



22 September 2015

IG GROUP HOLDINGS PLC
First Quarter Trading Update

IG Group, a global leader in online trading, today issues the following Trading Update for the three months to 31 August 2015, the first quarter of its 2016 financial year. The trends and figures highlighted below refer to this period and the corresponding period last year.

Revenue in the first quarter was £106.0 million, 24% ahead of the same quarter of the prior year, which was particularly subdued. In what is traditionally a relatively quiet period for the business, the financial markets presented a range of trading opportunities for clients, responding to news flow, including around the Greek eurozone membership debate and the current state of the Chinese economy. Although the performance was good in all months in the quarter, client activity levels were at their highest during the second half of August.

Revenue and key performance indicators by region are as follows:

Geographical Revenue	Q1 Revenue			KPIs	
	FY16	FY15	%	Change in Active clients	Change in Revenue per client
	£m	£m	Change		
UK & Ireland	56.4	45.9	23%	16%	5.8%
Europe	20.8	18.4	13%	18%	(4.4%)
Australia	14.9	12.3	21%	20%	0.8%
Rest of World	13.9	9.0	54%	28%	20%
Total	106.0	85.6	24%	19%	3.6%

Note: Revenue has been rounded to one decimal place. All percentage movements in the table above have been calculated using the unrounded data and movements of 10% or more have been rounded to the nearest percentage point.

At a Group level, active client numbers were ahead of the same quarter in the prior year by 19% and ahead of the fourth quarter of 2015 by 4.9%. The growth in active client numbers was driven predominantly by the continued strong levels of new client recruitment; client first trades in the quarter were ahead of the same period in the prior year by over 50%, having grown in each quarter throughout the 2015 financial year. The higher client recruitment levels are partly a factor of recent market volatility and partly a reflection of the improvements the business is making in the effectiveness of its marketing.

Revenue was ahead in all geographic regions. The UK continues to perform well, with revenue ahead by 23%, driven by growth in both active client numbers and average revenue per client. Recent client growth trends in Europe continue, with active client numbers up by 18% on the same period last year; this was partially offset by a fall of around 4% in average revenue per client, although this measure was slightly ahead of the fourth quarter of last year. In the Australian office, revenue and client numbers were up by around 20%, with just over a quarter of the client growth coming from the broader APAC region. Revenue in Rest of World was ahead by 54%, with growth in client numbers and average revenue per client in all countries.

In the period the company rolled out its stockbroking offering to Germany and Austria. At the end of August, IG had just over 5,500 funded stockbroking accounts and continues to see cross-selling to the leveraged product set. In June, IG opened its latest global sales office in Dubai, with a full advertising and media launch taking place in September. As with the Swiss office, early progress here has been encouraging.

Looking forward

This strong start to the year positions the business well to deliver against full year expectations. However, it is impossible to predict the market conditions for the rest of the year and therefore too early to draw many conclusions.

IG has a clear strategy and will continue to execute against its priorities, which this financial year include rolling out the stockbroking offering to additional countries, launching ETF portfolios, delivering further improvements in the client conversion process and moving the mobile interface forward.

Today there will be a conference call for analysts and investors at 8.30am (UK time). The call can be accessed by dialling +44 20 3059 8125. A replay of the conference call will be available for a week after the event by dialling +44 121 260 4861 and using passcode 1601425#, and it will be archived for access at www.iggroup.com/investors.

The next planned performance announcement from IG is a short pre-close trading update, currently scheduled for 30 November 2015.

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IG is a global leader in online trading, providing fast and flexible access to over 10,000 financial markets – including shares, indices, forex, commodities and binaries.

Established in 1974 as the world's first financial spread betting firm, IG's aim is to become the default choice for active traders globally. It is an award-winning multi-platform trading company, the world's No.1 provider of CFDs* and a global leader in forex, and it now offers an execution-only stockbroking service in the UK, Ireland, Germany, Austria and the Netherlands.

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

*Based on revenue excluding FX, published financial statements, July 2014.

(1)References in this statement to "revenue" refer to net trading revenue, which is trading revenue excluding interest on segregated client funds and is net of introducing broker commissions.

(2) References in this statement to active clients are to the number of clients trading during the period referred to and references to average revenue per client are to revenue for the period referred to divided by the number of active clients in that period.