

In this report we provide information on the business activities of IG Markets Limited and IG Index Limited in the countries in which they operate. This includes details of turnover, employee numbers, the profits generated and the tax paid in each country, alongside an explanation of the business they undertake.

The disclosures are presented in accordance with the provisions within CRD IV:

| COUNTRY | NUMBER OF EMPLOYEES | TURNOVER £000 | PROFIT BEFORE TAX £000 | CASH TAX PAID £000 | PUBLIC SUBSIDIES £000 |
|---|---------------------|------------------|---------------------------|-----------------------|--------------------------|
| IG Markets Limited | | | | | |
| United Kingdom | – | 232,817 | 115,608 | 18,668 | – |
| Branches of IG Markets Limited | | | | | |
| Poland | 37 | 1,155 | 47 | 15 | – |
| Germany | 19 | 9,775 | 1,273 | 199 | – |
| France | 14 | 6,266 | 1,025 | 296 | – |
| Spain | 14 | 5,574 | 602 | 196 | – |
| Italy | 14 | 5,564 | 607 | 191 | – |
| Sweden | 12 | 4,273 | 371 | 37 | – |
| Netherlands | 3 | (109) | 45 | (4) | – |
| Norway | 1 | 570 | 10 | 5 | – |
| Ireland | – | 923 | 123 | 14 | – |
| Luxembourg | – | 210 | 58 | 28 | – |
| | 114 | 267,018 | 119,769 | 19,645 | – |
| Subsidiaries of IG Markets Limited | | | | | |
| Singapore | 38 | 12,237 | 3,556 | 789 | – |
| Total | 152 | 279,255 | 123,325 | 20,434 | – |
| IG Index Limited | | | | | |
| United Kingdom | 805 | 176,420 | 72,506 | 20,200 | – |
| Branches of IG Index Limited | | | | | |
| Ireland | 7 | 1,471 | 239 | 42 | – |
| Total | 812 | 177,891 | 72,745 | 20,242 | – |

IG Markets Limited is exempt under s400 of the United Kingdom's Companies Act 2006 from preparing group financial statements because they have been included in the 2017 consolidated financial statements of IG Group Holdings plc, a company incorporated in the United Kingdom. Some of the figures in the table above will not agree to the figures in the statutory financial statements of the company for the year ended 31 May 2017 as they are on a consolidated basis.

| COUNTRY | DESCRIPTION OF ACTIVITIES | |
|---------------------------|---|--|
| IG Markets Limited | | |
| United Kingdom | OTC leveraged, share dealing, and investments | IG Markets Limited |
| | Financing | IG Finance 9 Limited |
| Poland | Back office, marketing and sales support | IG Markets Limited – Poland Branch |
| Germany | Marketing and sales support | IG Markets Limited – German Branch |
| France | Marketing and sales support | IG Markets Limited – French Branch |
| Italy | Marketing and sales support | IG Markets Limited – Italian Branch |
| Spain | Marketing and sales support | IG Markets Limited – Spanish Branch |
| Netherlands | Marketing and sales support | IG Markets Limited – Dutch Branch |
| Sweden | Marketing and sales support | IG Markets Limited – Swedish Branch |
| Norway | Marketing and sales support | IG Markets Limited – Norwegian Branch |
| Ireland | Marketing and sales support | IG Markets Limited – Irish Branch |
| Luxembourg | Marketing and sales support | IG Markets Limited – Luxembourg Branch |
| Singapore | OTC leveraged derivatives | IG Asia Pte Limited |
| IG Index Limited | | |
| United Kingdom | OTC leveraged derivatives | IG Index Limited |
| Ireland | Marketing and sales support | IG Index Limited – Irish Branch |

EXPLAINING THE NUMBERS ABOVE

COUNTRY

We have determined which country to report activity under by looking at country of tax residence and considered other factors such as the location of management and employees and the jurisdiction in which the majority of revenues are generated.

NUMBER OF EMPLOYEES

This column shows the calculated annual average number of the employees based on weighted average monthly figures. Branches with no employees are managed by employees of other group companies or the branch was closed during the year.

TURNOVER

Turnover gives an indication of the size of our business in each country. Adjustments have been made to eliminate any double counting.

PROFIT BEFORE TAX

These numbers are accounting profits. As with the turnover figures, these numbers include some double counting which has been eliminated.

CASH TAX PAID

This column shows the total corporation tax actually paid in each country in the year ended 31 May 2017. Most of the taxes paid in any given year will not relate directly to the profits earned in that year.

PUBLIC SUBSIDIES

No public subsidies have been received in the year by IG Markets Limited or IG Index Limited.

DESCRIPTION OF ACTIVITIES

We are also required to publish the nature of our activities in each country, and have classified our activities as OTC leveraged derivatives, share dealing, investments, back office, and marketing and sales support.



Independent auditors' report to the Directors of IG Markets Limited

We have audited the accompanying schedule of IG Markets Limited for the year ended 31 May 2017 ("the schedule"). The schedule has been prepared by the directors based on the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Directors' Responsibility for the schedule

The directors are responsible for the preparation of the schedule in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013, for the appropriateness of the basis of preparation and the interpretation of the Regulations as they affect the preparation of the schedule, and for such internal control as the directors determine is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the schedule based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the country-by-country information in the schedule as at 31 May 2017 is prepared, in all material respects, in accordance with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Basis of Preparation and Restriction on Distribution

Without modifying our opinion, we draw attention to the 'Overview of the Table', which describes the basis of preparation. The schedule is prepared to assist the directors to meet the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013. As a result, the schedule may not be suitable for another purpose.

Our report is intended solely for the benefit of the directors of IG Markets Limited. We do not accept or assume any responsibility or liability to any other party save where terms are agreed between us in writing.

PricewaterhouseCoopers UK

PricewaterhouseCoopers LLP
Chartered Accountants
20 September 2017
London, United Kingdom



Independent auditors' report to the Directors of IG Index Limited

We have audited the accompanying schedule of IG Index Limited for the year ended 31 May 2017 ("the schedule"). The schedule has been prepared by the directors based on the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Directors' Responsibility for the schedule

The directors are responsible for the preparation of the schedule in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013, for the appropriateness of the basis of preparation and the interpretation of the Regulations as they affect the preparation of the schedule, and for such internal control as the directors determine is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

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Our report is intended solely for the benefit of the directors of IG Index Limited. We do not accept or assume any responsibility or liability to any other party save where terms are agreed between us in writing.

PricewaterhouseCoopers UK

PricewaterhouseCoopers LLP
Chartered Accountants
20 September 2017
London, United Kingdom