IG GROUP HOLDINGS PLC

Interim results for the six months ended 30 November 2018
22 January 2019

LEI No: 2138003A5Q1M7ANOUD76

IG Group Holdings plc ("IG", "the Group", "the Company"), a global leader in online trading, today announces results for the six months ended 30 November 2018 (H1 FY19).

Operating and Strategic Summary

- The ESMA product intervention measures came into effect during the first quarter of the Group's financial year (Q1 FY19)
- The actions taken by the Group in preparation for these regulatory changes have resulted in the Company successfully navigating the introduction of the ESMA measures, and the impact of the measures overall has been in line with the Group's expectations
- 69% of the Group's ESMA region revenue in Q2 FY19 came from Professional clients
- 14,626 new OTC leveraged clients (H1 FY18: 18,027), with an improvement in client quality
- Significant progress made with strategic initiatives:
  - IG Europe (IGE), the Group's client facing subsidiary in Germany, is expected to launch by the end of January 2019
  - Spectrum, the Group's multilateral trading facility (MTF), is expected to launch in May 2019
  - IG US, the Group's USA subsidiary operating as a retail FX dealer, is expected to launch by the end of January 2019
- The Company appointed June Felix as its CEO on 30 October 2018

Financial Summary

- Net trading revenue £251.0 million (H1 FY18: £268.4 million) – down 6%
- Operating expenses excluding variable remuneration £122.1 million (H1 FY18: £117.6 million) – up 4%
- Operating profit £112.5 million (H1 FY18: £136.5 million) – down 18%
- Own funds generated from operations £100.1 million – 89% of operating profit
- Basic EPS 24.9 pence (H1 FY18: 29.5 pence) – down 16%

Dividend

An interim dividend of 12.96 pence per share, calculated as 30% of the full year dividend of 43.2 pence per share for FY18, will be paid on 28 February 2019 to those members on the register at the close of business on 1 February 2019.

FY19 Outlook

As previously communicated, the Company continues to expect that its revenue in FY19 will be lower than in FY18, reflecting the impact of the ESMA measures, and the exceptional performance in the second half of FY18 when revenue was boosted by the heightened level of interest in cryptocurrencies.

The Company continues to expect that its total operating costs (operating expenses plus variable remuneration) in FY19 will be at a similar level to the £290 million total operating costs in FY18.

June Felix, Chief Executive, commented:

"The actions that have been taken over the last two years have resulted in the Company successfully navigating the introduction of the ESMA measures. At the same time the business has developed innovative new products, continued to on-board new, valuable clients, and has continued to deliver a high quality service. Our ability to do so reflects the quality of our people, our technology, and our approach to innovation.

IG has experienced significant change and will continue to do so in the future. Change will be driven by regulation, by shifting patterns of wealth, and by the continued development of financial markets around the world. I believe that IG has the capability to adapt and thrive in this evolving market. The size and quality of our client base and our broadening product offering, all underpinned by our culture and values, provide an excellent platform for sustainable growth in the medium term.

I am excited to bring my experience in strategy and product innovation, and in successfully developing businesses in the USA, Asia and Europe, to the Company. I am looking forward to leading the evolution of IG's strategy to deliver sustainable growth and attractive shareholder returns and we expect to provide an update on our strategy before the end of the current financial year.

I am confident that the Company will, as previously guided, return to growth after FY19.

The Board reiterates that we expect to maintain the 43.2p per share annual dividend until the Group's earnings allow the Company to resume progressive dividends."

Further information

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Analyst presentation

There will be an analyst and investor presentation on the results at 9:30am (UK Time) on Tuesday 22 January 2019 at the IG Group offices, Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2YA.
The presentation will also be accessible live via audio webcast at www.iggroup.com and via a conference call on the following number: **UK: +44 20 3059 5868 and all other locations: +44(0)20 3059 5868 when requested**
The audio webcast of the presentation and a transcript will be archived at: www.iggroup.com/investors

Disclaimer - forward-looking statements and market abuse regulations

This interim statement, prepared by IG Group Holdings plc (the "Company"), may contain forward-looking statements about the Company and its subsidiaries (the "Group"). Forward-looking statements involve known and unknown risks and uncertainties because they are beyond the Company's control and are based on current beliefs and expectations about future events. No assurance can be given that such results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. If the assumptions on which the Group bases its forward-looking statements change, actual results may differ from those expressed in such statements. Forward-looking statements speak only as of the date they are made and the Company undertakes no obligation to update these forward-looking statements. Nothing in this statement should be construed as a profit forecast.

Some numbers and period on period percentages in this statement have been rounded or adjusted in order to ensure consistency with the financial statements. This may lead to differences between subtotals and the sum of individual numbers as presented.

Acronyms used in this report are as defined in the Group's Annual Report.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation ("MAR"). Upon the publication of this announcement via Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

About IG

IG empowers informed, decisive, adventurous people to access opportunities in over 15,000 financial markets. With a strong focus on innovation and technology, the company puts client needs at the heart of everything it does.

IG's vision is to be a global leader in retail trading and investments. Established in 1974 as the world's first financial derivatives firm, it continued leading the way by launching the world's first online and iPhone trading services.

IG is an award-winning, multi-platform trading company, the world's No.1 provider of CFDs* and a global leader in forex. It provides leveraged services with the option of limited-risk guarantees, and offers an execution-only share dealing service in the UK, Australia, Germany, France, Ireland, Austria and the Netherlands. IG has a range of affordable, fully managed investment portfolios, which provide a comprehensive offering to investors and active traders.

It is a member of the FTSE 250, with offices across Europe, including a Swiss bank, Africa, Asia-Pacific, the Middle East and the US, where it offers on-exchange limited risk derivatives via the Nadex brand.

*Based on revenue excluding FX (from published financial statements, February 2018)

CEO's Statement

I said at the time of my appointment that I was honoured to have been asked to lead a business with such tremendous people and technology and with such a strong client centric culture. I have now been in post for three months, during which I have spent time meeting with our employees, our clients and our regulators, and visiting our global operations. This experience has reinforced my belief that IG is an excellent business with a number of key strengths, set out below, that underpin my confidence that the Group has an exciting future, and is well positioned to deliver sustainable growth and attractive shareholder returns.

Our purpose and our values

The Company has a clear purpose – to empower informed, decisive, adventurous people to access opportunities in the financial markets, and clear values – Champion the client, Lead the way, and Love what we do. These values, whilst simple, fit the culture of the people at IG, they are authentic, and they are what defines us. I believe that our clients experience these values when they interact with us.

Our people

Our people are focused on our purpose, and bring our values to life. We have an experienced, long serving team who understand our clients, what they need and what drives them, which facilitates their delivery of our outstanding client service and platform. No other company has such a strong team of people, and no one knows the CFD market better.

Our people also understand the obligations that come with being the market leader in a highly regulated industry. They operate with integrity and with respect for our clients, our regulators and other stakeholders.

Our business model

Our business is focused on providing an excellent service to our clients allowing them to access opportunities to trade in over 15,000 markets even when the underlying markets are closed. We generate our revenue from the level and volume of client activity – we do not seek to generate returns from taking market risk – and we therefore avoid a potential conflict of interest with our clients. We want our clients to trade well, and to enjoy it.

Our brand and our reputation

The connection between this business and its clients runs deeper than a recognition of the quality of our platforms and execution. The words and phrases that resonate most with our clients when asked about how IG makes them feel include "safe", "in control", "informed", "connected", "proficient", "reassured", "looked after" and "ahead of the curve". I am delighted that the business's reputation for fairness and integrity is recognised by our clients and I look forward to further developing our brand to reinforce our position as the leader in this industry.

Our standing with regulators

The Company adheres to the highest regulatory standards and our people around the world maintain an ongoing dialogue with our regulators to inform them of our plans and to ensure that our actions are consistent with regulatory expectations. As a result we have a strong working relationship with regulators across the world, which we regard as essential for the sustainability and growth of our business.

Our clients

This business has, for over 44 years, been focused on providing a comprehensive trading platform and service to meet the needs of the most sophisticated clients. As a result I believe that we have the highest quality client base in the industry, with the highest value clients and the longest client tenure. Our clients are loyal to IG, and many of them have traded with us for many, many years. This reflects the strength of our purpose and our values, the quality of our people, brand and reputation, and the sustainability of our business model. I am proud to lead a company which has such strong and enduring client relationships.

Our technology and innovation

The quality of our technology is something everyone in the business takes pride in. We have, and we will continue, to invest in our platforms to further enhance our market leadership, focusing on quality design and usability, low latency, speed of execution, and reliability. I believe that our technology, and our capability to deliver innovative new products and services, are core strengths and key enablers for business growth.

Looking forward

The actions that have been taken over the last two years have resulted in the Company successfully navigating the introduction of the ESMA measures. At the same time the business has developed innovative new products, continued to on-board new, valuable clients, and has continued to deliver a high quality service. Our ability to do so reflects the quality of our people, our technology, and our approach to innovation.

IG has experienced significant change and will continue to do so in the future. Change will be driven by regulation, by shifting patterns of wealth, and by the continued development of financial markets around the world. I believe that IG has the capability to adapt and thrive in this evolving market. The size and quality of our client base and our broadening product offering, all underpinned by our culture and values, provide an excellent platform for sustainable growth in the medium term.

I am excited to bring my experience in strategy and product innovation, and in successfully developing businesses in the USA, Asia and Europe, to the Company. I am looking forward to leading the evolution of IG's strategy to deliver sustainable growth and attractive shareholder returns, and we expect to provide an update on our strategy before the end of the current financial year.

I am confident that the Company will, as previously guided, return to growth after FY19.

The Board reiterates that we expect to maintain the 43.2p per share annual dividend until the Group's earnings allow the Company to resume progressive dividends.

Group Performance Review

Overview

The Company has made good strategic and operational progress during the first half of the year, delivering the actions to ensure that the business successfully navigates the impact of regulatory change, and to position the business so that it will continue to deliver for its shareholders and other stakeholders under a more restrictive regulatory environment. The Company appointed June Felix as its new CEO on 30 October 2018.

The ESMA product intervention measures came into effect during the first quarter of the Group's financial year (Q1 FY19). The prohibition on offering binary options to Retail clients became effective from 2 July 2018, and the restrictions relating to the provision of CFDs to Retail clients were effective from 1 August 2018. The actions taken by the Group in preparation for these regulatory changes, particularly the launch of the online process to enable its sophisticated clients who meet the required criteria to apply to become categorised as a Professional client, have resulted in the Company successfully navigating the introduction of the ESMA measures. The impact of the measures overall has been in line with the Group's expectations.

In the second quarter of the year (Q2 FY19), when the ESMA measures were in effect throughout, the Group's net trading revenue of £122.1m was 8% lower than in the same period in the prior year. Revenue in the ESMA region in Q2 FY19 was 18% lower than in the prior year. This was offset by the 9% growth in revenue from the Group's OTC leveraged derivatives business outside ESMA. Both these figures are underlying changes, adjusting for the 1,200 clients who previously contracted with a UK entity who are now trading with an entity outside the ESMA region.

The Group's revenue in the first half of the year was £251.0m, 6% lower than in the same period in the prior year. Operating costs excluding variable remuneration were £122.1m, 4% higher than in the prior year, operating profit in the first half of the year was £112.5m, 18% lower than in the prior year, with the operating profit margin at 44.8%.

Leading the way

IG exists to empower informed, decisive, adventurous people to access opportunities in financial markets. IG started this industry over 40 years ago by providing clients with the opportunity to gain exposure to the price of gold and now offers clients over 15,000 financial markets.

The Company has delivered a sustainable business by placing good client outcomes at the heart of everything it does. Good conduct, from the way products are designed, to how they are marketed, to whom firms allow to use them, is essential to deliver good client outcomes.

IG differentiates itself within the industry through its good conduct. The Company adheres to the highest regulatory standards, and through its focus on ensuring that its marketing and advertising targets an appropriate audience, IG seeks to only accept clients who understand our product and the risks involved.

IG has operated in full compliance with the new ESMA measures from their implementation, and has maintained an ongoing dialogue with the FCA to ensure its interpretation of the measures, and the actions taken, are consistent with regulators' expectations.

The Company has ensured that the required risk warnings are prominent on all of its advertising and online material, with loss rates clearly highlighted. IG does not offer any products in the ESMA region that allow a Retail client to trade with leverage levels in excess of those set out within the ESMA measures for each asset class. The Company's procedures to assess clients who apply to be categorised as Professional are rigorous and are fully aligned with ESMA's guidance. The Group does allow, but does not promote, appropriate clients to apply to contract with other regulated Group entities based in jurisdictions outside the EU.

IG continues to support the objective of regulators to improve client outcomes in the industry, and believes that many of the measures, if implemented appropriately and enforced effectively, will improve client outcomes. The Company continues to believe that the leverage restrictions implemented through ESMA go beyond what is needed to protect Retail clients from poor outcomes associated with excessive leverage.

Leveraged derivative instruments are not appropriate for everyone. The Company's long held view is that robust supervision around who the product is marketed to, and which applicants are accepted as clients, remains the most significant measure to drive improved client outcomes.

The Company will continue to engage with regulators to seek to achieve the best possible outcomes for current and future clients of the industry. In IG's experience, when proportionate regulation has been applied consistently and appropriately, client outcomes have improved, and compliant providers have benefitted over the longer term.

Championing the client

IG's business model ensures that its interests as a business are aligned with the interests of its clients, which sets it apart from most other companies in the industry. The Company does not trade against its clients and it does not benefit from client trading losses. The Company wants its clients to trade profitably, as successful clients are more likely to continue trading.

The Company believes that its culture of acting in clients' best interests, providing excellent client service, providing clients with risk management tools, education and training resources, its innovative platform, and the quality of trade execution, are key differentiators. This creates a sustainable business, with industry leading client tenure and client value metrics.

In H1 FY19, 51% of IG's OTC leveraged revenue was generated from clients who had been trading with the Company for over three years. The tenure of the business's highest value clients is longer than that of the average client. Within the ESMA Professional client category, 61% of OTC leveraged revenue was generated from clients who had been trading with the Company for over three years.

The Group's average OTC leveraged revenue per client has been maintained in H1 FY19, despite the impact of the ESMA measures on the revenue per Retail client in the UK and EU. The average revenue per client was £2,311 in H1 FY19. The average revenue per ESMA region Professional client was £15,291.

Business Development

IG's track record of sustainable revenue growth in its OTC leveraged derivatives business has been delivered through the growth in the size and quality of its active client base.

ESMA's measures apply only to clients categorised as 'Retail' under MiFID and not to natural persons who are categorised as 'Professional'. Since November 2017 the Group has provided an online process that allows clients to request to be categorised as an elective Professional. At the end of November 2018, the Group had received 22,744 applications from clients requesting to be categorised as an elective Professional, of which 5,675 (25%) have been accepted to date.

The proportion of ESMA region revenue generated from Professional clients was 69% in the second quarter. The number of unique active Professional clients in the ESMA region in the first half was 5,500, with an average revenue per client of over £15,000. To reinforce the Group's position as the natural choice for Professional clients, an enhanced product and service offer for Professional clients is being introduced.

IG has continued to attract new OTC leveraged clients in H1 FY19 with an improvement in client quality. 14,626 new clients made their first trade in the period, generating £21.8m of revenue, with an average revenue per client in the period of £1,492. In H1 FY18 the Group attracted 18,027 new clients who generated £22.4m of revenue, with an average revenue per client in the period of £1,245. Each client cohort that the Company recruits has an enduring value for IG generating revenue for many years.

The Group also acquired 7,560 new share dealing and investment clients in the period. Whilst the revenue per client from these services is much lower than in OTC leveraged, the share dealing product provides an acquisition channel to attract new clients, for whom it is appropriate, to OTC leveraged products. The number of multi-product clients (who trade both OTC leveraged products and also hold stocks in a share dealing or investment account) increased by 10% to 5,700. Multi-product clients are more valuable and trade for longer, than the average single product client.

During the period IG Europe (IGE), the Group's client facing subsidiary in Germany, received its licence from BaFin. This provides certainty that IG will be able to offer its regulated financial products in all EU member states following the UK's exit from the EU. IGE will provide a range of trading products to Retail and Professional clients including CFDs and OTC options, and will act as a broker to Retail clients trading turbo warrants on the MTF. IGE is expected to launch by the end of January 2019.

IG has continued the development of its MTF, Spectrum, for the European retail market. The MTF will offer transferrable securities in the form of turbo warrants. This venue traded limited risk product is more familiar to the European Retail client base than IG's existing OTC CFD product. The Company believes that it can create a differentiated offering and a greatly enhanced user experience. The Company is in the final stages of dialogue with BaFin on the licence application for the MTF. The MTF project is on target to go live in May 2019.

The Group's new USA subsidiary received approval during the period to become a member of the NFA and is now registered to operate as a Retail Foreign Exchange Dealer (RFED). The Company believes that its retail FX offer in the US will be able to compete successfully in what is currently a limited competitive market with only three other providers. IG has the added benefit of the lead generation provided by the DailyFX website. This business is expected to launch by the end of January 2019.

The business has also continued to develop innovative new OTC products. In October 2018, IG launched its Knockout Option product in Japan, which has been very popular, generating record account opening levels in the country and creating significant internet search volumes.

FY19 Outlook

As previously communicated, the Company continues to expect that its revenue in FY19 will be lower than in FY18, reflecting the impact of the ESMA measures, and the exceptional performance in the second half of FY18 when revenue was boosted by the heightened level of interest in cryptocurrencies.

The Company continues to expect that its total operating costs (operating expenses plus variable remuneration) in FY19 will be at a similar level to the £290 million total operating costs in FY18.

Regulatory Developments

ESMA

The ESMA measures came into force during the first quarter of the Company's financial year. The prohibition on offering binary options to Retail clients became effective from 2 July 2018, and the restrictions relating to the provision of CFDs to Retail clients were effective from 1 August 2018. The restrictions relating to CFDs are outlined below:

- Leverage limits on the opening of a position by a Retail client from 30:1 to 2:1, which vary according to the volatility of the underlying asset:
  - 30:1 for major currency pairs;
  - 20:1 for non-major currency pairs, gold and major equity indices;
  - 10:1 for commodities other than gold and non-major equity indices;
  - 5:1 for individual equities and other reference values;
  - 2:1 for cryptocurrencies;
- A margin close-out rule on a per account basis;
- Negative balance protection on a per account basis;
- A restriction on the incentives offered to trade CFDs;
- A standardised risk warning.

ESMA does not currently have the power to make these measures permanent. The measures currently apply on a rolling three month basis and have now been approved to be rolled twice. It is the responsibility of the individual National Competent Authority (NCA) to supervise and create policies within their own jurisdictions, and IG believes that it is ESMA's intention to seek to continue to roll the measures until each NCA has incorporated the measures into its national handbook.

The FCA stated on 27 March 2018 that it intended to consult on the implementation of the ESMA measures and this consultation was announced on 7 December 2018. As expected, the FCA is proposing to make the ESMA measures permanent in the UK, and is also proposing to extend the CFD measures to similar leveraged derivatives in the UK. The FCA's proposals have been anticipated by the Company, and do not change the Company's expectations on performance or Group revenue. The Group expects an announcement regarding the FCA's final measures in March 2019.

The NCAs in Germany, Spain and Italy have also announced their intention to implement the ESMA measures into their national law.

Rest of the World

In September 2018 the International Organisation of Securities Commissions (IOSCO) issued its final report on 'Retail OTC Leveraged Products' following its review of the regulatory challenges and concerns about OTC leveraged products sold to retail investors. The report promotes regulatory approaches that can enhance the protection of retail investors, and provides guidance for IOSCO members, but does not set out specific measures.

On 8 October 2018 the Monetary Authority of Singapore (MAS) announced a change of the leverage restrictions currently in place for Retail clients, to take effect from 8 October 2019. The margin that Retail clients will require for FX trading will rise from 2% to 5%. The FX margin for accredited, expert and institutional investors will remain at 2%. This change is not expected to materially impact the Group's revenues.

The Australian regulator, ASIC, is expected to be granted product intervention powers, and if granted, ASIC is expected to consult with the CFD industry during 2019 as to how best to use those powers. The Company believes, based on its interactions with ASIC, that these powers will be used in a proportionate manner.

Operating and Financial Review

Summary Group Income Statement

	H1 FY19 £m	H1 FY18 £m	Change %
Net trading revenue	**251.0**	**268.4**	**(6%)**
Net interest on client money	3.0	1.8	67%
Betting duty and FTT	(5.9)	(2.7)	119%
Other operating income	1.7	1.5	13%
Net operating income	**249.8**	**269.0**	**(7%)**
Operating expenses	(122.1)	(117.6)	4%
Variable remuneration	(15.2)	(14.9)	2%
Total operating costs	**(137.3)**	**(132.5)**	**4%**
Operating profit	**112.5**	**136.5**	**(18%)**
Net finance income / (cost)	0.5	(0.3)	n/m
Profit before taxation	**113.0**	**136.2**	(17%)
Taxation	(21.6)	(28.1)	(23%)
Profit for the period	**91.4**	**108.1**	(15%)
Basic earnings per share	**24.9p**	**29.5p**	**(16%)**

Net trading revenue by reporting segment

	Revenue (£m)		
	H1 FY19	H1 FY18	Change %
UK	103.6	116.7	(11%)
EU	41.8	59.2	(29%)
ESMA Region	**145.4**	**175.9**	**(17%)**
EMEA ex EU	20.6	17.4	18%
APAC	74.1	66.0	12%
OTC Leveraged	**240.1**	**259.3**	**(7%)**
Nadex	8.4	7.3	15%
Share Dealing & Investments	2.5	1.8	39%
Group	**251.0**	**268.4**	**(6%)**

Client trends

	Active clients ('000s)			Revenue per client (£)		
	H1 FY19	H1 FY18	Change %	H1 FY19	H1 FY18	Change %
UK	39.9	47.2	(15%)	2,594	2,470	5%
EU	26.5	31.1	(15%)	1,580	1,906	(17%)
ESMA Region	**66.4**	**78.3**	**(15%)**	**2,190**	**2,246**	**(2%)**
EMEA ex EU	5.4	4.9	10%	3,806	3,540	8%
APAC	32.1	30.0	7%	2,312	2,200	5%
OTC Leveraged	**103.9**	**113.2**	**(8%)**	**2,311**	**2,290**	**1%**
Nadex	12.4	14.8	(16%)	673	492	37%
Share Dealing & Investments	37.0	29.1	27%	67	62	8%
Multi-Product Clients	(5.7)	(5.2)	10%			
Group	**147.6**	**151.9**	**(3%)**			

Overview

The Group's net trading revenue in the first half of the year was £251.0 million, 6% lower than in the same period in the prior year. OTC leveraged revenue of £240.1 million was 7% lower, driven by the 17% reduction in the UK and EU (ESMA region) reflecting the introduction of the ESMA product intervention measures which have impacted the number of active Retail clients and revenue per Retail client in the ESMA region. The Group delivered growth in revenue in all its other regions and businesses. OTC leveraged revenue in EMEA ex EU was 18% higher, and in APAC was 12% higher. Revenue from Nadex, the Group's derivatives exchange in the USA, was up 15%, and revenue from the Group's share dealing and investments business was up 39%.

Net operating income decreased 7% to £249.8 million, primarily reflecting the 6% reduction in net trading revenue.

Operating expenses excluding variable remuneration increased by 4% to £122.1 million reflecting the Group's continued investment in product and platform development.

Operating profit in the first half of the year was £112.5 million, 18% lower than in the prior year, with an operating profit margin of 44.8% (H1 FY18: 50.9%).

Profit after tax was £91.4 million, 15% lower than in the prior year, with basic earnings per share of 24.9p, 16% lower.

OTC Leveraged revenue

For the purposes of this analysis, and in order to provide clarity on the impact of the ESMA measures on the Group's revenue, the reporting segment EMEA has been split into the EU and EMEA excluding the EU (EMEA ex EU). The UK reporting segment, together with EU, is analysed as the ESMA Region.

The ESMA measures apply only to clients categorised as 'Retail' under MiFID and not to natural persons who are categorised as 'Professional'. The analysis of the ESMA region shows revenue generated from Retail and Professional clients separately. This split, which reflects the status of clients as at the end of each month during the period, is shown only for FY19 as prior to this financial year there was no significant difference in the regulatory rules applicable to different categories of clients.

ESMA Region

	Revenue (£m)		Change %	
	H1 FY19	H1 FY18	Reported	Underlying
Professional	84.7	-	-	-
Retail	60.7	-	-	-
ESMA Region	**145.4**	**175.9**	**(17%)**	**(14%)**

	Active clients (000s)			Revenue per client (£)		
	H1 FY19	H1 FY18	Change %	H1 FY19	H1 FY18	Change %
Professional	5.5	-	-	15,291	-	-
Retail	60.9	-	-	998	-	-
ESMA Region	**66.4**	**78.3**	**(15%)**	**2,190**	**2,246**	**(2%)**

Revenue in the ESMA region in H1 decreased by 17% to £145.4 million. The number of active clients in the period fell by 15% to 66,400, with average revenue per client reducing by 2%.

During the first half of the year around 1,200 clients previously contracting with an entity in the ESMA region elected to open an IG account in a jurisdiction which is not subject to the ESMA product intervention measures. The underlying change in revenue shown in the tables adjusts for the revenue generated by these clients in FY19 which is reported in EMEA ex UK and APAC. The underlying change in ESMA region revenue in H1 was a reduction of 14%.

The ESMA measures came into effect during the first quarter (Q1 FY19) and were in place throughout the second quarter (Q2 FY19). The tables below show ESMA region revenue and client metrics for Q1 and Q2 to highlight the performance of the region with the measures fully in effect.

	Revenue (£m)		Change %	
	Q1 FY19	**Q1 FY18**	**Reported**	**Underlying**
Professional	38.4	-	-	-
Retail	40.0	-	-	-
ESMA Region	**78.4**	**88.7**	**(12%)**	**(10%)**

	Active clients (000s)			Revenue per client (£)		
	Q1 FY19	**Q1 FY18**	**Change %**	**Q1 FY19**	**Q1 FY18**	**Change %**
Professional	4.9	-	-	7,841	-	-
Retail	51.9	-	-	771	-	-
ESMA Region	**56.8**	**65.4**	**(13%)**	**1,380**	**1,358**	**2%**

	Revenue (£m)		Change %	
	Q2 FY19	**Q2 FY18**	**Reported**	**Underlying**
Professional	46.3	-	-	-
Retail	20.7	-	-	-
ESMA Region	**67.0**	**87.2**	**(23%)**	**(18%)**

	Active clients (000s)			Revenue per client (£)		
	Q2 FY19	**Q2 FY18**	**Change %**	**Q2 FY19**	**Q2 FY18**	**Change %**
Professional	5.2	-	-	8,830	-	-
Retail	45.9	-	-	453	-	-
ESMA Region	**51.1**	**64.3**	**(21%)**	**1,311**	**1,356**	**(3%)**

Revenue in Q1 FY19, which includes one month when the ESMA measures were fully in place, was £78.4 million, 12% lower than in the same quarter in the prior year. Revenue in Q2 FY19, when the ESMA measures were in effect throughout the period, was £67.0m, 23% lower than in the comparable quarter in the prior year. The underlying change in revenue in Q1 was a reduction of 10%, and in Q2 a reduction of 18%.

Revenue from Professional clients has not been impacted by the ESMA measures. In H1 FY19 the revenue from ESMA region Professional clients was £84.7 million, representing 58% of the ESMA region revenue in the period, and the proportion of ESMA region revenue generated from Professional clients increased to 69% in the second quarter. The number of unique active Professional clients in the first half was 5,500, with an average revenue per client of £15,291.

The reduced revenue in the region reflects the impact of the ESMA measures on Retail clients, with a reduction in the number of active clients and a reduction in the average revenue per client. In H1 FY19 the revenue from ESMA region Retail clients was £60.7 million, of which £40.0m was generated in Q1 and £20.7m in Q2. Revenue per Retail client in the second quarter, when the ESMA measures were in effect throughout, was 41% lower than in Q1, with the number of active Retail clients 12% lower in Q2 compared with Q1. The number of unique active Retail clients in the first half was 60,900, with an average revenue per Retail client of £998.

EMEA ex EU

Revenue in EMEA ex EU (Switzerland, Dubai and South Africa), increased by 18% to £20.6 million, reflecting an increase of 10% in the number of active clients and an 8% increase in average revenue per client. Revenue in the region has been boosted by revenue from former ESMA region clients who have chosen to open accounts with Group entities in this region. Adjusting for the revenue generated by these clients the underlying revenue growth is 4%.

APAC

Revenue in APAC (Australia, Singapore and Japan) increased by 12% to £74.1 million, reflecting a 7% increase in the number of active clients and a 5% increase in average revenue per client. Adjusting for the revenue generated from former ESMA region clients who have chosen to open accounts with Group entities in this region, the underlying revenue growth is 8%.

OTC Leveraged revenue by Asset Class

Revenue by asset class

	H1 FY19 £m	H1 FY18 £m	Change %
Indices	111.6	103.1	8%
Equities	48.0	42.7	12%
Foreign Exchange	42.2	47.9	(12%)
Commodities	22.1	30.6	(28%)
Options	11.0	21.4	(49%)
Cryptocurrencies	5.2	13.6	(62%)
OTC Leveraged	**240.1**	**259.3**	**(7%)**

Changes in revenue by asset class are driven by the overall level of revenue, and the level of volatility in each asset class which impacts the extent to which clients identify trading opportunities. Changes in H1 FY19 also reflect the impact of the ESMA leverage restrictions which have changed the relative attractiveness to clients of trading in different asset classes.

Revenue from clients trading Indices and single name Equities increased by 8% and 12% respectively compared with the first half of the previous year, and revenue from those asset classes accounts for around two thirds of the Group's OTC leveraged revenue in the first half.

The revenue from clients trading Foreign Exchange was 12% lower than in the prior year, and revenue from Cryptocurrencies trading was down by 62% reflecting the waning of client interest in Cryptocurrencies compared with the excitement during FY18, particularly in the second half when revenue from clients trading Cryptocurrencies was £22.8m.

Revenue from clients trading Commodities reduced by 28% reflecting lower levels of volatility. Revenue from clients trading Options has fallen by 49%, reflecting the prohibition on offering binary products to Retail clients in the ESMA region, which came into effect on the 2 July 2018.

Nadex

Revenue from Nadex, our exchange traded derivatives business in the US, was up 15% to £8.4m million. The 16% reduction in the number of active clients reflects the decision to reduce marketing spend, which has resulted in lower new client recruitment. This has been more than offset by an improvement in the retention rate and by the 37% increase in average revenue per client.

Share Dealing and Investments

Revenue from share dealing and investments services increased 39% to £2.5 million. The number of active clients increased by 27% to 37,000.

Operating expenses

Operating expenses by cost type

	H1 FY19 £m	H1 FY18 £m	Change %
Fixed remuneration	51.7	46.3	12%
Advertising and marketing	25.6	27.7	(8%)
Regulatory fees	(2.0)	0.5	n/m
Irrecoverable VAT and other sales taxes	6.3	6.2	2%
Depreciation and amortisation	8.8	8.8	-
Other	31.7	28.1	13%
Operating expenses	**122.1**	**117.6**	**4%**
Headcount at end of period	**1,810**	**1,579**	15%

Fixed remuneration costs increased by 12% to £51.7 million reflecting the 15% increase in headcount.

External advertising and marketing expenditure was 8% lower, at £25.6 million, due to lower spend as marketing plans were adjusted for the post ESMA marketing landscape.

The Group is charged regulatory fees by the various regulators in the jurisdictions in which it operates, and in addition is required to make a contribution to the Financial Services Compensation Scheme (FSCS) in the UK. The Group estimates the cost of the FSCS levy which is booked in full in the second half of the year. The actual charge is notified to the Group in the first half of the following year, and the net credit to the income statement in H1 FY19 reflects the lower than estimated charge for the FSCS levy resulting in the release during the period of part of the charge recognised in H2 FY18.

Operating expenses by activity category

	Headcount			£m		
	30 Nov 18	**31 May 18**	**30 Nov 17**	**H1 FY19**	**H1 FY18**	**Change %**
Prospect acquisition	279	226	219	36.9	39.0	(5%)
Sales and client service	441	436	427	16.1	15.4	5%
Technology and innovation	829	762	692	47.4	43.3	9%
Business administration	261	253	241	21.7	19.9	9%
Operating expenses	**1,810**	**1,677**	**1,579**	**122.1**	**117.6**	**4%**

The four key areas of activity in the business are prospect acquisition, sales and client service, technology and innovation, and business administration. The analysis of operating expenses into these four areas provides additional information on the drivers of operating expenses.

Prospect acquisition expenditure is targeted at attracting suitable prospects for conversion into new clients. The increase in headcount reflects the investment in search engine optimisation which has been offset by rebalancing spend in other areas. Overall, the expenditure on prospect acquisition decreased by 5% on the same period in the previous financial year to £36.9 million reflecting the lower external advertising and marketing spend.

Sales and client service expenditure, which is the cost of servicing and retaining our clients, increased by 5% to £16.1 million. Staff costs remained flat, with the increased cost reflecting the higher credit card and alternative payment costs in the first half.

Technology and Innovation expenditure includes all the resources, technology and infrastructure costs associated with the provision of the trading platform, the management of our market risk and our product and platform development costs. This expenditure increased by 9% to £47.4 million due to increased headcount costs related to the investment in product and platform development.

Business Administration includes our finance, risk, compliance and HR functions, and the legal, professional and regulatory fees we incur in administering and managing the Group. Business administration costs increased 9% to £21.7 million due to increased headcount and staff recruitment costs, higher legal and professional fees, offset by lower regulatory fees due to the lower charge for the FSCS levy.

Variable remuneration

	H1 FY19 £m	H1 FY18 £m	% Change
Share based compensation	4.4	3.9	13%
Sales bonuses	2.7	1.8	50%
General bonuses	8.1	9.2	(12%)
Variable remuneration	**15.2**	**14.9**	2%

Share based compensation costs relate to the long-term incentive plans for senior management. The costs reflect the size of the awards and the extent to which they are expected to vest, which is driven predominantly by EPS and relative TSR performance. The charge in H1 FY19 included a portion of the accelerated vesting of share awards for the former CEO. The remainder of that charge will be booked in H2.

Sales bonuses increased by 50% reflecting higher commission payments to sales staff for the on boarding and management of their own sourced high value clients.

The general bonus pool decreased by 12%.The size of the general bonus pool is dependent upon the Group's annual performance against internal targets, which reflect both financial and non-financial measures. It is not based on financial performance compared with the prior year.

Net finance income/(cost)

The Group earns interest income on its cash balances and on its holdings of gilts which totalled £1.7 million in the period, £1.2 million higher than in the same period in the prior year, reflecting the larger average balances held during the period and slightly higher interest rates.

The Group pays fees and interest relating to its debt facilities. On 21 June 2018 the Group entered into a new Facilities Agreement which provides a £200 million credit facility comprising a £100 million sterling term loan, which is fully drawn, and a £100 million committed revolving credit facility (RCF). The cost of these facilities totalled £1.6 million in the period. Bank facility costs in H1 FY18 of £0.6 million reflected the fees and interest relating to the £160 million RCF which was available to the Group until the new Facilities Agreement was entered into.

The Group also earns and pays interest on its cash balances at hedging brokers. The Group earned £0.4 million net interest income on its balances with hedging brokers during the six month period (H1 FY18: net charge £0.2 million).

Taxation

The effective tax rate (ETR) applied to the interim profit before tax is 19.1%. This reflects the forecast full year effective rate for FY19 (FY18 actual effective tax rate: 19.4%).

The Group's ETR is dependent on a mix of factors including taxable profit by geography, the tax rates levied in those geographies, and the availability and use of taxable losses.

Dividend

The Board has declared an interim dividend of 12.96 pence per share, calculated as 30% of the full year ordinary dividend per share for the prior year.

The interim dividend will be paid on 28 February 2019 to those members on the register at the close of business on 1 February 2019.

Own funds flow

£m	H1 FY19	H1 FY18
Operating profit	112.5	136.5
Depreciation and amortisation	8.8	8.8
Share based compensation	4.9	3.2
Change in working capital	(26.1)	(9.5)
Own funds generated from operations	**100.1**	**139.0**
as % of operating profit	*89%*	*102%*
Taxes paid	(19.9)	(22.2)
Net own funds generated from operations	**80.2**	**116.8**

The Group uses own funds, and net own funds, generated from operations as its key measures of cash generation.

Cash generation remains strong, with own funds generated from operations of £100.1 million (H1 FY18: £139.0 million), compared with operating profit of £112.5 million (H1 FY18: £136.5 million), with a cash conversion rate, calculated as own funds generated from operations divided by operating profit, of 89% (H1 FY18 102%). The increase in the working capital outflow compared with the prior year reflects the higher level of bonus accruals at the end of FY18, which are paid in H1 FY19, than at the end of FY17, which were paid in H1 FY18.

Tax payments of £19.9 million reflect the payment of the £22.7 million balance of the UK corporation tax liability for FY18 outstanding at the start of the year, and the payment of £3.5 million of overseas tax, partly offset by the receipt of £6.3 million of UK tax overpaid in earlier periods.

Movement in own funds

£m	H1 FY19	H1 FY18
Net own funds generated from operations	80.2	116.8
Net financing receipts	0.1	-
Purchase of DailyFX	-	(3.0)
Capital expenditure	(9.6)	(5.5)
Purchase of own shares	(1.9)	(4.6)
Pre-dividend increase in own funds	**68.8**	**103.7**
Dividends paid	(123.3)	(84.0)
Term loan	100.0	-
Increase in own funds	**45.5**	**19.7**
Own funds at start of the year	746.1	614.3
Impact of movement in exchange rates	3.0	(6.2)
Own funds at the end of period	**794.6**	**627.8**

The net financing receipts in H1 FY19 reflects the £0.5 million net finance income in the Income Statement, adjusted for the increase in the net interest receivable at the end of the period compared with 31 May 2018.

Capital expenditure in the period of £9.6 million relates to internally developed software (including the MTF platform and the USA FX platform), and the purchase of third-party software and IT equipment.

Dividend payments in the period reflect the final dividend for the year ended 31 May 2018.

The Group has fully drawn down the £100 million term loan included in the new Facilities Agreement.

Summary Group balance sheet

£m	**30 Nov 2018**	**31 May 2018**	**30 Nov 2017**
Goodwill	108.1	108.0	107.8
Intangible assets	45.5	43.4	46.2
Property, plant and equipment	15.1	15.5	15.8
Fixed assets	**168.7**	**166.9**	**169.8**
Liquid asset buffer	82.1	83.1	81.3
Amounts at brokers	398.9	450.0	396.3
Cash in IG bank accounts	393.4	289.7	251.9
Own funds in client money	43.1	49.5	61.1
Liquid assets	**917.5**	**872.3**	**790.6**
Short term bank borrowings	-	-	(50.0)
Client deposits IG Bank SA	(34.0)	(37.0)	(43.7)
Title transfer funds	(88.9)	(89.2)	(69.1)
Own funds	**794.6**	**746.1**	**627.8**
Working capital	(36.0)	(62.4)	(36.9)
Tax payable	(18.0)	(17.6)	(18.5)
Deferred tax assets and liabilities	8.2	9.1	8.6
Capital employed	**917.5**	**842.1**	**750.8**
Shareholders' funds	817.5	842.1	750.8
Long term bank borrowings	100.0	-	-
Capital employed	**917.5**	**842.1**	**750.8**

The Group's total liquid assets at the end of the period of £917.5 million include the term loan, client deposits at IG Bank in Switzerland, and client funds which have been transferred to the Group under title transfer arrangements. The Group has access to additional liquidity through the committed RCF. The RCF is not intended to be used in normal circumstances and has not been drawn during the period.

The Group's capital employed at the end of the period of £917.5 million is provided by £817.5m of shareholders' funds, and the £100 million term loan.

Available liquidity

£m	**30 Nov 2018**	**31 May 2018**
Liquid assets	**917.5**	**872.3**
Broker margin requirement	(314.5)	(386.8)
Cash balances in non-UK subsidiaries	(176.6)	(154.1)
Own funds in client money	(43.1)	(49.5)
Available liquidity at end of period	**383.3**	**281.9**
of which:		
Held as liquid asset buffer	82.1	83.1
Dividend due	47.7	123.1

The Group requires liquidity to fund its day-to-day operations, primarily to fund the margin that its hedging brokers require to support the Group's hedging positions, the regulatory and working capital of its subsidiaries, and to fund adequate buffers in client money accounts.

The average broker margin requirement in H1 FY19 was £371 million, with the peak broker margin requirement of £456 million in July 2018. The level of broker margin is driven by the notional value of the Group's open hedging positions which vary with client trading activity and the extent to which client trades can be internalised. At 30 November 2018, the broker margin requirement was £314.5 million (31 May 2018: £386.8 million).

The cash in subsidiaries was £176.6 million at 30 November 2018, with the increase compared with the 31 May 2018 year end reflecting the new regulated subsidiaries in the USA and Germany.

Regulatory capital resources

£m	30 Nov 2018	31 May 2018	30 Nov 2017
Shareholders' funds	817.5	842.1	750.8
Less foreseeable declared dividends	(47.7)	(123.1)	(35.6)
Less goodwill	(108.1)	(108.0)	(107.8)
Less intangible assets	(45.5)	(43.4)	(46.2)
Less deferred tax assets	(8.4)	(9.1)	(8.6)
Regulatory Capital resources	**607.8**	**558.5**	**552.6**

Pillar 1 Risk Exposure Amounts (REA)

£m	30 Nov 2018	31 May 2018	30 Nov 2017
Total Pillar 1 REA	1,818.9	2,037.7	1,951.8
Capital ratio	**33.4%**	**27.4%**	**28.3%**
Required capital ratio			
Pillar 1 minimum	8.0%	8.0%	8.0%
Individual Capital Guidance (ICG)	9.4%	9.4%	9.4%
ICG requirement	17.4%	17.4%	17.4%
plus combined buffer requirement	2.8%	2.2%	1.6%
Total requirement %	**20.2%**	**19.6%**	**19.0%**
Total requirement - £m	367.4	399.4	370.8
Capital headroom - £m	240.4	159.1	181.8

The Group's Capital Ratio at 30 November 2018 including the profit for the half year and after deducting the value of the interim dividend for FY19 that will be paid in February 2019, was 33.4% compared with the required minimum capital ratio, including the combined buffer requirement, of 20.2%.

Principal risks and uncertainties

The principal risks and uncertainties which could impact the Group for the remainder of the current financial year remain consistent with those detailed in the 2018 Group Annual Report. There have been no significant changes in the Group's risk management framework in the six month period ended 30 November 2018 and up to the date of approval of the Interim Financial Statements.

IG's Risk Taxonomy categorises the principal risks faced by the firm into five areas: the risks inherent in the regulatory environment, the risks inherent in the commercial environment, business model risk, operational risk and conduct risk.

Detail on all of the above risks and how they are managed is included on pages 32 to 38 of the 2018 Group Annual Report, which is available on the Group's website.

Consolidated Interim Income Statement
for the six months ended 30 November 2018 (unaudited)

	Note	Unaudited six months ended 30 November 2018	Unaudited six months ended 30 November 2017
	Note	£m	£m
Trading revenue		257.2	280.1
Introducing partner commissions		(6.2)	(11.7)
Net trading revenue	3	251.0	268.4
Betting duty and financial transaction taxes		(5.9)	(2.7)
Interest income on segregated client funds		3.2	2.2
Interest expense on segregated client funds		(0.2)	(0.4)
Other operating income		1.7	1.5
Net operating income		249.8	269.0
Operating expenses	4	(137.3)	(132.5)
Operating profit		112.5	136.5
Finance income		2.2	1.3
Finance costs		(1.7)	(1.6)
Profit before taxation		113.0	136.2
Taxation	5	(21.6)	(28.1)
Profit for the period and attributable to the owners of the parent		91.4	108.1
Earnings per ordinary share			
- basic	6	24.9p	29.5p
- diluted	6	24.6p	29.3p

Consolidated Interim Statement of Comprehensive Income
for the six months ended 30 November 2018 (unaudited)

	Unaudited six months ended 30 November 2018		Unaudited six months ended 30 November 2017	
	£m	£m	£m	£m
Profit for the period		91.4		108.1
Other comprehensive income/(expense):				
Items that may be subsequently reclassified to the Income Statement:				
Changes in the fair value of financial assets held at fair value through other comprehensive income, net of tax	(0.1)		(0.6)	
Foreign currency translation gain/(loss)	4.4		(6.6)	
Other comprehensive income/(expense) for the period		4.3		(7.2)
Total comprehensive income attributable to the owners of the parent		95.7		100.9

Consolidated Interim Statement of Financial Position

at 30 November 2018 (unaudited)

	Note	Unaudited 30 November 2018 £m	31 May 2018 £m	Unaudited 30 November 2017 £m
Assets				
Non-current assets				
Property, plant and equipment		15.1	15.5	15.8
Intangible assets	10	153.6	151.4	154.0
Financial investments	11	141.4	111.6	55.6
Deferred income tax assets		8.4	9.1	8.6
		318.5	287.6	234.0
Current assets				
Trade receivables	8	318.2	382.8	325.1
Other assets	9	4.3	27.2	62.7
Prepayments and other receivables		11.3	11.8	11.1
Cash and cash equivalents		393.4	289.7	251.9
Financial investments	11	62.3	62.0	97.6
		789.5	773.5	748.4
TOTAL ASSETS		1,108.0	1,061.1	982.4
Liabilities				
Current liabilities				
Trade payables	12	123.3	126.7	112.8
Other payables		49.5	74.7	50.3
Borrowings		-	-	50.0
Income tax payable		18.0	17.6	18.5
		190.8	219.0	231.6
Non-current liabilities				
Borrowings		99.5	-	-
Deferred income tax liabilities		0.2	-	-
		99.7	-	-
Total liabilities		290.5	219.0	231.6
Equity				
Share capital and share premium		206.8	206.8	206.8
Other reserves		73.4	71.6	63.7
Retained earnings		537.3	563.7	480.3
Total equity		817.5	842.1	750.8
TOTAL EQUITY AND LIABILITIES		1,108.0	1,061.1	982.4

Notes 1 to 15 are an integral part of these Consolidated Interim Condensed Financial Statements.

These Consolidated Interim Condensed Financial Statements were approved by the Board of Directors on 22 January 2019 and signed on its behalf by:

P R Mainwaring, Chief Financial Officer

Consolidated Interim Statement of Changes in Equity
for the six months ended 30 November 2018 (unaudited)

	Share capital and share premium £m	Other reserves £m	Retained earnings £m	Total equity £m
At 31 May 2017	206.8	123.1	405.4	735.3
Profit for the period	-	-	108.1	108.1
Other comprehensive expense for the period	-	(7.2)	-	(7.2)
Total comprehensive income for the period	-	(7.2)	108.1	100.9
Equity-settled employee share-based payments	-	3.2	-	3.2
Employee Benefit Trust purchase of shares	-	(4.6)	-	(4.6)
Equity dividends paid	-	-	(84.0)	(84.0)
Transfer of share based payment reserve	-	(50.8)	50.8	-
Movement in equity	-	(52.2)	(33.2)	(85.4)
At 30 November 2017	206.8	63.7	480.3	750.8

	Share capital and share premium £m	Other reserves £m	Retained earnings £m	Total equity £m
At 31 May 2018	206.8	71.6	563.7	842.1
Profit for the period	-	-	91.4	91.4
Other comprehensive income for the period	-	4.3	-	4.3
Total comprehensive income for the period	-	4.3	91.4	95.7
Equity-settled employee share-based payments	-	4.9	-	4.9
Share based payment vesting	-	(5.5)	5.5	-
Employee Benefit Trust purchase of shares	-	(1.9)	-	(1.9)
Equity dividends paid	-	-	(123.3)	(123.3)
Movement in equity	-	1.8	(26.4)	(24.6)
At 30 November 2018	206.8	73.4	537.3	817.5

Consolidated Interim Cash flow Statement
for the six months ended 30 November 2018 (unaudited)

	Note	Unaudited six months ended 30 November 2018	Unaudited six months ended 30 November 2017
		£m	£m
Operating activities			
Operating profit		112.5	136.5
Adjustments to reconcile operating profit to cash generated from operations:			
Depreciation and amortisation		8.8	8.8
Share-based payments charge		4.9	3.2
Decrease/(Increase) in trade and other receivables		88.8	(20.6)
(Decrease) in trade and other payables		(29.1)	(21.8)
Cash generated from operations		185.9	106.1
Income taxes paid		(19.9)	(22.2)
Net cash flow generated from operating activities		166.0	83.9
Investing activities			
Interest received		5.2	2.7
Purchase of property, plant and equipment		(3.4)	(1.4)
Payments to acquire and develop intangible assets		(6.2)	(7.1)
Net cash flow from sale/purchase of financial investments		(32.2)	(10.7)
Net cash flow used in investing activities		(36.6)	(16.5)
Financing activities			
Interest paid		(2.7)	(1.6)
Equity dividends paid to owners of the parent	7	(123.3)	(84.0)
Employee Benefit Trust purchase of shares		(1.9)	(4.6)
Drawdown of term loan net of fees		99.5	-
Net drawdown on revolving credit facility		-	50.0
Net cash flow used in financing activities		(28.4)	(40.2)
Net increase/(decrease) in cash and cash equivalents		101.0	27.2
Cash and cash equivalents at the beginning of the period		289.7	230.9
Impact of movement in foreign exchange rates		2.7	(6.2)
Cash and cash equivalents at the end of the period		393.4	251.9

1. General information

The Group provides online trading services allowing clients access to various financial markets, including indices, shares, forex, commodities, options and cryptocurrencies.

The Consolidated Interim Condensed Financial Statements of the Group for the six months ended 30 November 2018 were authorised for issue by the Board of Directors on 22 January 2019. IG Group Holdings plc is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on the London Stock Exchange.

The interim information, together with the comparative information contained in this report for the six months ended 30 November 2017, does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The interim information is unaudited but has been reviewed by the Company's auditors, PricewaterhouseCoopers LLP, and their report appears at the end of these Consolidated Interim Condensed Financial Statements. The Financial Statements for the year ended 31 May 2018 have been audited and reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

2. Basis of preparation and accounting policies

Basis of preparation

The Consolidated Interim Condensed Financial Statements for the six months ended 30 November 2018 have been prepared in accordance with the Disclosure and Transparency Rules (DTR) of the Financial Conduct Authority and in accordance with IAS 34 "Interim Financial Reporting". The Consolidated Interim Condensed Financial Statements are presented in Sterling.

The Consolidated Interim Condensed Financial Statements do not include all of the information and disclosures required in the Annual Financial Statements and should be read in conjunction with the Group's Annual Report for the year ended 31 May 2018 which was prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Throughout this report, FY19, FY18 and FY17 refers to the financial years ended 31 May 2019, 31 May 2018 and 31 May 2017 respectively. H1 FY19, H1 FY18 and H1 FY17 refers to the six months ended 30 November 2018, 30 November 2017 and 30 November 2016 respectively.

Going concern basis of accounting

The Group meets its day-to-day working capital requirements through its available liquid assets and committed banking facilities. The Group's liquid assets comprise cash balances available to the Group for its own purposes and exclude all monies held in segregated client money accounts. An element of the Group's liquidity is considered not to be available as it is held in overseas businesses for purposes of local regulatory and working capital requirements, or is held within segregated client money bank accounts to ensure the Group's segregation obligations are met.

In assessing whether it is appropriate to adopt the going concern basis in preparing the Consolidated Interim Condensed Financial Statements, the Directors have considered the resilience of the Group, taking account of its liquidity position and cash generation, the adequacy of capital resources, the availability of external credit facilities and the associated financial covenants, and stress testing of liquidity and capital adequacy taking into account the principal risks faced by the Business. Further details of these principal risks and how they are mitigated is documented in the 2018 Group Annual Report on pages 34 to 38.

The Directors' assessment has considered future performance, solvency and liquidity over a period of at least 12 months from the date of approval of these Consolidated Interim Condensed Financial Statements. The Board, following the review by the Audit Committee, has a reasonable expectation that the Group has adequate resources for that period, and confirm that they consider it appropriate to adopt the going concern basis in preparing these Consolidated Interim Condensed Financial Statements.

Critical accounting estimates and judgements

The preparation of these Consolidated Interim Condensed Financial Statements requires the Group to make estimates and judgements that impact the reported amounts of assets and liabilities as at the interim reporting date and the amounts reported for revenues and expenses during the period. The nature of estimates means that actual outcomes could differ from those estimates. The significant judgements and estimates applied by the Group in this interim information have been applied on a consistent basis with the 2018 Group Annual Report as detailed on page 105.

In the Directors' opinion the accounting estimates or judgements that have the most significant impact on the measurement of items recorded in the interim Financial Statements are the following:

(a) Impairment assessment of goodwill and other intangible assets (estimate) – An impairment assessment was performed as at 31 May 2018 to determine whether the carrying amounts for the DailyFX intangible asset, and for goodwill balances, are appropriate. This involved estimating pre-tax future cash flows attributable to the asset and discounting them back to their present values using a discount rate to determine the value in use of the asset. The determination of pre-tax cash flows is inherently uncertain and relies upon assumptions. The key assumptions relevant to the Group's impairment assessment of the DailyFX intangible asset include the number of first trades generated by the asset, the attrition rate of customers and the net trading income generated by each active client. The outcome of the Group's DailyFX impairment assessment is insensitive to reasonable changes in each of these assumptions. More information on the key assumptions relevant to, and a sensitivity analysis of, the Group's impairment assessment of goodwill is disclosed in note 13 of the 2018 Group Annual Report. A review of the previous assessment undertaken as at 31 May 2018 has been performed as at 30 November 2018 and management do not consider that there have been any significant changes to the appropriateness of the assessment previously performed. A further impairment assessment will be performed as at 31 May 2019.

Critical accounting estimates and judgements (continued)

(b) The calculation of the Group's income tax provision involves a degree of estimation and judgement as the tax treatment of some transactions and the application of tax legislation cannot be finally determined until formal resolution has been reached with the relevant tax authority. The Group recognises tax liabilities for open tax matters based on judgements of the overall likelihood of success and estimates of the additional taxes that may be due. Tax payable may ultimately be materially more or less than the amount already accounted for.

(c) Determining whether the purchase of DailyFX during the year ended 31 May 2017 was a business combination or an asset purchase was a matter of critical accounting judgement which remains relevant for the six-month period ended 30 November 2018 given the significance of the relative size of the asset on the Group's Statement of Financial Position at £25.2 million. The purchase included the website together with its historical content and lead list. In order to enable lead capturing and to re-establish the DailyFX Plus facility, which captures details on new subscribers, the infrastructure necessary for operating and integrating the website needed to be rebuilt. A number of the DailyFX staff were offered and subsequently accepted roles with IG. Therefore, whilst inputs had been acquired, the processes that IG would ultimately benefit from had to be recreated and rebuilt or separately acquired. Accordingly, the Group accounted for the transaction as an asset purchase as not all the requirements for a business combination were met.

(d) The Group recognised £4.3 million of cryptocurrency assets on its Statement of Financial Position as at 30 November 2018 (31 May 2018: £27.2 million and 30 November 2017: £62.7 million). During the year ended 31 May 2018 the Group changed the accounting policy it applies to these assets and reclassified these assets from 'Trade receivables' into 'Other assets' which is considered to be a more appropriate presentation. The classification of cryptocurrency assets is considered to be a critical accounting judgement.

New accounting standards and interpretations – standards and amendments adopted during the year

The accounting policies adopted in the preparation of the Consolidated Interim Condensed Financial Statements are consistent with those followed in the preparation of the Group's Annual Consolidated Financial Statements for the year ended 31 May 2018, except for the adoption of new standards effective as of 1 June 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

In the six month period to 30 November 2018 the Group has applied, for the first time, IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers. The adoption of these standards did not require restatement of prior year Financial Statements. As required by IAS 34, the nature and effect of these changes are disclosed below.

(1) IFRS 9 – Financial Instruments

(A) Impact on the Financial Statements

IFRS 9 has been adopted. The Group's balances that are within the scope of IFRS 9 are Financial investments, Cash and cash equivalents, and Trade receivables (Amounts due from brokers, Own funds in client money, and Amounts due from clients). Trade receivables do not contain a significant financing element. The reclassifications and the adjustments arising from the new impairment rules have not resulted in a restated balance sheet as at 31 May 2018. Upon transition to IFRS 9, there was no material difference in the provision determined under the expected credit loss model and the provision recognised under IAS 39 due to the nature and creditworthiness of the financial assets held so no adjustment was made to the opening Statement of Financial Position. Transition to IFRS 9 therefore had no material impact on the Statement of Financial Position or the Income Statement.

(B) Impact of adoption

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 Financial Instruments from 1 June 2018 resulted in changes in accounting policies which have not materially impacted the Financial Statements, but have impacted the Group's classifications of financial instruments and the relevant disclosures.

- Cash and cash equivalents, and Trade receivables (Own funds in client money and Amounts due from clients) were classified as loans and receivables under IAS 39. These financial assets have been reclassified as financial assets at amortised cost under IFRS 9.
- Trade receivables (Amounts due from brokers) consists of assets classified as held for trading and assets classified as loans and receivables under IAS 39. These assets have been reclassified as assets held at fair value through profit and loss and financial assets at amortised cost under IFRS 9.
- Financial investments was categorised as available for sale under IAS 39. These assets have been reclassified as assets held at fair value through other comprehensive income under IFRS 9.

IAS 39 required impairment losses to be assessed on an incurred basis whereas IFRS 9 requires impairment to be assessed on a forward looking basis by using an expected credit loss model. With the exception of Financial investments which will be assessed using a 12 month expected credit loss model, all other Financial assets will be assessed using a lifetime expected credit loss model because the lifetime of the financial assets are generally less than 12 months.

New accounting standards and interpretations – standards and amendments adopted during the year (continued)

(2) IFRS 15 Revenue from Contracts with Customers

The Group has adopted IFRS 15 Revenue from Contracts with Customers from 1 June 2018. The Group has taken into consideration the following points when assessing whether, and to what extent, IFRS 15 adoption has had an impact on the Group's accounting:

- Additional performance obligations recognised in contracts with customers
- Changes in timing of recognition of revenue
- Variable consideration
- Significant financing components
- Presentation of contract asset and liability balances
- Capitalisation of costs previously expensed

The Group has four revenue generating models; OTC leveraged derivatives, Exchange Traded Derivatives, Share Dealing and Investments. The Group has reviewed each of its revenue generating models for potential impact and concluded that for each of these models the recognition policy is compliant with IFRS15. There is, therefore, no change in the Group's accounting policies from the adoption of IFRS 15, no impact on the timing of revenue recognition and no material impact on the Financial Statements.

(3) IFRS 16 Leases

IFRS 16 was endorsed by the EU in November 2017 and is effective for periods beginning on or after 1 January 2019. The Group does not intend to adopt the standard early. Therefore, it will first be applicable to the Group's accounting period ending 31 May 2020.

IFRS 16 introduces a fundamental change in the accounting by the lessee, including for subleases. For lessees, the 'off balance sheet' operating lease accounting treatment is no longer available, with the exception of short-term leases (less than 12 months) or 'low value' leases.

In terms of the transition to IFRS 16, the Group can choose to apply one of two transition methods:
– The full retrospective transition method, whereby IFRS 16 is applied to all its contracts as if it had always been applied; or
– The modified retrospective approach which includes optional practical expedients.

It is expected that the Group will choose to adopt the modified retrospective approach in order to benefit from the practical expedients which are offered.

IFRS 16 is expected to have a significant impact on the Group's balance sheet when it is adopted from 1 June 2019. As at 30 November 2018, the Group had future minimum rental obligations under lease contracts of £25.1 million (31 May 2018: £25.4m, 31 May 2017: £31.8 million), all of which related to leased office accommodation.

IFRS 16 requires all leases, except for short term or low value leases, to be recognised as an asset on the balance sheet, with a corresponding lease liability recognised for the present value of the future lease payments. This has the effect of grossing up the balance sheet by the value of future minimum rentals payable under operating leases. The depreciation of the asset will then be recognised annually in the income statement. The impact on the income statement is not expected to be material as the annual lease operating expense recognised under IAS 17 is likely to be broadly the same as the annual depreciation charge recognised under IFRS 16.

Seasonality of operations

The Directors consider that there is no predictable seasonality to the Group's operations.

3. Net trading revenue

Net trading revenue represents trading revenue after deducting introducing partner commissions.

Net trading revenue by operating segment

The segmental analysis shown below has been prepared on the same basis as FY18 and more details can be found on page 106 of the 2018 Group Annual Report. The segmental analysis does not include a measure of profitability, nor a segmented Consolidated Interim Statement of Financial Position, as this would not reflect the information which is received by the Group's Chief Operating Decision Maker on a regular basis.

The segmental breakdown of net trading revenue is as follows:

	Unaudited six months ended 30 November 2018	Unaudited six months ended 30 November 2017
	£m	£m
OTC leveraged derivatives:		
UK	103.6	116.7
EMEA	62.4	76.6
APAC	74.1	66.0
	240.1	259.3
Exchange traded derivatives	8.4	7.3
Share Dealing and Investments	2.5	1.8
Total net trading revenue	251.0	268.4

The income from Exchange traded derivatives derives wholly from the United States.

The income from Share Dealing derives from the UK, EMEA and APAC, whilst the income from Investments derives wholly from the UK. In the six months ended 30 November 2018, £1.9 million of Share Dealing and Investments income was generated in the UK (6 months ended 30 November 2017: £1.4 million), £0.5 million was generated in APAC (6 months ended 30 November 2017: £0.3 million) and £0.1 million was generated in EMEA (6 months ended 30 November 2017: £0.1 million).

Net trading revenue by product
The income from OTC leveraged derivatives can also be split by the nature of the underlying asset:

	Unaudited six months ended 30 November 2018	Unaudited six months ended 30 November 2017
	£m	£m
OTC leveraged derivatives:		
Indices	111.6	103.7
Equities	48.0	42.7
Foreign Exchange	47.4	61.5
Commodities	22.1	30.0
Options	11.0	21.4
	240.1	259.3

4. Operating expenses

	Unaudited six months ended 30 November 2018 £m	Unaudited six months ended 30 November 2017 £m
Wages, salaries and benefit allowances	51.7	46.3
Equity-settled share-based payment awards and related social security costs	4.4	3.9
Performance-related bonus and related social security costs	10.8	11.0
Employee related expenses	66.9	61.2
Advertising and marketing	25.6	27.7
Premises related costs	6.5	6.6
IT, Market Data and Communications	11.7	11.0
Legal and professional costs	5.5	3.7
Regulatory fees	(2.0)	0.5
Depreciation and amortisation	8.8	8.8
Other costs	14.3	13.0
	137.3	132.5

The Group is charged regulatory fees by the various regulators in the jurisdictions in which it operates, and in addition is required to make a contribution to the Financial Services Compensation Scheme (FSCS) in the UK. The net credit of £(2.0) million in operating expenses reflects a lower than estimated charge for the FSCS levy resulting in the release, during the period ended 30 November 2018, of part of the charge recognised in the year ended 31 May 2018.

5. Taxation

The Income Tax expense of £21.6 million (30 November 2017: £28.1 million) is recognised based on management's estimate of the effective tax rate for the full financial year. The estimated full year effective tax rate for FY19 is 19.1%. The actual effective tax rate for FY18 was 19.4%.

6. Earnings per ordinary share

Basic earnings per ordinary share is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period, excluding shares purchased and held as own shares in Employee Benefit Trusts. Diluted earnings per ordinary share is calculated using the same profit figure as that used in basic earnings per ordinary share and by adjusting the weighted average number of ordinary shares used in the basic earnings per share calculation to assume conversion of all dilutive ordinary shares arising from share schemes.

Weighted average number of ordinary shares		
Basic	367,441,946	366,554,430
Dilutive effect of share based payments	4,150,519	2,177,243
Diluted	371,592,465	368,731,673

	Unaudited six months ended 30 November 2018	Unaudited six months ended 30 November 2017
Basic earnings per ordinary share	24.9p	29.5p
Diluted earnings per ordinary share	24.6p	29.3p

7. Dividends paid and proposed

The Group paid a final dividend of 33.51p for FY18 (total dividend of £123.3 million) in the six months ended 30 November 2018. The Group paid a final dividend of 22.88p for FY17 (total dividend of £84.0 million) in the in the six months ended 30 November 2017.

The proposed interim dividend for FY19 of 12.96p (total dividend of £47.7 million) was approved by the Board on 22 January 2019 and has not been included as a liability at 30 November 2018. This dividend will be paid on 28 February 2019 to those members on the register at the close of business on 1 February 2019.

8. Trade receivables

	Unaudited six months ended 30 November 2018	31 May 2018	Unaudited six months ended 30 November 2017
	£m	£m	£m
Amounts due from brokers	273.1	332.3	261.7
Own funds in client money	43.1	50.0	61.1
Amounts due from clients	2.0	0.5	2.3
	318.2	382.8	325.1

Amounts due from brokers represent balances with brokers where the combination of cash held on account and the valuation of financial derivative open positions results in an amount due to the Group. In addition to the Amount due from brokers, the Group held UK Government Securities as collateral at brokers, which are classified as Financial investments in the Group's Statement of Financial Position (see note 11).

Own funds in client money represents the Group's own cash held in segregated client funds, in accordance with the UK's Financial Conduct Authority (FCA) CASS rules and similar rules of other regulators in whose jurisdiction the Group operates, and includes £10.6 million (31 May 2018: £11.9 million and 30 November 2017: £18.1 million) to be transferred to the Group on the following business day.

Amounts due from clients arise when a client's total funds deposited with the Group are insufficient to cover any trading losses incurred or when a client utilises a trading credit limit, stated net of an allowance for impairment.

9. Other assets

Other assets are cryptocurrency assets owned and controlled by the Group for the purpose of hedging the Group's exposure to client cryptocurrency trading positions. The Amounts due from Brokers of £324.4 million disclosed in note 8 of the Consolidated Interim Condensed Financial Statements for the six months ended 30 November 2017 included £62.7 million of cryptocurrency assets. These cryptocurrency assets have been removed from Amounts due from brokers and are presented as Other assets in the Consolidated Interim Statement of Financial Position for the six months ended 30 November 2018.

10. Intangible assets

	Goodwill	Domain Names	Development costs	Software and licences	Total
	£m	£m	£m	£m	£m
Net book value - 30 November 2018	108.1	26.8	14.5	4.2	153.6
Net book value - 31 May 2018	108.0	27.5	13.6	2.3	151.4
Net book value - 30 November 2017	107.8	28.7	14.6	2.9	154.0

The expected useful lives of each class of intangible asset are set out on page 132 of the 2018 Group Annual Report.

Notes to the Consolidated Interim Condensed Financial Statements
for the six months ended 30 November 2018 (unaudited)

11. Financial investments

Financial investments are UK Government securities held for the following purposes:

	Unaudited six months ended 30 November 2018 £m	31 May 2018 £m	Unaudited six months ended 30 November 2017 £m
Liquid asset buffer	82.1	83.1	81.3
Collateral at brokers	121.6	90.5	71.9
	203.7	173.6	153.2
Split as:			
Non-current portion	141.4	111.6	55.6
Current portion	62.3	62.0	97.6
	203.7	173.6	153.2

During the period ended 30 November 2018 the Group purchased UK Government gilts for £94.2 million and UK Government gilts with a nominal value of £61.9 million matured.

The effective interest rates of securities held at period end range from 0.08% to 1.04% (year ended 31 May 2018: from 0.08% to 0.87% and period ended 30 November 2017: from 0.07% to 0.84%).

12. Trade payables

	Unaudited six months ended 30 November 2018 £m	31 May 2018 £m	Unaudited six months ended 30 November 2017 £m
Client funds held on balance sheet	122.9	126.2	112.3
Amounts due to clients	0.4	0.5	0.5
	123.3	126.7	112.8

Client funds held on balance sheet comprise title transfer funds and client monies deposited with the Group's Swiss banking subsidiary which are recognised as cash and cash equivalents in the Group's Statement of Financial Position.
Amounts due to clients represent balances that will be transferred from the Group's own cash into segregated client funds on the following business day in accordance with the UK's FCA CASS rules and similar rules of other regulators in whose jurisdiction the Group operates.

13. Related party transactions

The basis of remuneration of key management personnel remains consistent with that disclosed in the 2018 Group Annual Report. There were no other related party transactions which had a material impact on these Consolidated Interim Condensed Financial Statements.

14. Contingent liabilities and provisions

There are currently no contingent liabilities expected to have a material adverse financial impact on the Group's Consolidated Interim Condensed Financial Statements. The Group had no material provisions at 30 November 2018 (year ended 31 May 2018 and period ended 30 November 2017: £nil).

15. Financial risk management

Financial risks arising from financial instruments are analysed into market, credit, concentration and liquidity risks. These Consolidated Interim Condensed Financial Statements do not include all financial risk management information and disclosures required in the Annual Financial Statements. Details of how these risks are managed are discussed in the financial risk management note in note 26 of the 2018 Group Annual Report.

There has not been a significant change in the Group's financial risk management processes or policies since the year end.

Details of the financial instruments valuation hierarchy is provided in note 29, Accounting Policies, in the 2018 Group Annual Report. The definitions, details of the inputs and the valuation techniques in determining the fair values of the Group financial instruments are shown in note 25 of the 2018 Group Annual Report.

There have been no changes in the valuation techniques for any of the Group's financial instruments held at fair value in the period (year ended 31 May 2018 and period ended 30 November 2017: none). There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 for the period ended 30 November 2018 (year ended 31 May 2018 and period ended 30 November 2017: none).

Statement of Directors' Responsibilities

The Directors confirm to the best of their knowledge that the Consolidated Interim Condensed Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Reporting", give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group, and that the interim management report herein includes a fair review of the information required by Disclosure and Transparency Rules 4.2.7 and 4.2.8, namely:

- an indication of important events that have occurred during the six months ended 30 November 2018 and their impact on the Consolidated Interim Condensed Financial Statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the six months ended 30 November 2018 and any material changes in the related party transactions described in the last Annual Report.

The Directors of IG Group Holdings plc are as listed in the IG Group Holdings plc 2018 Annual Report. A list of current directors is maintained on the IG Group Holdings plc website: www.iggroup.com

On behalf of the Board

P R Mainwaring
Chief Financial Officer

Independent review report to IG Group Holdings plc
Report on the Consolidated Interim Condensed Financial Statements

Our conclusion

We have reviewed IG Group Holdings plc's Consolidated Interim Condensed Financial Statements (the 'interim financial statements') in the interim results of IG Group Holdings plc for the 6 month period ended 30 November 2018. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34,
'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The interim Financial Statements comprise:

- The consolidated interim statement of financial position as at 30 November 2018;
- The consolidated interim income statement and consolidated statement of comprehensive income for the
- period then ended;
- The consolidated interim statement of cash flows for the period then ended;
- The consolidated interim statement of changes in equity for the period then ended; and
- The explanatory notes to the interim financial statements.

The interim financial statements included in the interim results have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the interim financial information and the review

Our responsibilities and those of the Directors

The interim results, including the interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim results in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the interim results based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of condensed consolidated Financial Statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the interim results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
22 January 2019
London

(a)The maintenance and integrity of the IG Group website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the Financial Statements since they were initially presented on the website.

(b)Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions