



23 March 2017

IG GROUP HOLDINGS PLC
Third Quarter Trading Update

IG Group (“IG”, “the Company”), a global leader in online trading, today issues the following Trading Update for the three months to 28 February 2017, the third quarter of its 2017 financial year. The trends and figures highlighted below refer to this period and the corresponding period last year.

IG performed well in a quiet period in global financial markets. Revenue, at £117.4 million, was 3.8% down on what was the strongest quarter of the prior year. Active client numbers were ahead by 13%, driven by ongoing success in online marketing, with new first trades in the period over 20% higher than the prior year. Revenue per client was down by 15%, with current clients trading less often in the quiet period and the continued growth in the non-leveraged business and Nadex, where average revenue per client is significantly lower.

Revenue and other key performance indicators by region are as follows:

Geographical Revenue	Q3 Revenue			KPIs		KPIs excluding Nadex and Unleveraged	
	FY17 £m	FY16 £m	% Change	Change in active clients	Change in revenue per client	Change in active clients	Change in revenue per client
UK & Ireland	53.5	62.7	(15%)	11%	(23%)	(0.5%)	(15%)
Europe	26.6	25.7	3.3%	10%	(6%)	10%	(6%)
Australia	17.3	17.3	0.2%	8%	(8%)	(2.3%)	2.1%
Rest of World	20.0	16.3	23%	22%	0.7%	2.3%	15%
Total	117.4	122.0	(3.8%)	13%	(15%)	2.4%	(7%)

Geographical Revenue	Q3 YTD Revenue			YTD KPIs		YTD KPIs excluding Nadex and Unleveraged	
	FY17 £m	FY16 £m	% Change	Change in active clients	Change in revenue per client	Change in active clients	Change in revenue per client
UK & Ireland	173.5	173.0	0.2%	24%	(19%)	10%	(10%)
Europe	79.9	71.3	12%	13%	(0.9%)	13%	(0.6%)
Australia	52.4	47.7	10%	12%	(1.5%)	2.0%	8%
Rest of World	56.5	44.8	26%	24%	1.7%	5%	18%
Total	362.3	336.8	8%	20%	(10%)	9%	(2.2%)

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 5% or more have been rounded to the nearest percentage point.

Revenue was ahead in all regions except the UK, with a strong performance in the Rest of the World driven by good growth in the US, Dubai and South Africa. Revenue in the UK was behind by 15%, with the prior year performance being particularly strong. More mature markets tend to outperform in more volatile periods as the large installed client base reactivates, as happened in the prior year, and underperform in quieter conditions.

IG's stockbroking business continued to grow well in the period in both the UK and Australia, with just over 16,000 clients holding a position at the end of February. To extend its unleveraged offering, IG expects to launch its discretionary managed smart portfolio ETF service in the UK during the fourth quarter.

Regulation

The regulatory backdrop for leveraged trading in a number of countries remains uncertain. IG has always sought, and will always seek, to operate to the highest regulatory standards. In order to ensure fair client outcomes, strong, proportionate regulation, applied consistently, is essential in this industry. Over the last few months, IG has responded to regulator consultations in the UK and Germany and worked closely with the regulator in Dubai. IG was pleased by the clarity provided in France, which means that the Limited Risk Account the Company offers there is entirely compliant with the new legislation. IG is also now working on its responses to consultations in The Netherlands and Ireland. As clarity is provided on the conclusions of outstanding regulatory consultations, the Company will update the market as appropriate.

Outlook

Following a quiet third quarter in financial markets, the fourth quarter has started better for IG, although it is impossible to predict the market conditions for the rest of the year or to draw precise conclusions at this stage. As the Company enters this final quarter, none of the announced regulatory changes has yet had any impact, client recruitment remains strong and the underlying business is performing well.

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. The audio recording of the conference call will be archived for access at www.iggroup.com/investors, along with a full transcript.

The next planned performance announcement from IG is a short pre-close trading update, currently scheduled for 31 May 2017.

For further information, please contact:

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About IG

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, Australia, 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, from published financial statements, October 2016.

(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.