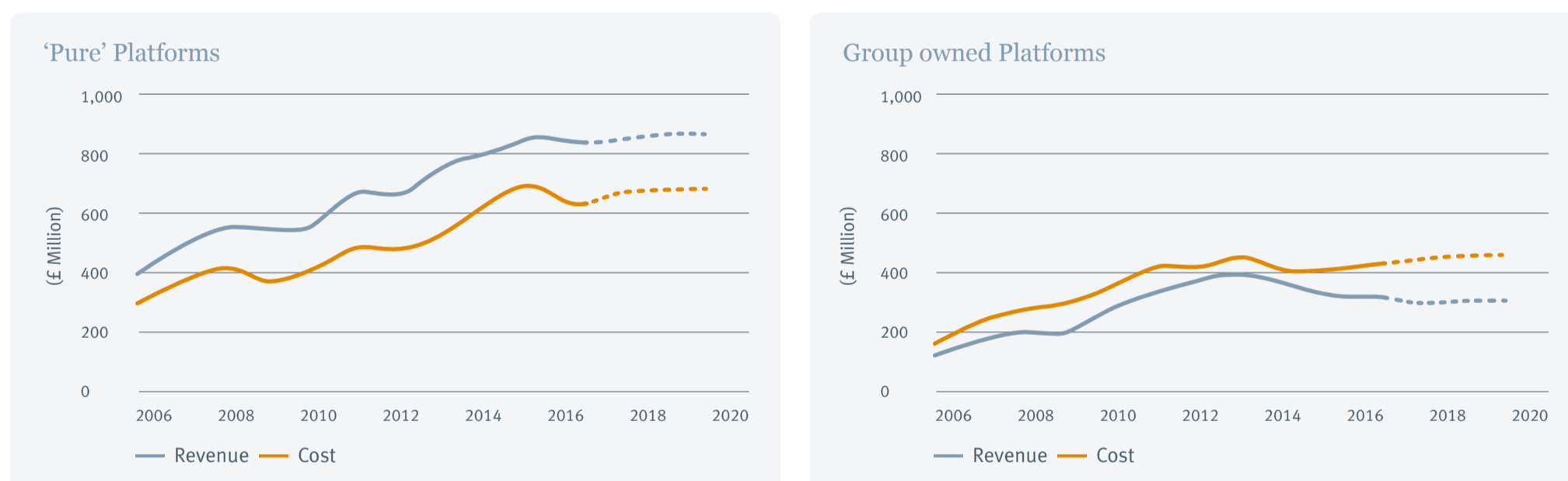
## Run costs and revenue earned are both falling (2011-2016)



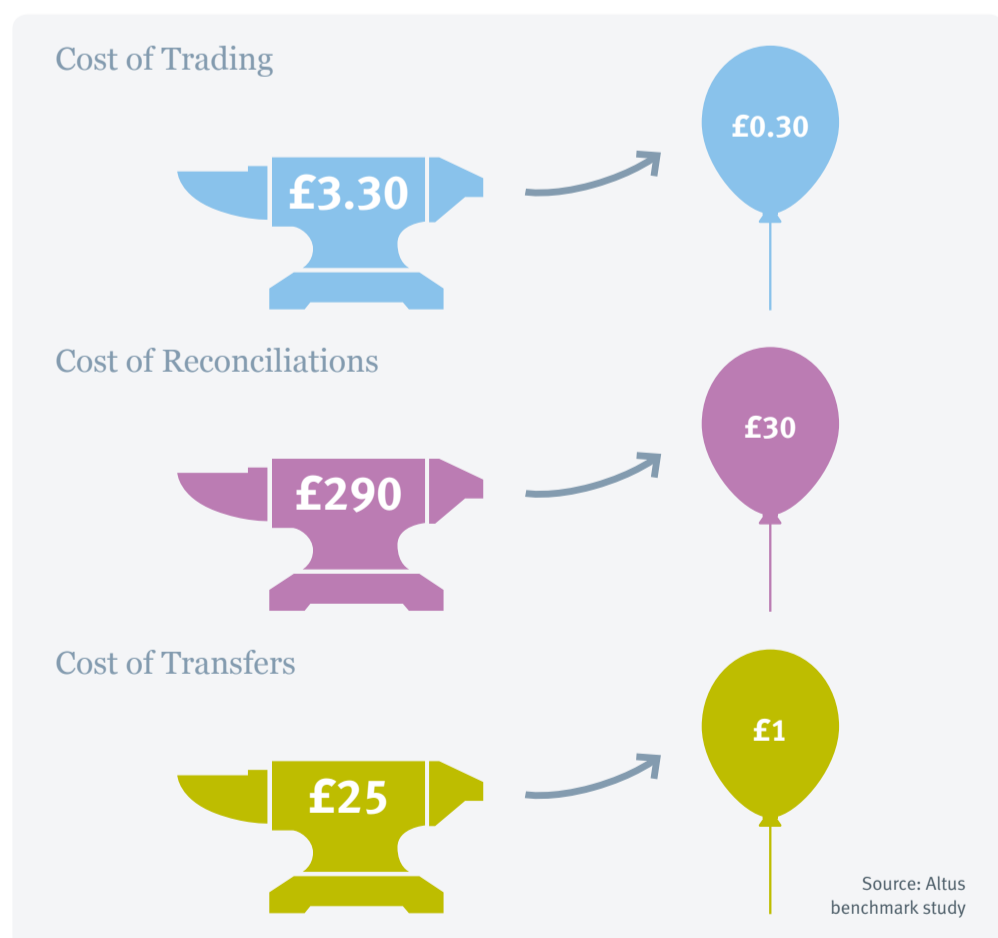
## Platform run costs across the industry



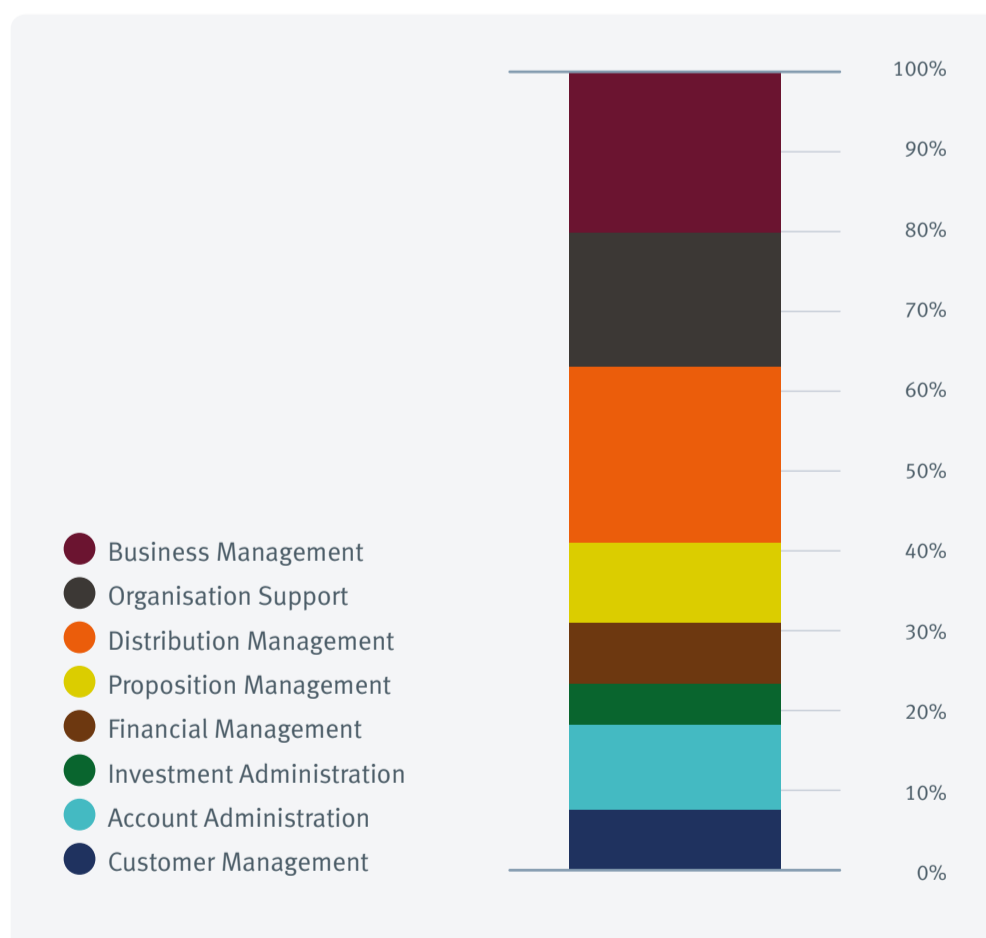
## Scale is not the only key to profitability



## Platforms experience a wide range of operating costs



## Typical platform capability cost view



## Key suppliers and participants in the platform market

