



17 March 2015

IG GROUP HOLDINGS PLC
Third Quarter Trading Update

IG Group, a global leader in online trading, today issues the following Trading Update for the three months to 28 February 2015, the third quarter of its 2015 financial year. The trends and figures highlighted below refer to this period and the corresponding period last year.

Clients were presented with a range of trading opportunities throughout the period. An unseasonably strong December was followed by good levels of financial market and client activity in January, before markets quietened a little from the middle of February. As was reported at the time, financial performance in the quarter was negatively impacted by the sudden movement in the value of the Swiss franc on 15 January 2015; this reduced revenue by £11.8 million to £91.8 million, 5.1% behind the same period last year (2014: £96.7 million). Excluding this, on an underlying basis, revenue was up by 7.1% to £103.6 million. The sudden Swiss franc movement also resulted in client debts of £18.4 million, of which the majority are expected to be provided for. Although half of the debtor accounts have now been settled, this relates to only a small proportion of the original £18.4 million; the majority of remaining debtors may not be in a financial position to clear their debt in full.

To provide the best understanding of performance in the period, the key performance indicators in the following table and the commentary below refer to underlying revenue, excluding the impact of the Swiss franc movement.

Geographical Revenue	Q3 underlying revenue			KPIs		Q3 FY15 Net Trading Revenue £m
	FY15 £m	FY14 £m	% Change	Active clients	Revenue per client	
UK	55.4	50.9	8.9%	3.0%	5.8%	49.5
Australia	15.0	12.9	16%	4.6%	11%	13.8
Europe	20.8	21.5	(3.4%)	13%	(15%)	16.8
Rest of World	12.4	11.4	9.2%	13%	(3.7%)	11.7
Total	103.6	96.7	7.1%	7.3%	(0.1%)	91.8

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 in the UK and Australia was ahead by almost 9% and 16% respectively, primarily due to strong growth in average revenue per client, but with both regions also posting their second consecutive quarter of year-on-year growth in client numbers. In Europe revenue was behind by just over 3%, as the strong year-on-year increase in client numbers was more than offset by a fall in average revenue per client. In Rest of World, revenue was ahead by 9%, with growth in all countries. Active client numbers were ahead by 13%, with particular strength in the US and South Africa.

The Group's execution-only stockbroking business, which was launched in the UK in the second quarter of this financial year, continued to grow well in the period. At the end of February, IG had over 2,600 funded stockbroking accounts, of which around 70% are clients new to IG.

IG continued to enhance its Major Markets app for iPad, rolling it out into further geographies and launching a version for Android phone. The Major Markets app forms part of IG's increased focus on improving its recruitment and conversion of clients, particularly via mobile.

Looking forward

The performance in the third quarter and a good start to the final quarter positions IG well for the full year. The company continues to make good progress on its strategic initiatives, as it diversifies both geographically and through the offering of additional products, taking further steps towards its aim to become the default choice for active traders globally. As part of this, in the final quarter of the year, IG anticipates acquiring a licence and launching its broader offering in Dubai and, over the next twelve months, extending its stockbroking offering to at least three more countries, as it commences a targeted international roll-out.

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. A replay of the conference call will be available for a week after the event by dialling +44 121 260 4861 and using passcode 0421563#, and it will be archived for access at www.iggroup.com/investors.

The next planned performance announcement from IG is a short pre-close trading update, currently scheduled for 28 May 2015.

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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 already an award-winning multi-platform trading company, the world's No.1 provider of CFDs* and a global leader in forex, and it launched an execution-only stockbroking service in the UK and Ireland in September 2014.

It is a member of the FTSE 250, with offices across Europe, Africa, Asia-Pacific and the US, where it offers limited risk derivatives contracts via the Nadex brand.

*Based on revenue excluding FX, published financial statements, July 2014.

(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.