

IG Group Holdings plc

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of IG Group Holdings plc will be held at the offices of Financial Dynamics, located at Holborn Gate, 26 Southampton Buildings, London WC2A 1PB, on Tuesday 7 October 2008 at 10:30am.

The business of the meeting will be to consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the accounts for the year ended 31 May 2008 together with the directors' report and the auditors' report on those accounts and the auditable part of the remuneration report.
2. To re-elect Mr Jonathan Davie as a director.
3. To re-elect Mr Nat le Roux as a director.
4. To declare a final dividend for the year ended 31 May 2008 in the amount of 9 pence per share.
5. To re-appoint Ernst & Young as auditors to the Company to hold office until the conclusion of the next Annual General Meeting.
6. To authorise the directors to determine the auditors' remuneration.
7. To approve the directors' remuneration report for the year ended 31 May 2008.
8. To renew the authority conferred on the directors by Article 9 of the Company's Articles of Association for the period ending on the date of the Annual General Meeting in 2009 or on 31 December 2009, whichever is the earlier, and for such period the Section 80 Amount shall be £5,492; and that such authority shall be in substitution for all previous authorities pursuant to Section 80 of the Companies Act 1985 (the "Act") which are hereby revoked, without prejudice to any allotment of securities prior to the date of this Resolution (or thereafter pursuant to any offer or agreement made prior thereto).

And to consider and, if thought fit, to pass the following as special resolutions:

9. To generally and unconditionally authorise the Company pursuant to Section 166 of the Act to make market purchases (within the meaning of Section 163(3) of the Act) of ordinary shares of 0.005 pence each in the Company provided that:
 - a. the maximum number of ordinary shares hereby authorised to be acquired is 32,954,617;
 - b. the minimum price which may be paid for any such ordinary share is 0.005 pence;
 - c. the maximum price which may be paid for any such share is an amount equal to 105 per cent of the average of the closing price for an ordinary share in the Company as derived from the Official List maintained by the UK Listing Authority for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased; and
 - d. the authority hereby conferred shall expire on 31 December 2009 or, if earlier, at the conclusion of the Annual General Meeting in 2009 of the Company unless such authority is renewed prior to such time, but the Company may make a contract to purchase any ordinary share prior to such expiry which will or may be executed wholly or partly thereafter and may purchase its ordinary shares in pursuance of any such contract.
10. To authorise the directors pursuant to Section 95 of the Act to allot equity securities (as defined in Section 94 of the Act) for cash pursuant to the general authority to allot relevant securities conferred by Resolution 8 as if Section 89(1) of the Act did not apply to any such allotment, provided that the power hereby conferred pursuant to this Resolution 10 shall be limited:

- a. to the allotment of equity securities (including any held in treasury) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of ordinary shareholders are proportionate (as nearly as may be) to the respective number of ordinary shares held by them, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements, legal or practical problems arising in any overseas territory or by virtue of ordinary shares being represented by depositary receipts, the requirements of any regulatory body or stock exchange or any other matter whatsoever;
 - b. to the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities (including any held in treasury) up to an aggregate nominal amount of £823; and
 - c. shall expire 15 months from the date of this Resolution 10 or, if earlier, at the conclusion of the next annual general meeting of the Company, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.
11. To authorise the Company to make amendments to the Company's Articles of Association (as contained in Appendix A to the Notice) to reflect the provisions of the new Companies Act 2006 and to update statutory references.

BY ORDER OF THE BOARD

Guy Abbi
Company Secretary
5 September 2008

NOTES:

1. A member entitled to attend and vote at the meeting convened by the notice set out above is entitled to appoint a proxy or proxies to exercise all or any of his rights to attend and speak and vote in his or her place. A proxy need not be a member of the company. A member may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. A form of proxy is enclosed. To be effective, the instrument appointing a proxy, must be deposited at the office of the company's registrars so as to be received not later than 5 October at 10.30am. Completion of the proxy does not preclude a member from subsequently attending and voting at the meeting in person if he or she so wishes.
3. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the company in accordance with section 146 of the Companies Act 2006 ("**nominated persons**"). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
4. Holders of ordinary shares are entitled to attend and vote at general meetings of the Company. The total number of issued ordinary shares in the Company on 5 September 2008, which is the latest practicable date before the publication of this document is 329,546,171. On a vote by show of hands every member who is present has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll vote every member who is present in person or by proxy has one vote for every ordinary share of which he is the holder.
5. Members should note that the doors to the AGM will be open at 9.30am.
6. Mobile phones may not be used in the meeting hall, and cameras, tape or video recorders are not allowed in the meeting hall.
7. The register of interests of the directors and their families in the share capital of the company, copies of contracts of service of directors with the company or with any of its subsidiary undertakings and a copy of the new set of Articles of Association highlighting the difference between the new Articles of Association proposed to be adopted pursuant to Resolution 11 and the existing Articles of Association will be available for inspection at the registered office of the company during normal business hours (Saturdays and public holidays excepted) from the date of this notice until the conclusion of the AGM.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the

message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

9. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the company's register of members not later than 5.30pm on 5 October 2008 or, if the meeting is adjourned, shareholders entered on the company's register of members not later than 2 business days before the time fixed for the adjourned meeting shall be entitled to attend and vote at the meeting. Changes to entries on the relevant register of securities after 5.30pm on 5 October 2008 shall be disregarded in determining the rights of any person to attend or vote at the meeting.
10. Shareholders should note that, on a request made by shareholders of the Company under section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting for the financial year beginning 1 June 2008; or (ii) any circumstance connected with an auditor of the Company appointed for the financial year 1 June 2008 ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 (requirements as to website availability) of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting for the relevant financial year includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
11. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives – www.icsa.org.uk – for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.

Appendix A

Explanatory notes of the proposed changes to the Company's current Articles of Association (the "Current Articles")

It is proposed in resolution 11 to adopt new articles of association (the "**New Articles**") in order to update the Current Articles primarily to take account of changes in English company law brought about by the Companies Act 2006 (the "**2006 Act**").

The outline below is intended to be a readable summary of the proposed amendments to the Current Articles.

The principal changes introduced in the New Articles are summarised in this Appendix. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the 2006 Act have not been noted in the Appendix. The full terms of the New Articles showing all the changes to the Current Articles are available for inspection at the registered office of the Company.

Articles which duplicate statutory provisions

Certain current terms of the Current Articles, which are directly affected by the provisions contained in the 2006 Act, are being amended to bring them into line with the 2006 Act. An example includes the provisions relating to the form of resolutions (see paragraph entitled "**Form of Resolution**" below). All the main changes being proposed in this respect are detailed in the paragraphs set out below.

Form of resolution

The Current Articles contain a provision that, where for any purpose an ordinary resolution is required, a special or extraordinary resolution is also effective and that, where an extraordinary resolution is required, a special resolution is also effective. This provision is being amended as the concept of extraordinary resolutions has not been retained under the 2006 Act.

Issue of Share Certificates (Article 13)

Under the 2006 Act, a company must issue a share certificate where a share warrant is surrendered for cancellation, unless the articles provide otherwise. Changes are included to reflect this.

Registration of Share Transfers (Article 35)

The Current Articles provide that the directors may refuse to register a transfer of shares without providing the transferee with further information. The 2006 Act makes it clear that the reasons for a refusal to transfer shares must be given as soon as possible (and, in any case, within two months) to the transferee and information about the refusal must be provided to the transferee, if requested. Changes are included to reflect this.

Chairman (Article 54)

The 2006 Act permits a proxy to act as Chairman but this possibility is excluded by the wording of this Article. Changes are included to reflect this.

Corporations acting by Representatives (Article 75)

The 2006 Act expressly confirms the right of a corporate shareholder to appoint multiple corporate representatives. The Company intends to follow the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives dated January 2008. Changes are included in the Articles to reflect this.

Conflicts of interest (Article 99)

The 2006 Act sets out directors' general duties which largely codify the existing law but with some changes. Under the 2006 Act, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the company's interests. The requirement is very

broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The 2006 Act allows directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the articles of association contain a provision to this effect. The 2006 Act also allows the articles of association to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The New Articles give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at board meetings and availability of board papers to protect a director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors. It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers of authorisation of conflicts are operated effectively.

The Seal (Article 113)

This Article has been adjusted to reflect the provisions of the 2006 Act whereby the execution of instruments by a director in the presence of a witness will have the same effect as if such instrument had been executed under the seal of the Company.

Insurance (Article 148)

The New Articles allow the directors to purchase and maintain insurance for the benefit of anyone who is or was a director or officer of the IG Group companies. Further, the directors also have the power to purchase and maintain insurance for the benefit of a director of a pension trustee company in which any employees of any of the IG Group companies are interested.

Loans to fund expenditure (Article 149)

The New Articles allow the Company to provide money for the purpose of funding a director's defence in "proceedings", including for the purpose of funding a director's defence in regulatory proceedings to reflect the provisions of the 2006 Act.