IG GROUP

Results presentation

6 Months ended 30 November 2011

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Disclaimer

This presentation, prepared by IG Group Holdings plc (the “Company”), may contain forward-looking statements about the IG Group. By their very nature, forward-looking statements involve uncertainties because they relate to events, and depend on circumstances, that will or may occur in the future. If the assumptions on which the Company bases its forward-looking statements change, actual results may differ from those expressed in such statements. The forward-looking statements contained herein reflect knowledge and information available at the date of this presentation and the Company undertakes no obligation to update these forward-looking statements. Nothing in this presentation should be construed as a profit forecast.

Financial tables may contain rounded numbers compared to the Financial Statements.

Unless otherwise stated, all numbers exclude the discontinued Sport business.

Market share data has been provided by Investment Trends Pty Limited. Contact Pawel Rokicki email: pawel@investmenttrends.com.au
phone: +61 2 8248 8005 website: www.investtmenttrends.co.uk.

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Overview

IG's market leadership and investment in technology drives strong results

FY12 H1 performance

- Return of good growth from UK and Australia with continued market share gains
- Continued strong growth from Europe and Singapore
- Growth in client numbers
- Increased revenue per client
  - Volatility impact
  - Technology impact
  - Focus on higher value clients

Return on technology investment

- 100% dealing uptime
- Minimal bad debts
- No loss making days
- Improving conversion of volume into revenue
- Continued development of client experience

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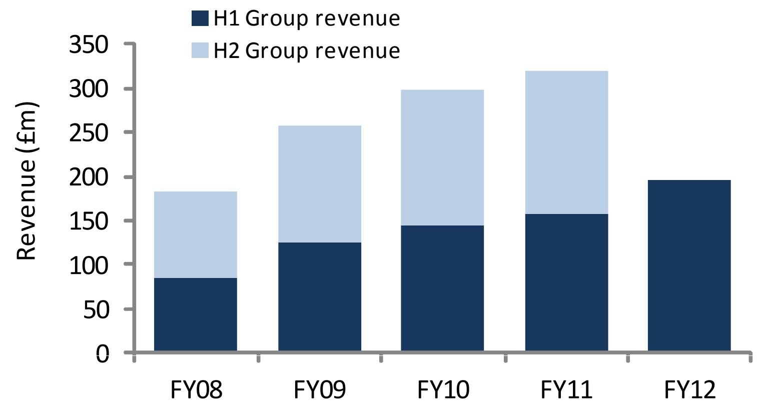
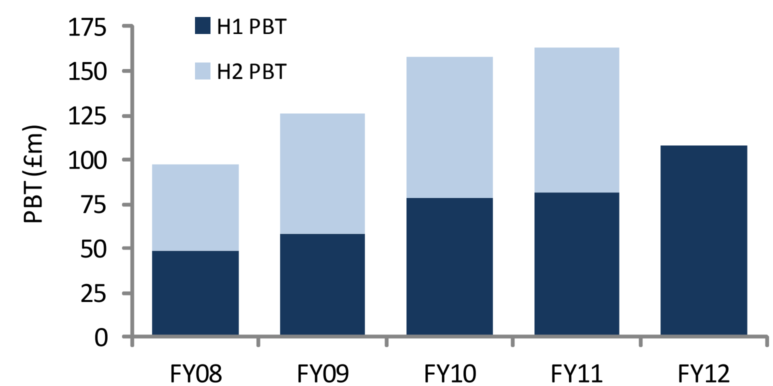
FY12 H1 summary

FY12 H1 results[1]

- Net trading revenue[1] £195.5m, up 28%
- PBT[2] £103.2m, up 28%
- Adjusted EPS[2] 20.68p, up 31%
  - 28% including discontinued operations
- Interim dividend per share 5.75p, up 9.5%

5 year revenue and PBT[3]





(1) FY12 and FY11 comparatives exclude discontinued Sport operation
(2) FY11 Adjusted PBT excludes the amortisation and impairment of goodwill and customer relationships associated with Japan
(3) Historic results before FY11 have not been adjusted for discontinued operations

Business review

Income statement

Revenue and profit growth continues

Year on year comparison

	H1 12 £m	H1 11 £m	Yr on Yr growth	FY11 £m
Net trading revenue[1]	**195.5**	**153.0**	**27.8%**	**312.7**
Betting duty	**(5.7)**	**(0.8)**		**(3.1)**
Other net operating income	5.5	3.8		9.0
Net operating income	195.3	156.0	**25.1%**	318.6
Operating costs	(86.8)	(70.6)	**22.9%**	(145.1)
EBITDA	**108.5**	**85.4**	**26.9%**	**173.5**
Margin[2]	***55.5%***	***55.8%***		***55.5%***
Depreciation and amortisation	(5.5)	(4.6)		(10.3)
EBIT	103.0	80.8		163.2
Net Interest	0.2	(0.2)		0.0
PBT[3]	**103.2**	**80.6**	**27.9%**	**163.2**
Margin[2]	***52.8%***	***52.7%***		***52.2%***
Japan amortisation and impairment	0.0	(150.7)		(150.7)
Statutory PBT from continuing operations	103.2	(70.1)		12.5
Diluted EPS (adjusted)[3]	**20.68p**	**15.80p**	**30.9%**	**32.57p**
Dividend per share	5.75p	5.25p	**9.5%**	20.00p

- Net trading revenue up 28%
  - 15% growth in clients trading
  - Revenue per client up 11%
- PBT growth in line with revenue
- Volatility impacted betting duty
  - 2.9% of FY12 revenue (FY11 H1 0.5%)
- 23% cost growth driven by
  - IT investment
  - Performance related bonus

(1) Net trading revenue excludes interest on segregated client funds and is presented net of introducing broker commissions
(2) Margin based on net trading revenue
(3) Excludes the amortisation and impairment of goodwill and customer relationships associated with Japan and discontinued Sport operation

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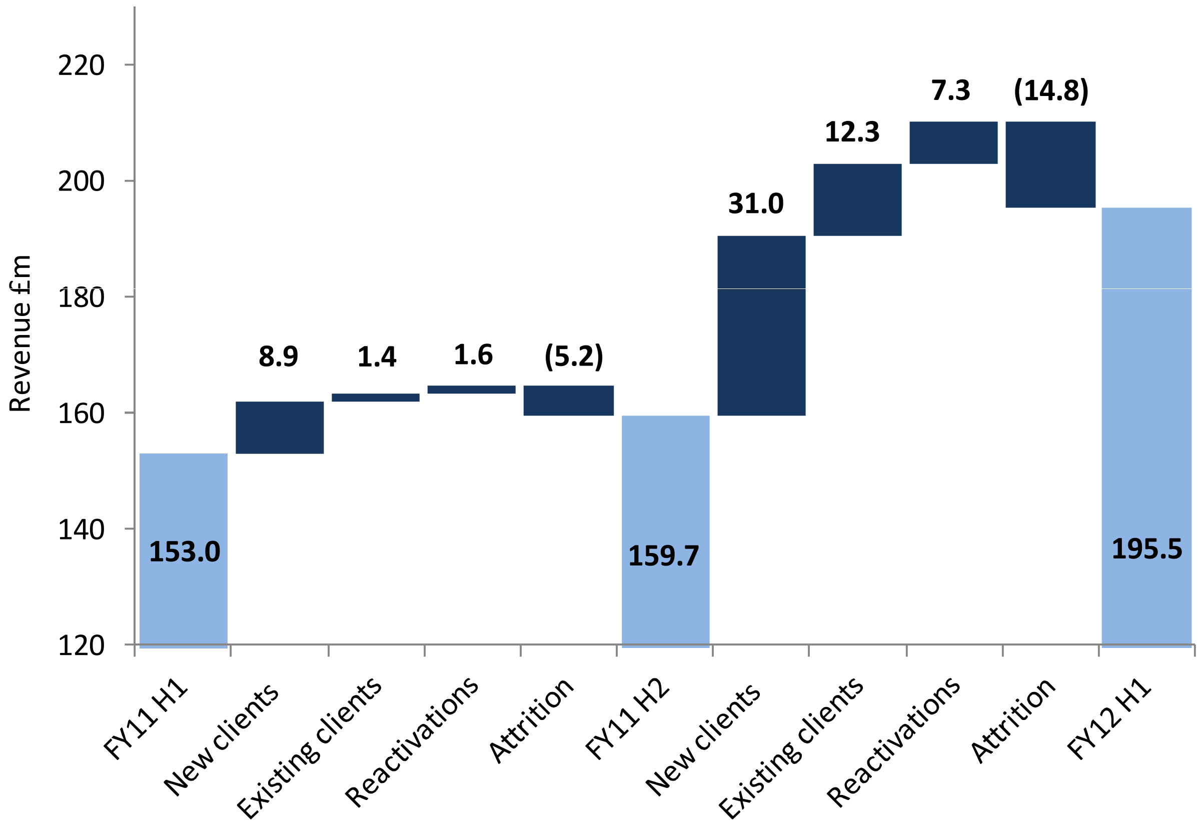
Revenue bridge

Revenue growth driven by new clients

FY11 H1 to FY12 H1 revenue bridge

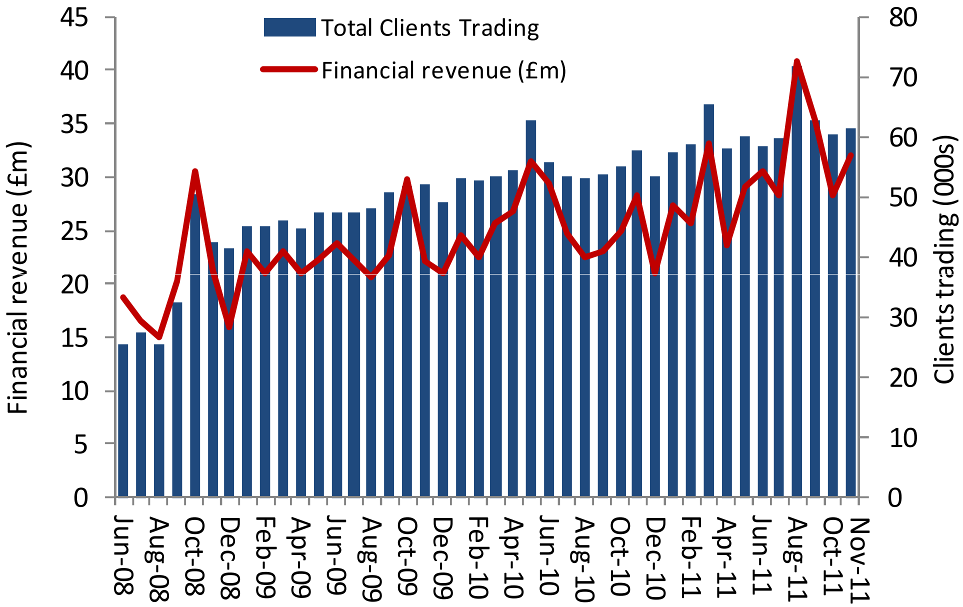


- Reactivations and new clients exceed the impact of attrition
- FY12 volatility
  - has stimulated client activity
  - may increase attrition

Active clients

Revenue growth exceeded client growth in FY12 H1

Monthly revenue and active client trend FY09 to FY12



Year on Year revenue and clients

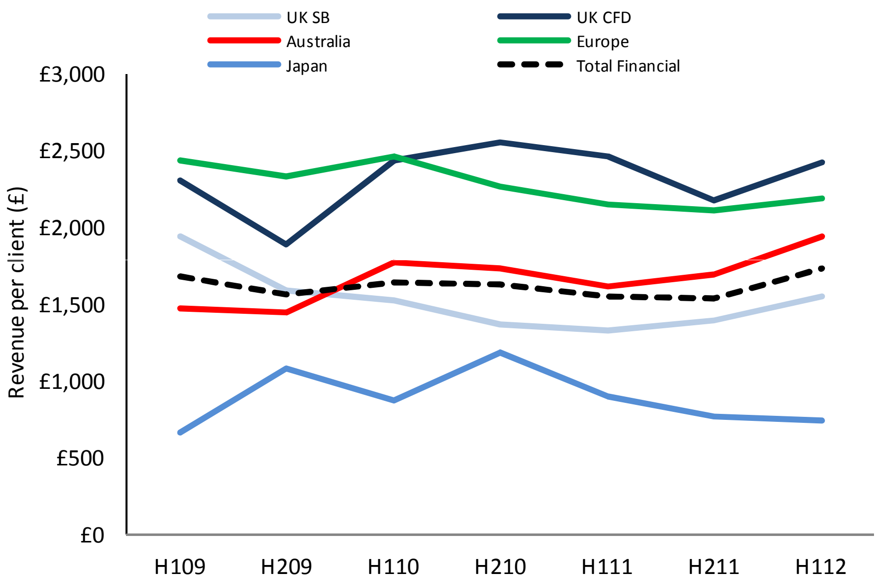
Revenue (£m)	FY12 H1	FY11 H1	Growth %
UK	**102.1**	82.9	23%
Australia	**32.7**	22.9	43%
Europe	**37.8**	26.7	41%
ROW	**14.5**	9.4	54%
Japan	**8.4**	11.1	-25%
Total Financial	**195.5**	153.0	28%

Clients trading (000s)	FY12 H1	FY11 H1	Growth %
UK	**59.2**	52.8	12%
Australia	**16.8**	14.1	20%
Europe	**17.2**	12.4	38%
ROW	**8.3**	6.7	23%
Japan	**11.2**	12.2	-8%
Total Financial	**112.7**	98.2	15%

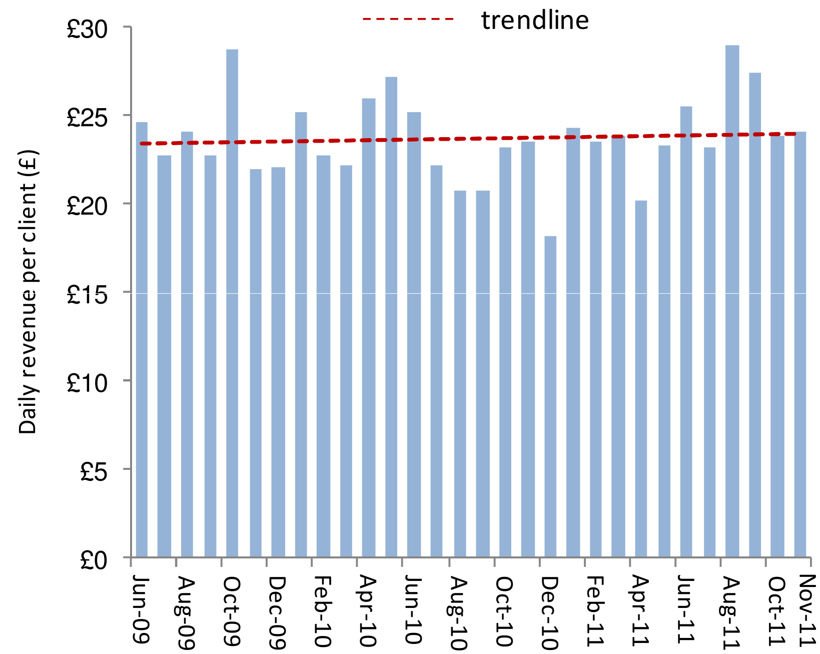
Trading revenue per client

Revenue per client growth

Half yearly revenue by client FY09 to FY12 H1[1]



Daily revenue/client by month FY10 to FY12 H1[2]



(1) Unique clients trading in each half year (Financial only)
(2) Excluding Japan

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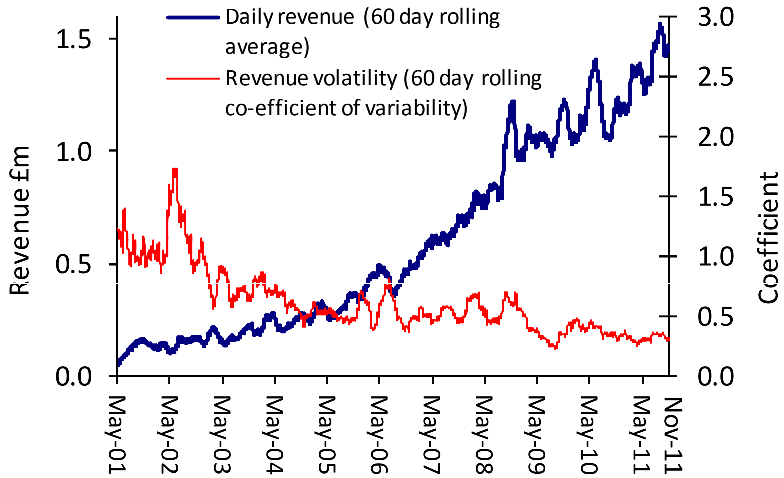
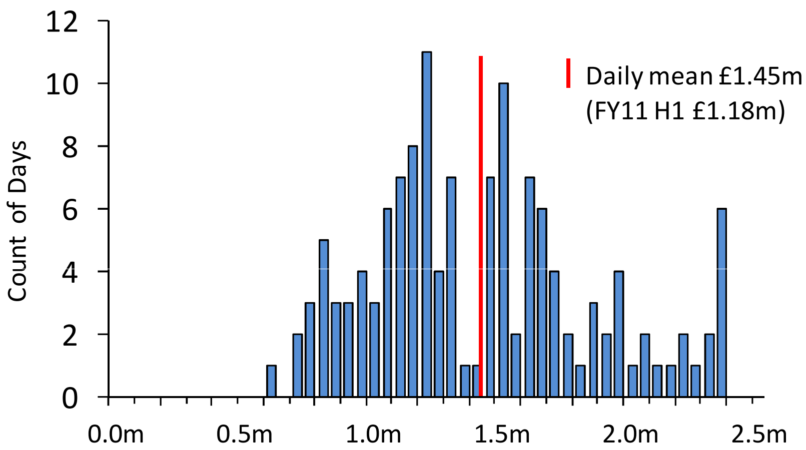
Volatility of trading days

Trading revenue volatility remains low

Daily trading revenue volatility



Distribution of FY12 H1 daily trading revenue

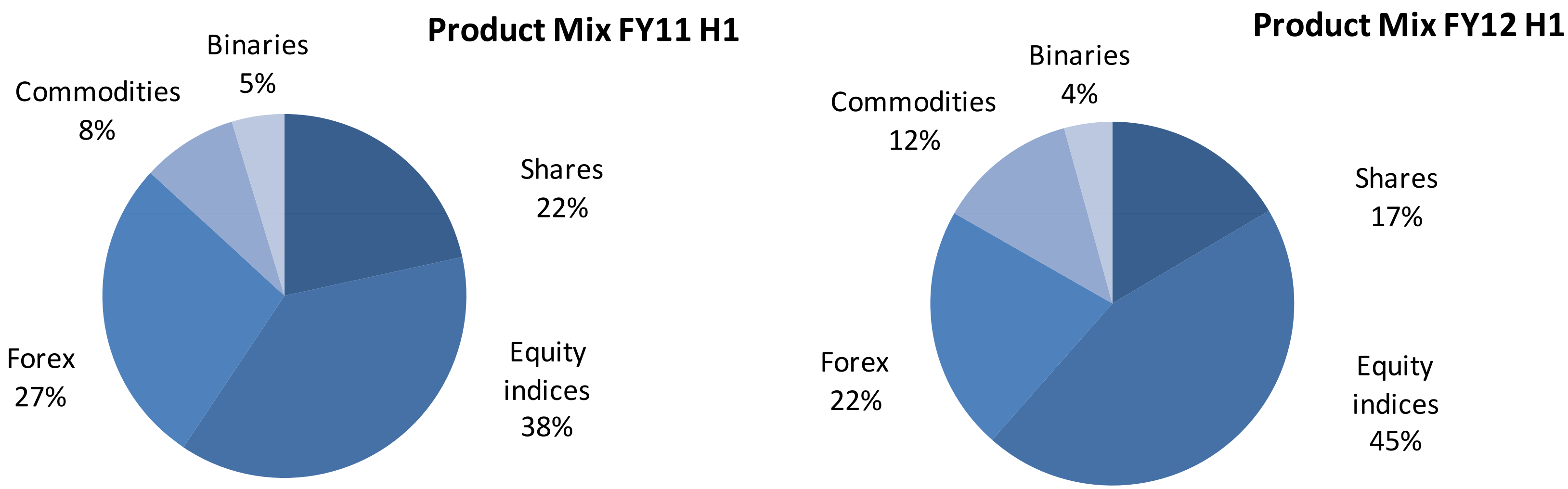


- Volatility of revenue remains in a tight range
- No loss making days
- Fewer “average” revenue days in FY12 H1

Product mix

Client activity shifts between asset classes with changing market conditions

Financial revenue by product FY11 H1 – FY12 H1



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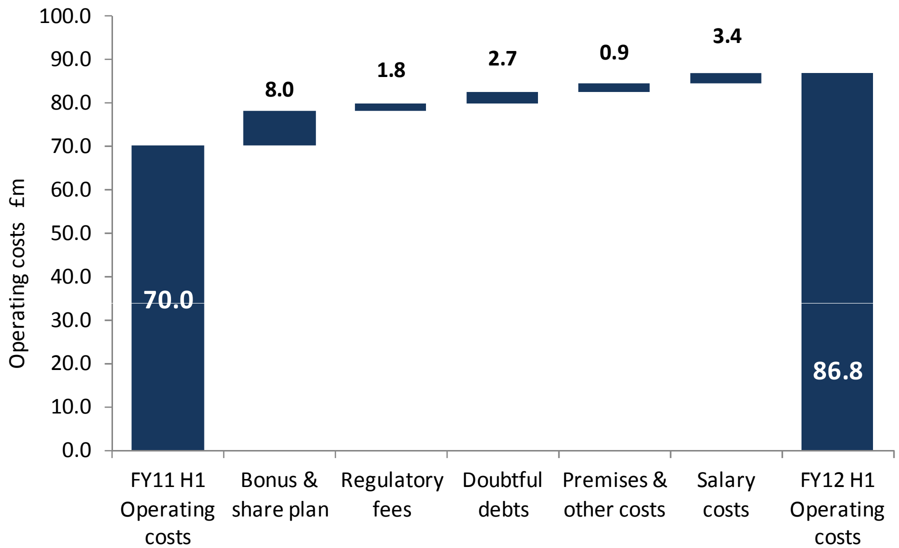
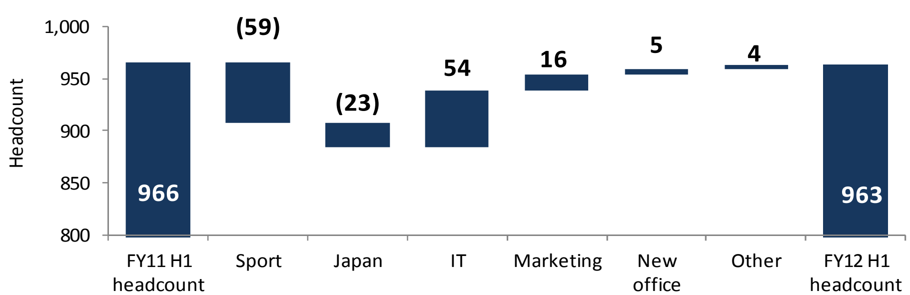
Cost bridge

Growth in costs largely performance and new investment related

FY11 to FY12 H1 operating costs[1] bridge



November-10 to November-11 headcount bridge



- £8m increase in performance related bonus and share plan
- Impact of regulatory levy increases from FY11 H2
- Movement in bad debts reflects net recoveries last year
  - £1.3m charge vs. FY11 H1 £1.4m net credit
- Continued investment in IT headcount

(1) *Excluding exceptional costs*

Cost base

Cost base growth is less than revenue growth

Year on year comparison[1]

	FY12 H1 £m	FY11 H1 £m	FY11 H2 £m	FY11 Total £m	Yr on Yr change %
Salaries	(29.3)	(25.9)	(28.0)	(53.9)	
Advertising and marketing	(15.4)	(16.4)	(14.9)	(31.3)	
IT, Market Data and Communications	(6.4)	(6.3)	(6.3)	(12.6)	
Premises related costs	(5.5)	(4.1)	(5.0)	(9.1)	
Regulatory Fees	(2.6)	(0.8)	(5.0)	(5.8)	
Doubtful debts charge/credit	(1.3)	1.4	0.9	2.3	
Other overheads	(7.3)	(6.9)	(8.0)	(14.9)	
Costs before performance related payments	**(67.8)**	**(59.0)**	**(66.3)**	**(125.3)**	**15%**
Bonus	(15.8)	(8.9)	(5.3)	(14.2)	
LTIP/SIP	(3.2)	(2.1)	(2.1)	(4.2)	
Ongoing operating costs	**(86.8)**	**(70.0)**	**(73.7)**	**(143.7)**	**24%**
Exceptional items [2]	0.0	(0.6)	(0.8)	(1.4)	
Total operating costs	**(86.8)**	**(70.6)**	**(74.5)**	**(145.1)**	**23%**

- Ongoing operating costs up 15% before performance related payments
  - Total ongoing costs up 24%
  - 28% revenue growth
- Investment in marketing and IT headcount to continue in FY12 H2

(1) Excludes discontinued operations
(2) Office move related exceptional costs

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Own cash and working capital

Working capital supports business growth

Year on year comparison

	H1 12 £m	H1 11 £m	FY11 £m
Available liquidity			
Own cash and title transfer funds	200.6	109.3	124.5
Amount due from brokers	201.9	212.5	267.8
less other amounts (from) / to clients	(5.6)	3.7	(11.6)
Available cash resources	**396.9**	**325.5**	**380.7**
Broker margin requirement	(184.1)	(223.5)	(217.4)
Net available cash	**212.8**	**102.0**	**163.3**
Title transfer funds	(61.4)	(60.6)	(71.4)
Net own cash available	**151.4**	**41.4**	**91.9**
Of which dividend declared	20.9	19.0	53.1

- Net own cash available has increased further to £151m
- Broker margin requirement can fluctuate rapidly according to market conditions
  - Peak margin requirement in the last 12 months was £296m

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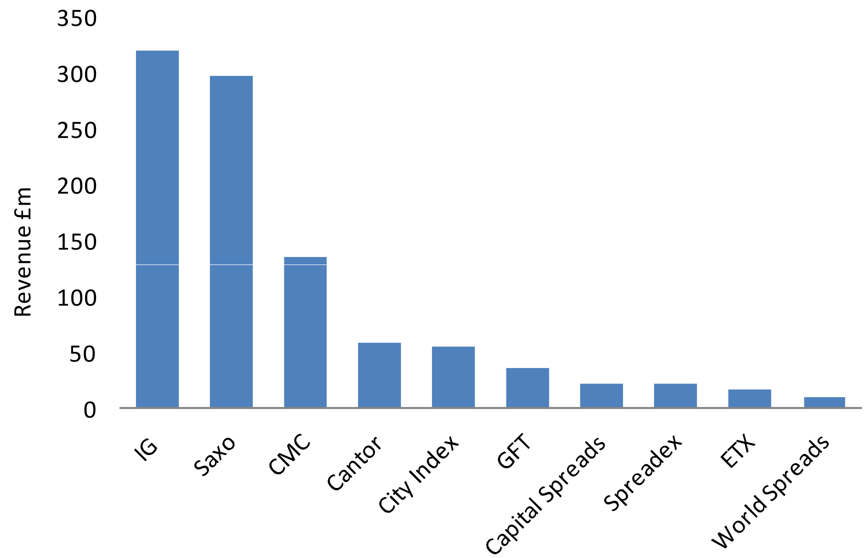
Strategy update

Market leadership drives competitive advantage

IG's scale and market leadership give it sustainable competitive advantage

Benefits of scale	**Revenue in most recent full year accounts (£m)[1]**

- Financial strength and security
- Investment in technology
- Investment in marketing
- Word of mouth recommendation
- Better hedging arrangements
- More two way client business



(1) *Accounting policies may differ. Restated to compare with IG reported net trading revenue and converted at year end exchange rates*

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Financial strength and security

IG takes a market leading stance on client money protection

- IG gives all individuals full client money protection – even where regulation permits otherwise
  - No use of Title Transfer in UK/Europe for individuals
  - Voluntary adoption of full UK style segregation in Australia
- MF Global's administration has resulted in greater focus on this issue by clients and regulators
  - Australian Treasury consulting on change to client money law
  - Australian CFD Industry Body being set up

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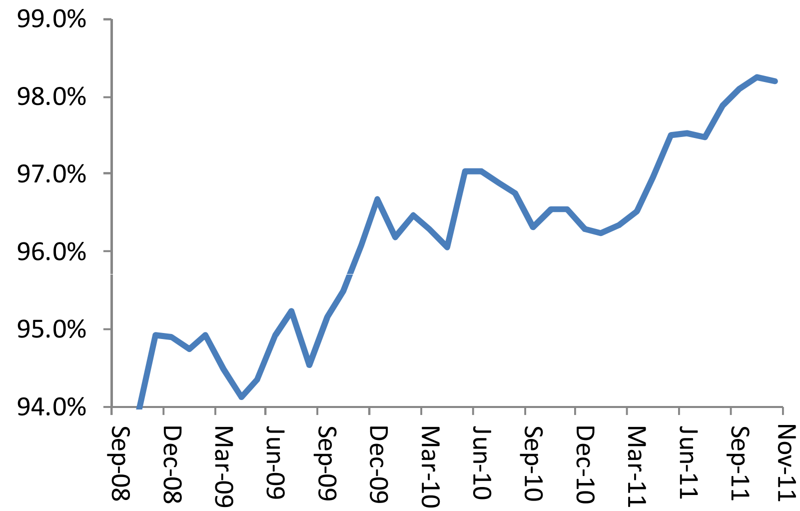
Investment in technology

IG has the scale to invest in multiple technologies

Key initiatives

- Rollout of mobile applications – first wave substantially complete
  - iPhone / iPad
  - Android
  - Windows Phone 7
  - Blackberry
- 16% of revenue and transactions now from mobile
- New, information rich, platform being progressively rolled out
- Increasing automation of dealing process
- Speeding up price distribution and dealing

% of executed orders fully automated



- 98% of all executed client orders are now fully automated

Investment in marketing

IG is building up its internal marketing resource

Key initiatives	Marketing focus

Key initiatives

- Reducing dependency on external agencies
- Building capacity to produce campaigns across multiple channels
  - Print
  - Online
  - Search
  - Outdoor
  - Social media
- Increasing use of technology to target specific messages to specific individuals

Marketing focus

- Quality rather than quantity of new accounts
  - Aiming to drive up average revenue per client
- Focus on those already trading
  - With competitors
  - Using other products
- Product education, particularly in new markets
- Long term brand building

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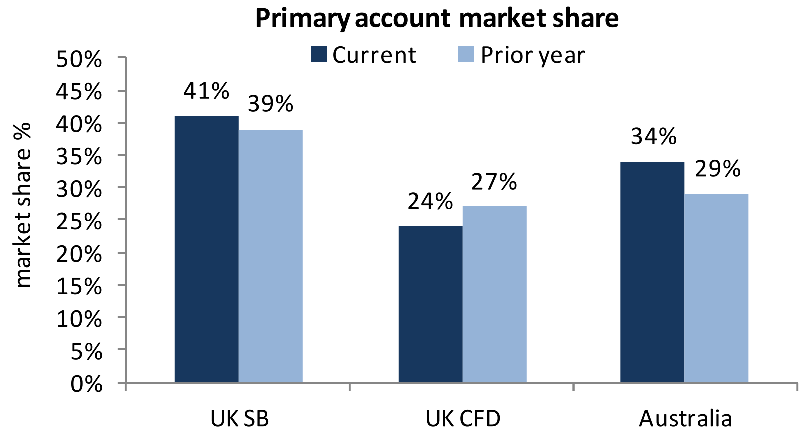
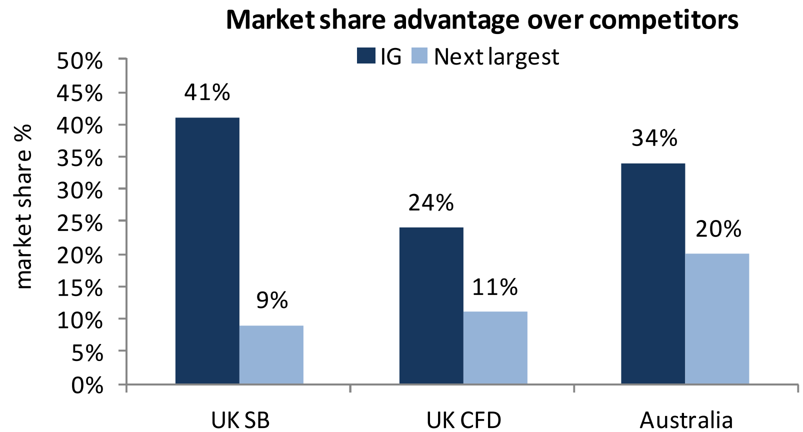
Growth in established markets continues

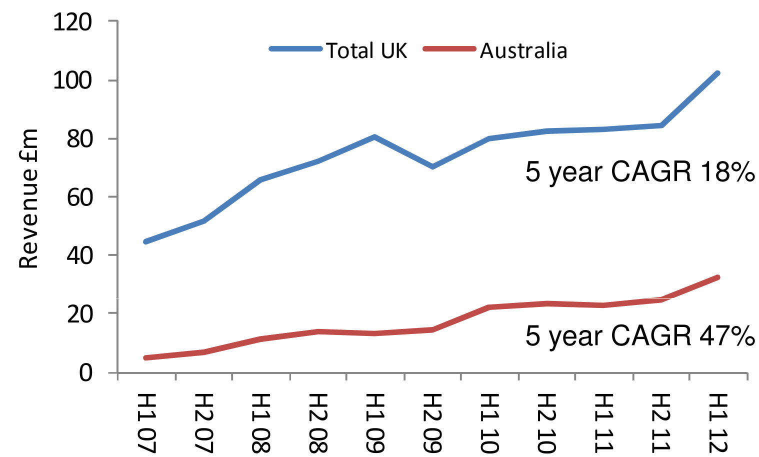
IG continues to gain market share, while underlying market grows

Market share





Revenue growth FY06 to FY12 H1



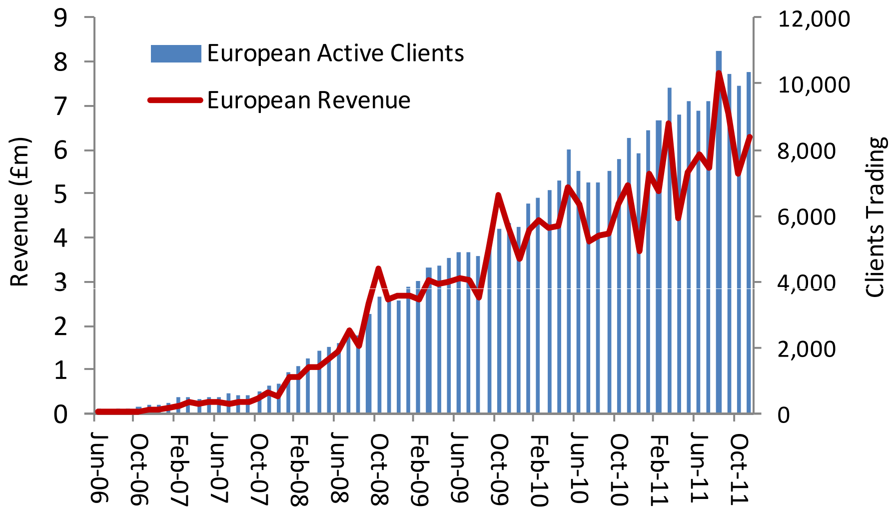
- UK and Australia continue to grow
- IG's UK CFD business is more equity focussed than competitors

(1) *Market share of primary accounts (i.e. percentage of respondents stating IG is their main SB/CFD provider) as reported in*
- *"Investment Trends July 2011 UK Spread Betting and CFD report" (published October 2011)*
- *"Investment Trends May 2011 Australia CFD Report" (published July 2011)*

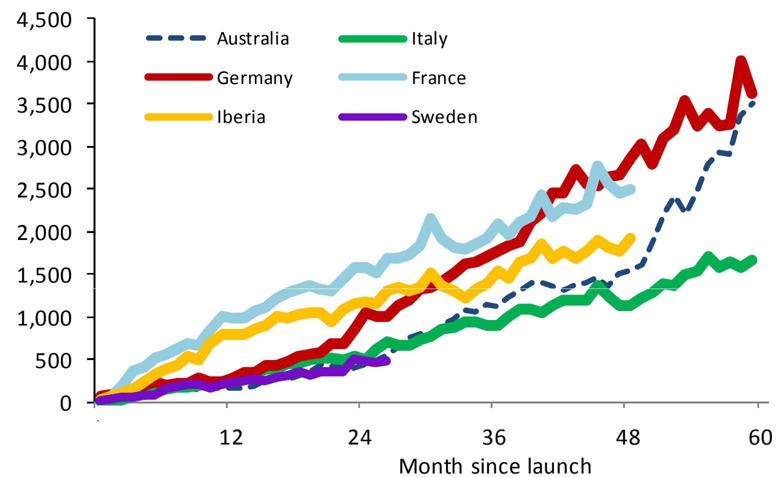
European markets still nascent

Germany and France each of same scale as Australia four years ago

Client and revenue trends FY07 to FY12 H1



Clients trading since launch



FY12 H1 vs FY11 H1 growth		
Office	Revenue	Clients
Italy	40%	38%
France	31%	36%
Germany	46%	33%
Spain	31%	29%
Portugal	84%	67%
Sweden	95%	95%

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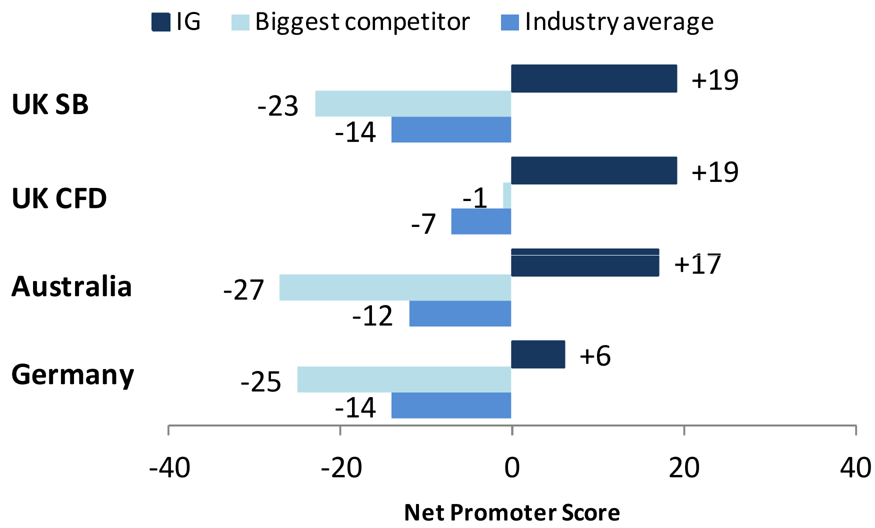
Continuing high levels of client service

Focus on the quality of pricing and execution

Key initiatives

- Treating Customers Fairly (TCF)
- Multilateral trading facilities (MTF)
- Price improvement
- Automation of dealing

Net promoter score[1] overview



(1) The Net Promoter Score (NPS) is calculated by asking respondents "how likely are you to recommend this company to a friend or colleague?" Respondents reply on a 0-10 scale, with the final NPS calculated as the percentage of promoters (score of 9 -10) less the percentage of detractors (score of 0-6). Sourced from:

"Investment Trends July 2011 UK Spread Betting and CFD report" (published October 2011)

"Investment Trends March 2011 Germany CFD and FX Report" (published April 2011): just CFD clients

"Investment Trends: May 2011 Australia CFD Report" (published July 2011)

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Summary

Growth continues

- Strong growth in H1 driven by
  - Continued growth in client base
  - Improved revenue per client
- Established markets deliver good growth
- Subdued client activity in December and early January
- Competitive position is strong
  - Financial strength and focus of full client money protection
  - Technological and marketing investment

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Appendices

Appendix: Regulatory capital

Importance of a strong regulatory capital position

Year on year comparison

	H1 12 £m	H1 11 £m	FY 11 £m
Regulatory capital			
Total Tier 1,2 & 3 capital	406.9	342.8	380.1
Intangible assets (adjusted)	(116.1)	(117.3)	(115.3)
Investment in own shares	(1.5)	(1.3)	(1.2)
Total capital resources	**289.3**	**224.2**	**263.6**
Total (1)			
Capital resources requirement - Pillar 1	95.8	75.1	89.6
Total (2)			
Surplus regulatory capital (1-2)	**193.5**	**149.1**	**174.0**
less proposed dividend	(20.9)	(19.0)	(53.1)
Total	172.6	130.1	120.9

- Total capital resources increased by 10% from year end position
- Regulatory capital surplus up 11%
- Supports the growth of the business
- Buffer against market uncertainty
- Positive differentiation vs. competition

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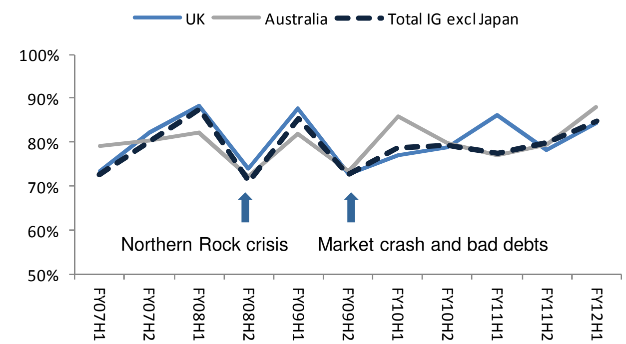
Appendix: Client retention

Client retention levels consistent excluding periods after extreme trading conditions

Client retention rates by year and half year trend FY07 to FY12 H1 [1]

Total IG Financial clients excl Japan	FY07	FY08	FY09	FY10	FY11
New accounts	23,785	42,693	61,538	63,757	60,631
Conversion rate	66%	68%	72%	73%	74%
First trades	15,809	29,211	44,291	46,612	44,803
Total active clients	34,483	56,291	88,336	103,338	117,252
Clients retained from prior periods	18,674	27,080	44,045	56,726	72,449
Retention rate	76%	79%	78%	64%	70%



Total IG Financial clients excl Japan	FY07		FY08		FY09		FY10		FY11		FY12	
	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2
New accounts	10,648	13,137	19,012	23,681	31,916	29,622	31,655	32,102	30,338	30,293	32,213	
Conversion rate	**66%**	**67%**	**70%**	**67%**	**70%**	**75%**	**73%**	**73%**	**75%**	**73%**	**76%**	
First trades	7,063	8,746	13,378	15,833	22,194	22,097	23,064	23,548	22,686	22,117	24,330	
Total active clients	21,204	25,780	35,921	41,341	57,517	63,954	73,365	81,738	86,024	90,954	101,489	
Clients retained from prior periods	**14,141**	**17,034**	**22,543**	**25,508**	**35,323**	**41,857**	**50,301**	**58,190**	**63,338**	**68,837**	**77,159**	
Retention rate	**73%**	**80%**	**87%**	**71%**	**85%**	**73%**	**79%**	**79%**	**77%**	**80%**	**85%**	

(1) *% of those clients (excluding Japan) who traded as a percentage of clients trading in previous periods*

Appendix: Trading revenue per client – financial only

Half-year analysis FY06 to FY12 H1[1]

Turnover (£m)	H106	H206	H107	H207	H108	H208	H109	H209	H110	H210	H111	H211	H112
UK SB	24.0	31.6	33.6	36.6	48.0	56.2	63.4	54.6	55.8	55.1	56.2	61.5	74.8
UK CFD	6.6	8.7	10.7	15.2	17.6	16.0	16.9	15.6	24.1	27.6	26.7	22.8	27.3
UK Total	30.7	40.3	44.3	51.9	65.6	72.2	80.4	70.2	79.9	82.7	82.9	84.3	102.1
Australia	3.5	5.4	4.8	6.5	11.1	13.9	13.4	14.5	22.2	23.5	22.9	24.7	32.7
Europe	0.1	0.3	0.3	1.2	1.9	5.4	13.3	16.9	21.7	25.7	26.7	30.8	37.8
Japan	0.0	0.0	0.0	0.0	0.0	0.0	10.2	17.8	10.9	13.0	11.1	9.5	8.4
ROW	0.0	0.0	0.2	0.6	0.9	1.5	5.1	6.7	6.0	7.0	9.4	10.5	14.5
Financial Total	**34.3**	**46.0**	**49.7**	**60.1**	**79.4**	**93.0**	**122.3**	**126.0**	**140.8**	**151.8**	**153.0**	**159.7**	**195.5**

Number of Clients	H106	H206	H107	H207	H108	H208	H109	H209	H110	H210	H111	H211	H112
UK SB	11,908	14,322	13,767	15,273	20,487	24,082	32,593	34,251	36,554	40,140	41,935	43,743	47,948
UK CFD	1,456	2,348	3,033	4,238	5,996	5,713	7,310	8,252	9,877	10,809	10,841	10,452	11,234
Australia	1,977	2,475	3,673	4,960	6,808	7,118	9,054	9,960	12,474	13,445	14,061	14,590	16,814
Europe	148	278	427	764	1,607	3,035	5,436	7,249	8,792	11,292	12,428	14,568	17,210
Japan							15,064	16,253	12,441	10,978	12,211	12,267	11,246
ROW	1	29	304	545	1,023	1,393	3,124	4,242	5,668	6,052	6,759	7,601	8,283

Income per Client (£)	H106	H206	H107	H207	H108	H208	H109	H209	H110	H210	H111	H211	H112
UK SB	2,019	2,206	2,443	2,398	2,344	2,335	1,947	1,594	1,528	1,372	1,340	1,405	1,561
UK CFD	4,564	3,695	3,519	3,595	2,929	2,796	2,317	1,889	2,436	2,553	2,462	2,182	2,429
Australia	1,781	2,178	1,313	1,310	1,636	1,952	1,484	1,457	1,780	1,745	1,627	1,695	1,947
Europe	783	1,176	760	1,530	1,162	1,790	2,438	2,334	2,472	2,276	2,149	2,111	2,194
Japan							675	1,092	879	1,185	911	773	743
ROW		392	772	1,051	842	1,084	1,621	1,574	1,063	1,159	1,391	1,378	1,749

(1) *Clients trading in a six month period*