



20 September 2016

IG GROUP HOLDINGS PLC
First 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 31 August 2016, the first quarter of its 2017 financial year. The trends and figures highlighted below refer to this period and the corresponding period last year.

IG performed relatively well in what was a challenging quarter. Revenue, at £111.4 million, was 5.1% ahead of a strong first quarter in the prior year. As announced on 24 June 2016, IG increased client margin requirements approaching and during the volatile period surrounding the UK’s EU referendum in order to preserve long term relationships and value; this had the effect of constraining client trading during this time. Financial markets through July and August became increasingly subdued and presented limited trading opportunities for both current and new clients.

Revenue and key performance indicators by region are as follows:

| Geographical Revenue | Q1 Revenue | | | KPIs | |
|----------------------|--------------|--------------|-------------|--------------------------|------------------------------|
| | FY17 | FY16 | % | Change in active clients | Change in revenue per client |
| | £m | £m | Change | | |
| UK & Ireland | 55.4 | 56.4 | (1.8%) | 24% | (21%) |
| Europe | 23.4 | 20.8 | 13% | 18% | (4.5%) |
| Australia | 16.2 | 14.9 | 9% | 1.5% | 7.4% |
| Rest of World | 16.4 | 13.9 | 18% | 15% | 2.0% |
| Total | 111.4 | 106.0 | 5.1% | 18% | (11%) |

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.

Revenue was ahead in all regions except the UK, where the impact of the management actions in the period surrounding the EU referendum and the subsequent dull markets was felt most. Supported by increased effective marketing spend, the level of new client first trades was very strong. At a Group level, this metric was ahead of the prior year period by 70%, reaching a new record level, with increases in every region, and ahead of the final quarter of last year by around 30%. Unsurprisingly, the increase in the number of new clients was once again most marked in the UK and in late June. A high number of new clients beginning part way through the period, combined with the quieter end to the quarter and the ongoing growth of the stockbroking business, resulted in the lower average revenue per client in the UK.

In line with IG’s stated aim of improving client retention, the company introduced the Limited Risk Account in July and has since rolled this out across the global business. This an important step in helping some clients to manage better the risk/reward balance in their trading by guaranteeing they can never incur a debt with IG. Also in July, following recent encouraging progress in the UK, the company further progressed its aim of diversifying its product suite by extending its stockbroking offering to Australia.

Looking forward, IG has a clear strategy to deliver future growth and will continue to execute against the priorities that underpin it.

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 30 November 2016.

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, September 2015.

(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.