



Interactive Brokers Group Investor Presentation

Third Quarter 2017

The letters "IBKR" are rendered in a large, white, outlined font. They are superimposed on a background of a financial chart. The chart features multiple colored lines (yellow, red, green) and a candlestick pattern. The background is a dark blue with a grid of dashed lines. The overall image is framed by a large, abstract geometric shape composed of a grey triangle on the left, a red triangle at the bottom left, and a black triangle at the bottom right, all meeting at a point on the right side.

The following information contains certain forward-looking statements that reflect the Company's current views with respect to certain current and future events and financial performance. These forward-looking statements are and will be, as the case may be, subject to many risks, uncertainties and factors relating to the Company's operations and business environment which may cause the Company's actual results to be materially different from any future results, expressed or implied, in these forward-looking statements. Any forward-looking statements are based upon information available to the Company on the date of this presentation. The Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any statements expressed or implied therein will not be realized. Additional information on risk factors that could potentially affect the Company's financial results may be found in the Company's filings with the Securities and Exchange Commission.

Our Business Today

We began as a market maker in 1977 and used this technology and knowledge to launch our electronic brokerage business in 1993

Today, we are:

- **Largest publicly-traded U.S. electronic broker** *as measured by DARTs*
- **Fastest organically-growing U.S. electronic broker** *as measured by client accounts and equity*
- **Broad global reach** – *Access to over 120 markets in 26 countries*
- **Highly efficient, scalable business model** – *\$1.2M net revenue / employee* ⁽⁴⁾⁽⁵⁾
- **Recognized industry leader** - *Rated as “Low Cost Broker” 16 years in a row by Barron’s*

457,000

client accounts⁽³⁾

\$6.3B

equity capital⁽³⁾

695,000

Daily avg.
revenue trades
⁽¹⁾⁽²⁾

61%

brokerage pre-
tax margin⁽¹⁾

23%

YoY⁽³⁾
account growth

⁽¹⁾ 3Q17 ⁽²⁾ DARTs are based on client orders ⁽³⁾ 9/30/17 ⁽⁴⁾ Excludes extraordinary items from market maker, currency & MtM on U.S. Treasuries ⁽⁵⁾ Trailing 12 months to 9/30/17

- **We aim to grow the following five market segments worldwide:**
 - Individuals
 - Prop Trading Groups
 - Hedge and Mutual Funds
 - Registered Investment Advisors
 - Introducing Brokers

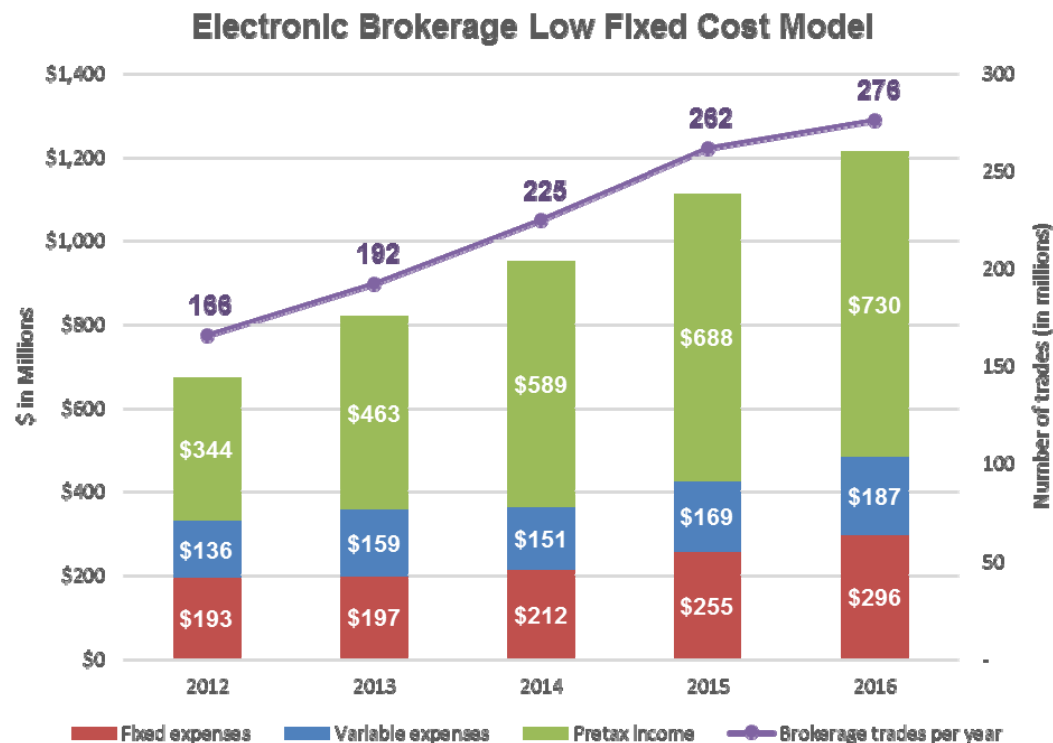
Strong Balance Sheet

Since our IPO 10 years ago, we have maintained a strong and growing balance sheet

	At May 2007	At September 30, 2017
Long-term debt	\$0.3 billion	\$0
Total equity	\$2.8 billion	\$6.3 billion + \$3.5 billion in dividends distributed since IPO
Excess regulatory capital	\$1.2 billion	\$4.9 billion
Public shares	40 million 10%	72 million 17%
Private ownership	<u>360 million 90%</u>	<u>340 million 83%</u>
Total	400 million 100%	412 million 100%

Automation allows IB to be the lowest cost processor in our industry

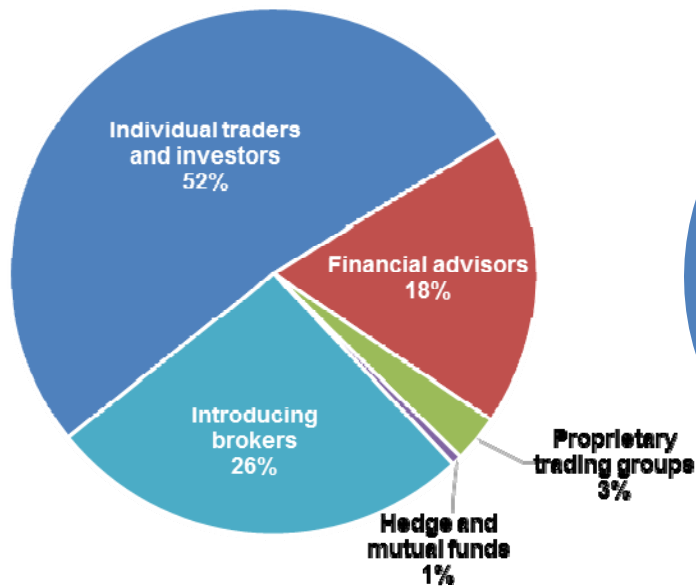
- Majority of senior management are software engineers
- From account opening to the entire transaction lifecycle, our processes are automated
- As a result, we were able to execute, clear and settle over 1.1 million trades per day in 3Q 2017 across multiple product classes at over 120 market centers in 26 countries with 1,190 (3Q17 average) employees
- Automated, real-time risk management



Diversified Enterprise

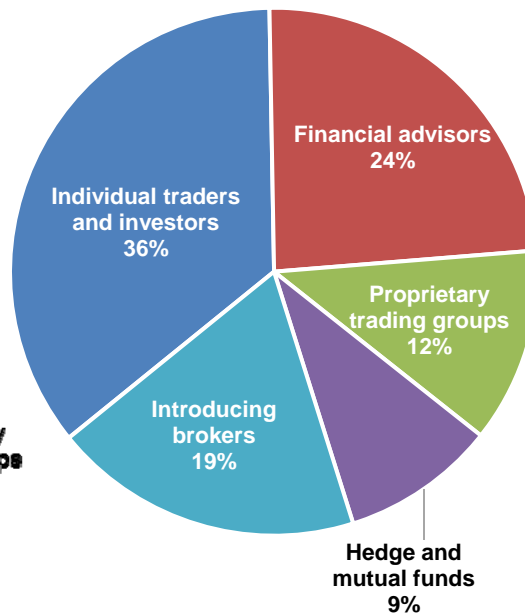
Brokerage Accounts

457K



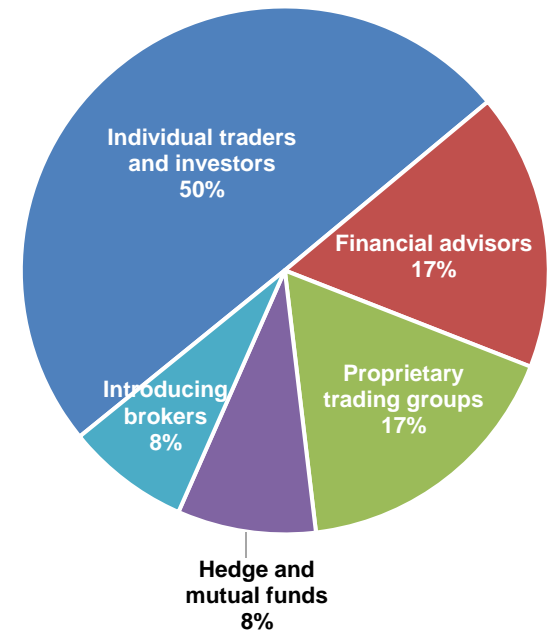
Brokerage Client Equity

\$116B



Brokerage Year To Date Commissions by Client

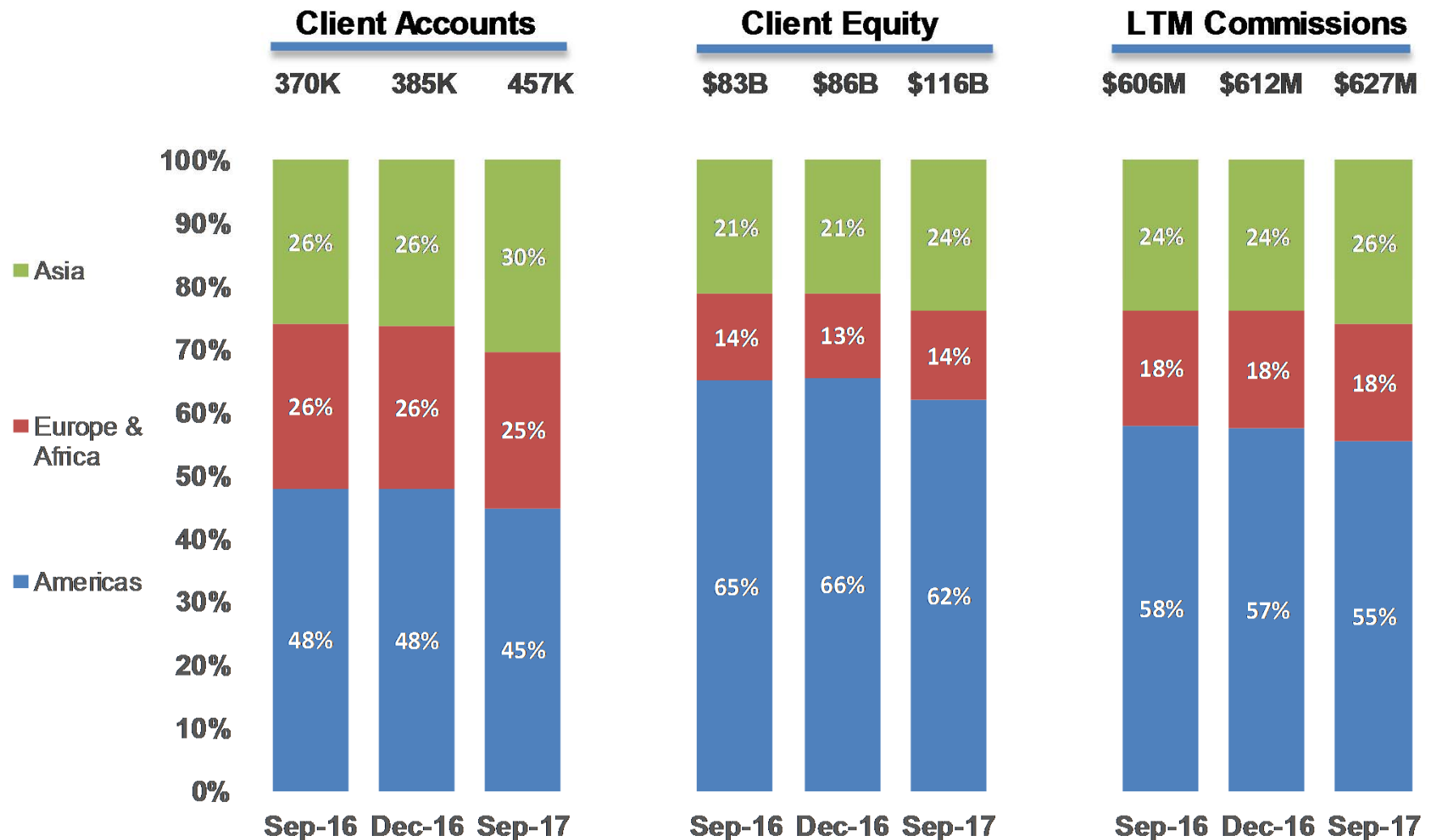
\$478M



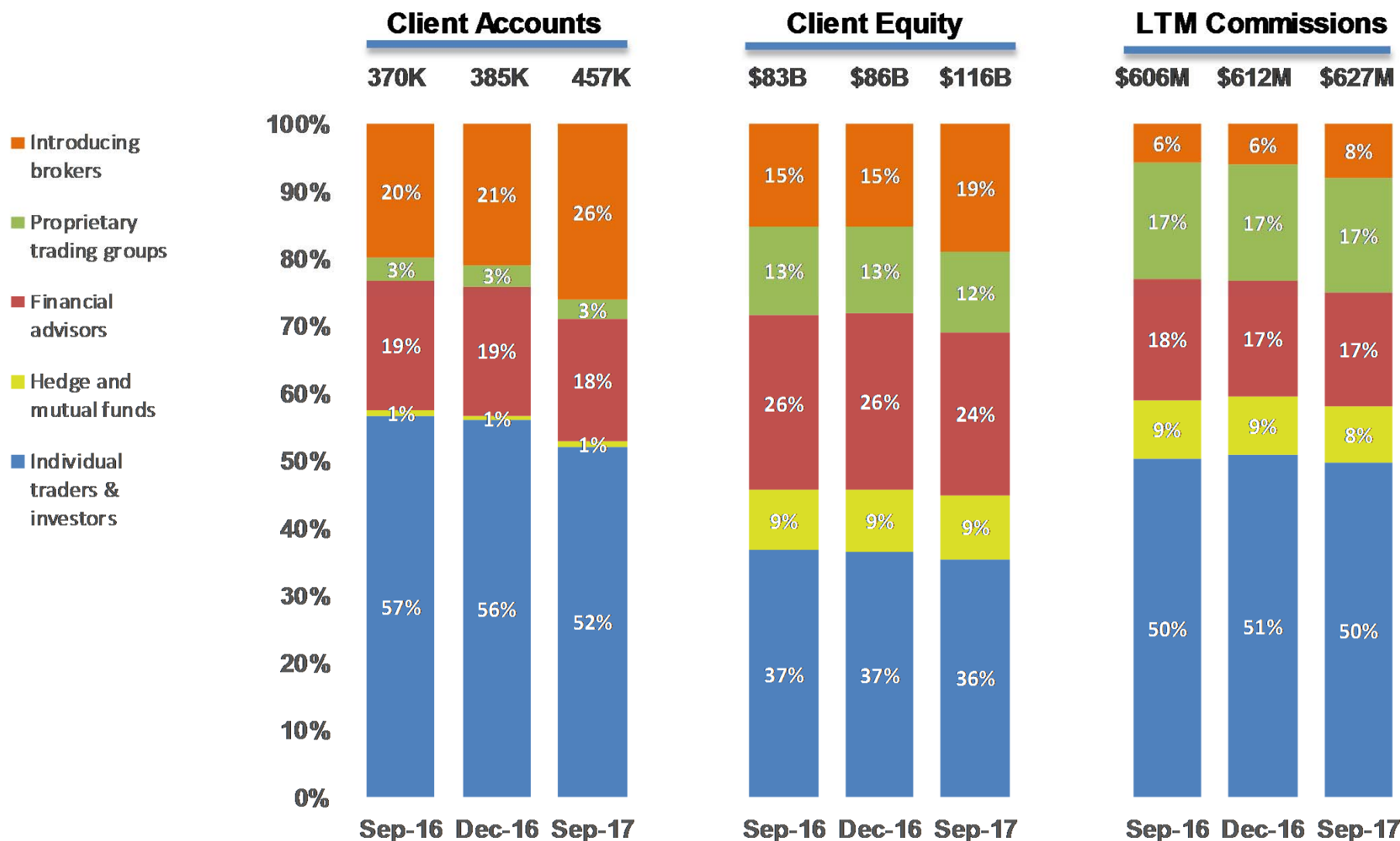
As of September 30, 2017

Client Geographic Distribution

Our clients reside in over 200 countries



Client Segment Distribution



Our Competitive Strengths

Low Cost & Best Execution

- Low execution costs:
 - U.S. Stock \$0.0005 to \$0.0035/ share
 - U.S. Options \$0.15 to \$0.70/ contract ⁽¹⁾
- U.S. margin interest rates range from 1.41% to 2.66% ⁽¹⁾
- IB achieves the industry's best price improvement ⁽²⁾ because we do not sell client order flow

Breadth of Product

- Clients can trade on 120+ market centers in 26 countries and 22 currencies
- Seamless electronic market access to stocks, options, futures, forex, bonds, funds and ETFs from a single IB Universal Account™

Superior Trading Technology

- Sophisticated market-maker designed technology
- Multiple desktop and mobile trading platforms
- Advanced trading tools
- 60+ order types and algos
- API solutions

(1) For additional information see www.interactivebrokers.com

(2) See www.interactivebrokers.com/bestexecution

Our Competitive Strengths

The cost to buy or sell a security includes:

IB provides:

1. Commissions charged by your broker

1. Low commission rates

- U.S. Stock \$0.0005 to \$0.0035/ share
- U.S. Options \$0.15 to \$0.70/ contract ⁽¹⁾

2. Execution fees charged by the exchanges

2. No mark up of exchange fees

- IB customers pay only what an exchange charges ⁽²⁾

3. Execution price on your purchase or sale

3. Smartroutersm technology

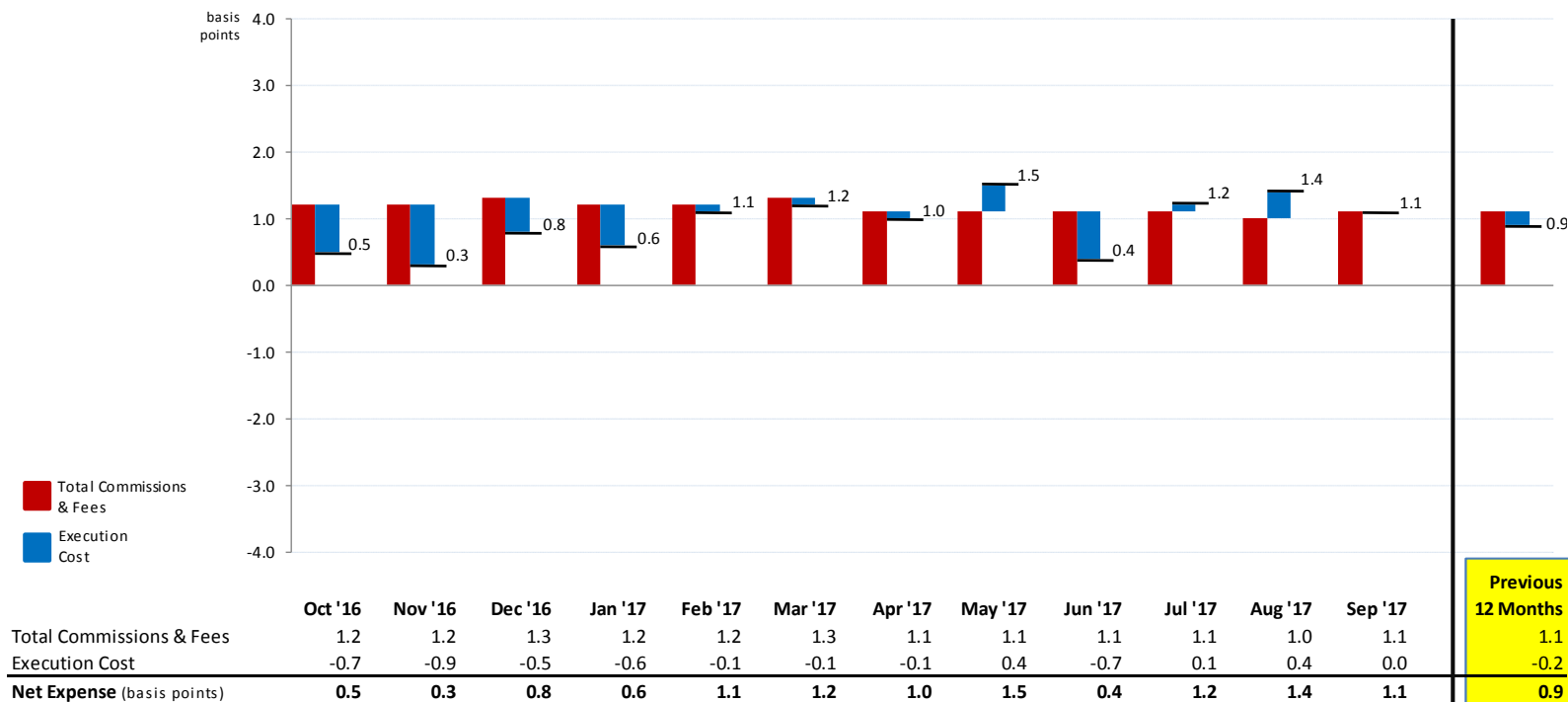
- Seeks to obtain the all-in lowest price on purchases and highest price on sales
 - All-in price includes commissions and fees, less any rebates offered by exchanges
- IB does not sell order flow to other brokers

(1) For additional information see www.interactivebrokers.com

(2) IB's Tiered commission models are not intended to be a direct pass-through of exchange and third-party fees and rebates. See www.interactivebrokers.com/pricing/commissions for more information.

Client All-in Execution Costs

Interactive Brokers Reg.-NMS Stock Trading Expense Summary



Cost to trade U.S. stocks for the 12-month period ended September 30, 2017:

- IB's average commissions and fees were 1.1 basis points
- IB's SmartroutingSM technology led to execution prices that were an average 0.2 basis points better than daily VWAP
- The average all-in cost of an IBKR client trade was 0.9 basis points ⁽¹⁾

⁽¹⁾ In a U.S. Reg.-NMS stock, as measured against daily VWAP (Volume Weighted Average Price)

Rated as “Low Cost Broker” 16 years in a row by Barron’s

U.S. Margin Loan Rates Comparison*					Commission Rates Comparison*		
	Margin Loan Amount				Equity Trades	Option Trades	Futures Trades
	\$25K	\$300K	\$1.5M	\$3.5M			
Interactive Brokers	2.66%	2.32%	2.02%	1.78%	\$2.45	\$0.00 base \$0.72 per contract	\$1.70
E-Trade	9.25%	7.75%	6.25%	6.25%	\$6.95	\$6.95 base + \$0.75 per contract	exchange & regulatory fees plus \$1.50
Fidelity	8.07%	6.82%	4.25%	4.25%	\$4.95	\$4.95 base + \$0.65 per contract	N/A
Schwab	8.07%	6.82%	6.25%	6.00%	\$4.95	\$4.95 base + \$0.65 per contract	\$3.50
TD Ameritrade	9.00%	7.50%	6.75%	6.75%	\$6.95	\$6.95 base + \$0.75 per contract	exchange & regulatory fees plus \$2.25
Vanguard	7.25%	6.00%	5.25%	5.25%	\$7-\$20	\$7.00 base + \$1.00 per contract	N/A

* Rates were obtained on October 25, 2017 from each firm’s website. Each firm’s information reflects the standard online trades pricing obtained from their respective websites. Competitor pricing and offers subject to change without notice. Some of the firms listed may have additional fees and some firms may reduce or waive commissions or fees, depending on account activity or total account value. Supporting documentation for any claims and statistical information will be provided upon request.

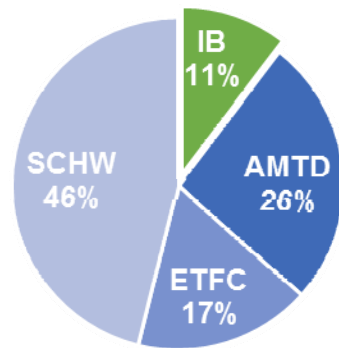
The IB equity and futures commission rates shown are the average of the client commissions for trades executed in September 2017 and are subject to minimums and maximums as shown on the IB website. IB has lower commission rates for larger volumes and comparable rates worldwide. Services vary by firm.

IB calculates the interest charged on margin loans using the applicable rates for each interest rate tier listed on its website.

Effect of IB's Low Margin Rates

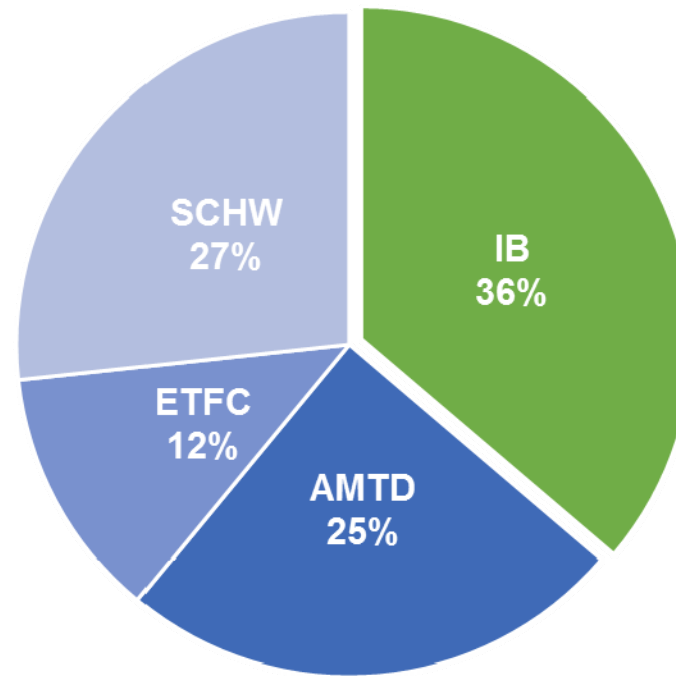
December 2008

Industry margin loans = **\$15 Billion**



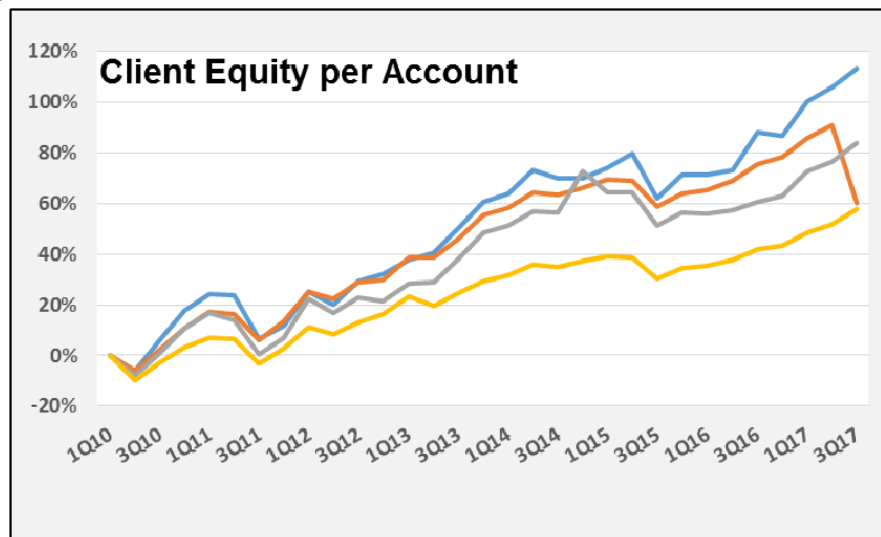
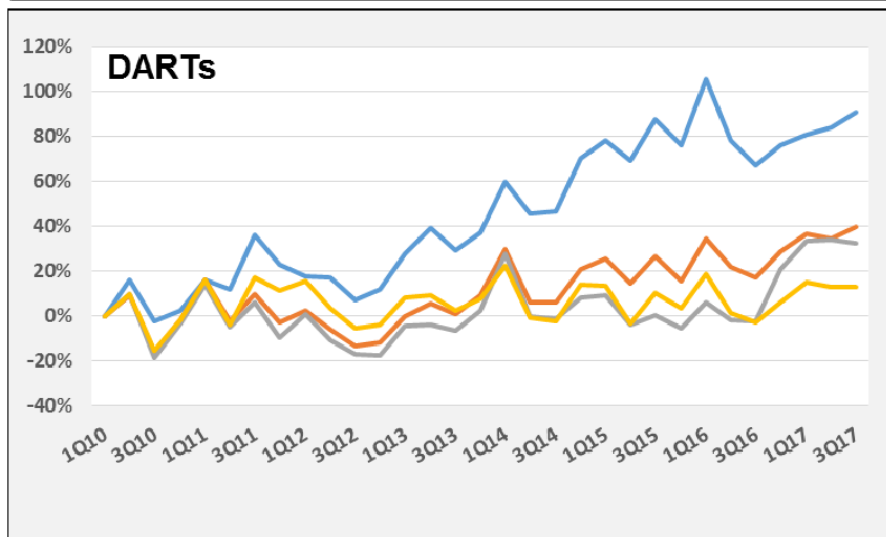
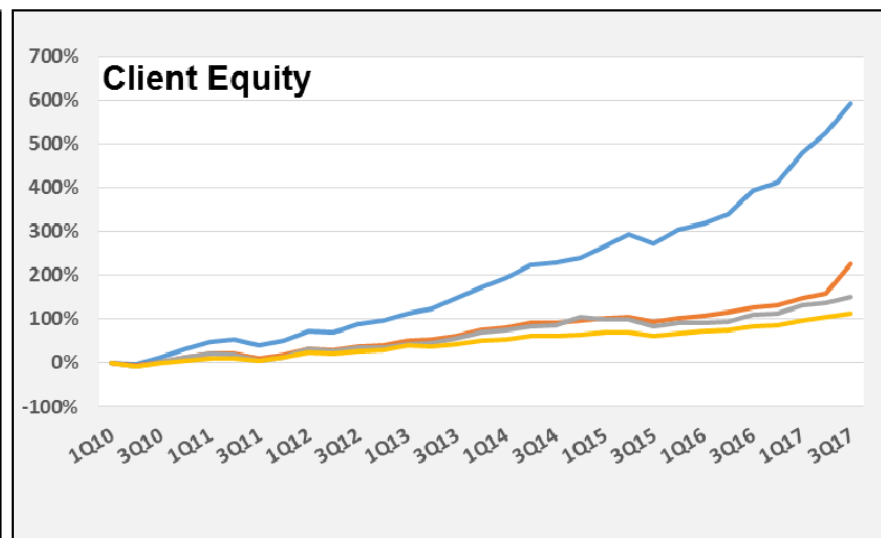
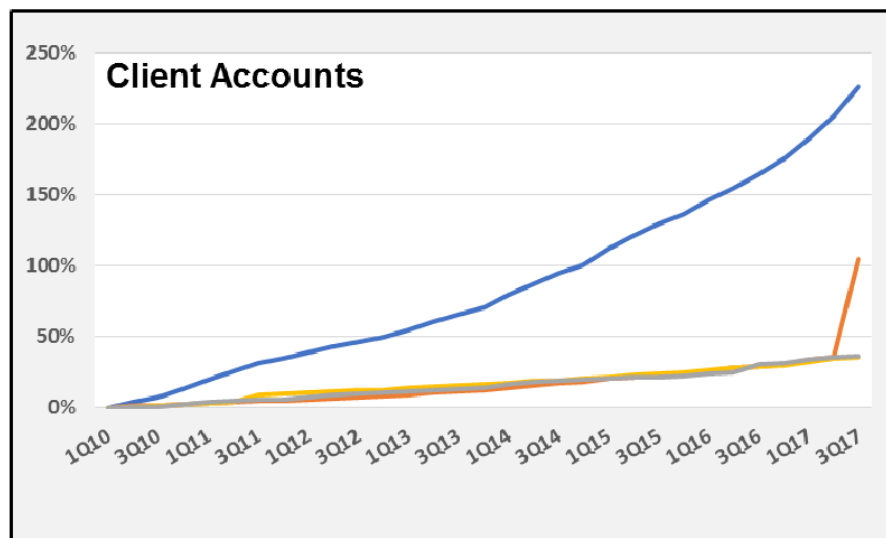
September 2017

Industry margin loans = **\$69 Billion**



Industry defined as IB, AMTD, SCHW, and ETFC

Market leading growth in every key metric



— IB — AMTD* — ETFC — SCHW

Competition Metrics

	IBKR		ETFC		AMTD (1)			SCHW	
	3Q2017	3-year Change	3Q2017	3-year Change	3Q2017	3-year Change To: 3Q17 2Q17		3Q2017	3-year Change
<u>3Q17 Brokerage Metrics (in thousands)</u>									
Number of accounts ²	457	68%	3,589	15%	11,004	75%	17%	10,565	14%
Client equity (in billions) ³	\$116	111%	\$322	35%	\$1,119	71%	36%	\$3,181	32%
Average commission per DART (actual)	\$3.96	-6%	\$7.76	-30%	\$7.72	-40%	-17%	\$7.74	-37%
Average client equity per account	\$254	26%	\$90	17%	\$102	-2%	16%	\$301	17%
Total DARTs	695	30%	206	34%	529	31%	27%	312	16%
DARTs per account (actual, annualized)	365	-20%	14	17%	14	-10%	9%	7	2%
Number of employees	1,186	27%	3,584	14%	10,412	80%	15%	17,300	21%
<u>Trailing 12 Months' Financials (\$ in millions)</u>									
Revenues per employee	\$1.2		\$0.6		\$0.4			\$0.5	
Compensation per employee (in thousands)	\$217		\$148		\$117			\$159	
Total pretax profit ⁴	\$787		\$970		\$1,394			\$3,521	
Pretax profit margin	55%		43%		38%			42%	

(1) Ameritrade bought Scottrade, 3Q17

(2) E*Trade and Charles Schwab are brokerage accounts only

(3) Charles Schwab's client equity includes all client assets

(4) Interactive Brokers pretax profit is adjusted for currency diversification, one-time gains and Treasury marks-to-market

Recent Enhancements and New Products

- **Interactive Brokers Debit Mastercard®** – Integrated financial management for our customers and advisors. Spend and borrow directly against your account and invest in securities on over 100 global exchanges.
- **Insured Bank Deposit Sweep Program** – Provides eligible customers with up to an additional \$2.5 million of FDIC insurance on the cash in their accounts, in addition to the \$250,000 of SIPC protection, for total coverage of \$2.75 million. Clients will continue to earn the same competitive interest rates currently applied to cash held in their IB accounts.
- **Forex Auto Swap Program** – Provides qualified IB clients who carry large forex positions that are not closed out intraday with superior carry costs. The program is offered at no cost with no commissions or markups, and lets these clients benefit from our participation in the interbank forex swaps market.
- **Split Spread Algo** – Prices orders within the spread between bid and ask values, usually yielding significant price improvement when filled. Because these orders typically add liquidity, they may also have the added benefit of earning exchange rebates.
- **Offshore Mutual Funds and Expanded Mutual Fund Offerings**
 - Now offering offshore mutual funds to our non-U.S. customers
 - IB offers over 10,000 funds, including new exchange-traded managed funds

We are building a marketplace that brings investors, wealth managers and money managers together: 1,456 as of 10/12/17

Investing ⁵³⁷	Research ³¹²	Technology ⁴¹⁰	Administration ¹⁷⁴	Business Development ²³
Advisors	Research	Software Vendors	Administrators	Advertising Firms
Hedge Funds	Education & Coaches	Programming Consultants	Auditing Firms	Business Analysts
Money Managers	News Feeds		Compliance Firms	Careers
Brokers	Trading Publications		Legal Firms	Corporate Access Providers
			Tax Firms	

“We believe that the Investors' Marketplace can make it easier for the investment community to find valuable service providers, and for our partner service providers to more efficiently reach individual and institutional investors worldwide.”

-Thomas Peterffy, Chairman and CEO

IB's multiple trading platforms, extensive suite of advanced trading tools, algos and order types continue to earn awards, year after year

BARRON'S



- Interactive Brokers earned an overall rating of 4.5 stars in 2017¹



- Winner 2017 "Best Broker-Dealer Futures"
- Winner 2017 "Best Broker-Dealer Options"



- Winner 2017 "Best Prime Broker – Technology"



- Winner 2017 "Best FCM - Technology"



- Winner 2016 "Best Options Trading Platform - Broker"
- Winner 2016 "Best Broker-Dealer Futures"

¹ Barron's is a registered trademark of Dow Jones & Company, Inc. For more information, see ibkr.com/awards