



4 December 2006

IG GROUP HOLDINGS PLC
Pre-close Trading Update

IG Group Holdings plc (“IG” or “the Group”) issues the following trading update relating to the six-month period ended 30 November 2006:

The Group has continued to experience strong volumes across its businesses since its last trading update at the time of its AGM on 2 October 2006. All areas of the business have seen revenue growth, driven by client recruitment and an increase in the number of client transactions. The Board remains confident of the Group’s prospects for the current year.

The UK financial business, the Group’s largest division, continues to see strong growth and is recruiting clients at a faster rate than a year ago. Both the Group’s spread betting operation, which deals primarily with UK-based clients, and the Group’s London-based CFD operation, which deals with clients worldwide, continue to contribute to this growth.

The Group’s sports division continues to make good progress and results for this period benefited from the football World Cup. The Group’s business of market making into betting exchanges, which was established in the prior year, is now generating encouraging levels of revenue.

During the first quarter of the financial year, the Group’s Australian operation experienced muted growth due to reduced client activity levels following volatile equity market conditions. However, client activity has since increased and growth in the second quarter was much stronger. Client recruitment has been strong, with monthly account opening levels substantially higher in the six months ended 30 November than the corresponding period last year.

The Group’s Singapore office, which opened in April 2006, has achieved good levels of client recruitment.

The Group’s strategy of international development continues with the opening of a German office and the establishment of an Italian desk based in London. Marketing, both on-line and in print media, has begun in both countries. These businesses are in early stages of development and while not expected to deliver material revenue in the current year, the initial signs are encouraging for future growth.

The Group has invested heavily during the period in order to provide a solid base for future growth. Capital expenditure has been significantly higher than in the previous two years, reflecting the fitting out of additional office space in London and Melbourne and expenditure on two new data centres. The Group has undertaken significant recruitment, particularly within IT, and now has almost 400 staff worldwide.

The Group’s interim results for the six months ended 30 November 2006 will be announced on Monday 22 January 2007. There will be a presentation for analysts at 9.30am at the offices of Financial Dynamics, Holborn Gate, 26 Southampton Buildings, London WC2A 1PB. A recording and transcript of that presentation will be made available following the meeting on the Group’s web site at www.iggroup.com.

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About IG Group

IG Group is a fast growing, profitable and cash generative provider of speculative investment and leisure products.

The Group's core business is spread betting, both on financial markets, where the Directors believe that IG is the UK market leader (based on turnover), and on sporting, entertainment and political events. The Group's other principal products and services are contracts for difference, binary bets and foreign exchange trading. These products are provided to retail clients and market professionals. More than 90 per cent of the Group's client transactions are executed online.

IG was founded in the United Kingdom in 1974 and commenced trading in Australia in 2002. The Group's business has grown rapidly since the late 1990s, with turnover having increased by 40 per cent compound to £89.4 million during the period between financial years 1998 and 2006.

The Group has offices in London, Melbourne, Singapore and Düsseldorf.