



9 September 2009

IG GROUP HOLDINGS PLC
Interim Management Statement

IG Group Holdings plc (“IG” or “the Group”) today issues the following Interim Management Statement. Unless otherwise stated, trends and figures highlighted below refer to the three months ended 31 August 2009 and the corresponding period last year.

Group revenue for the quarter was approximately £68m compared to £53m in the corresponding quarter in the prior year, an increase of approximately 28%. Excluding the impact of FXOnline Japan KK (“FXOnline”), organic revenue growth was 17%.

The charge for doubtful debts in the period was less than 1% of revenue. Other operating costs were in line with management expectations.

Financial revenue from clients dealing with the Group’s London office increased by 4% to just over £39m. Australian revenue was up by over 50% to £10m.

The Group’s six newer offices in mainland Europe, Singapore and the US increased revenue by around 80% to over £11m. Germany and France in particular delivered strong growth.

FXOnline achieved revenue of £6m in the period. It continues to experience a challenging competitive environment for forex and is developing its offering to ensure that it is competitively positioned. It is making good progress on increasing its revenue from CFDs and binary options, which are relatively new products in Japan and where the competitive environment is more favourable.

The Group’s US exchange, Nadex, has applied to its regulator, the CFTC, for the necessary changes in designation to enable certain regulated intermediaries to trade and clear customer orders on Nadex. Until this change of designation is approved the Group is undertaking only limited marketing in the US.

The Group’s office in Stockholm opened for business on 31 August 2009 and the Group continues to evaluate other potential new markets for future development while making good progress in developing its introduced and white label businesses.

Account opening, a key lead indicator of future growth, remains strong. During the period the Group opened over 21,000 financial accounts, an increase of 72% on the number opened in the corresponding period of the prior year. Excluding FXOnline, the like-for-like increase was 23%, driven principally by increases in the rate of account opening in the UK and Australia.

The new financial year has started well, despite subdued forex and equity market volatility. The normal seasonality impact in the northern hemisphere was somewhat offset by clients' increased trading activity in shares during the strong rally in equity markets over the final seven weeks of the period.

As previously noted, the Group faces more challenging comparatives in the second quarter, as both revenue and account opening last year were boosted by the volatility caused by the extraordinary market events of September and October.

It remains difficult to predict future trends in volatility or customer reaction to changing market and economic conditions. Strong account opening and the continued development of the Group's offering leave the Group well positioned for further growth.

There will be a conference call today for analysts and investors at 8.30am (UK time). The call can be accessed by dialling +44(0)20 7806 1961 and using passcode 4076946. A replay of the conference call will be available for a period of 14 days after the event by dialling +44 (0)20 7111 1244 and using passcode 4076946#.

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About IG Group

IG Group Holdings plc is a world leader in financial derivatives trading, with several operating companies offering products to a retail and professional client base.

Expanding beyond its initial business in UK financial spread betting, IG Group has developed significant multinational operations with offerings in foreign exchange (forex), Contracts for Difference (CFDs) and sports betting.

IG Group continues to innovate and grow. In the past few years it has introduced mobile dealing, new platform and charting features and a regulated retail-focused exchange in the US. Today, the IG Group of companies employs over 800 staff around the globe, helping more than 72,000 clients execute over two million transactions per month. IG Group is listed on the LSE with a market capitalisation of approx £1.3bn.

IG Group Companies

IG Index

IG Index is Britain's leading financial spread-betting firm, offering prices in a huge range of indices, currencies, commodities and options, as well as thousands of individual shares.

IG Markets

IG Markets is an international market-maker in financial derivatives - principally CFDs on shares and indices - as well as being a leading dealer in margined forex.

extrabet.com

extrabet.com offers sports spread betting, sports and financial fixed-odds betting, sports and financial binary betting, as well as a casino from a single account.

FXOnline Japan

FXOnline is market-leading Japanese forex service. It was the first to offer commission-free trading on forex in Japan, and in 2009 introduced a wide range of CFDs on shares, indices and more.

Nadex

The North American Derivatives Exchange was launched in June 2009, becoming the first regulated, retail-focussed exchange of its kind in the US. Nadex provides a direct access platform for users to trade contracts on a wide range of markets.