



**Interactive Brokers**

*The Professional's Gateway to the World's Markets*

## November 2007 Keefe, Bruyette & Woods Conference

How to build a global trading platform?

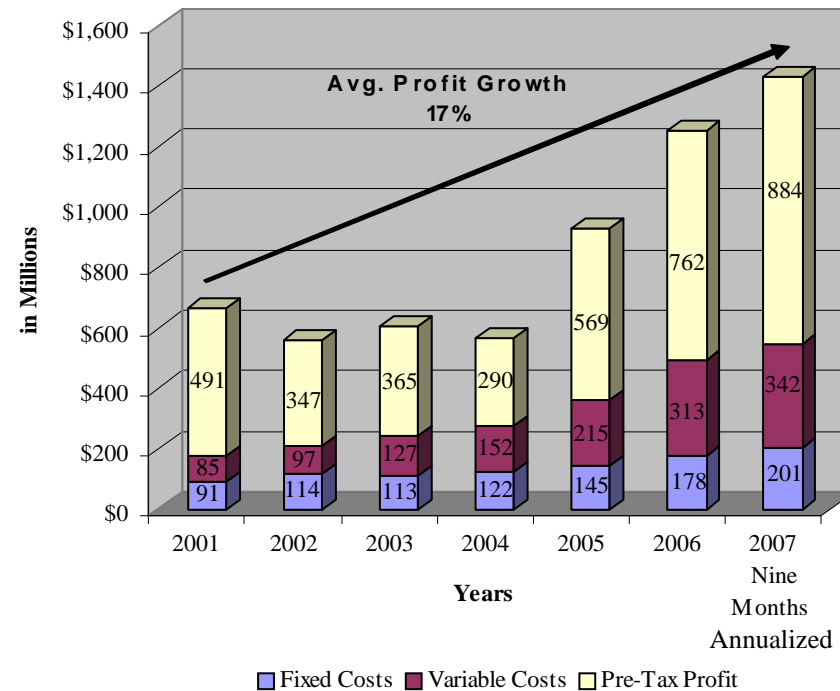
90,000 professional traders from 153 countries doing over 700,000 trades a day on 70 exchanges, in 24 countries, in 13 currencies is a good place to start .....

..... when you have a long way to go.

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.

- Interactive Brokers Group became a public company on May 3, 2007
- Optimizing the allocation of resources on a global network of electronic platforms is a major trend of our times
- Electronic exchanges, market makers, brokers and customers form the network
- Through our connections to 70 exchanges and trading venues around the world, where we act in most cases both as market makers and brokers, we provide liquidity and the capability to trade stocks, options, futures, forex and bonds in ten different currencies from one account on one screen
- We built our brokerage system for financial professionals, both for their personal and organizational accounts
- We have an established platform from which to expand further to new exchanges, products and customers
- 30 years of single-minded focus on automation enabled us to generate more than \$1 million of pre-tax profit per year per employee, for the past two years and current year-to-date period

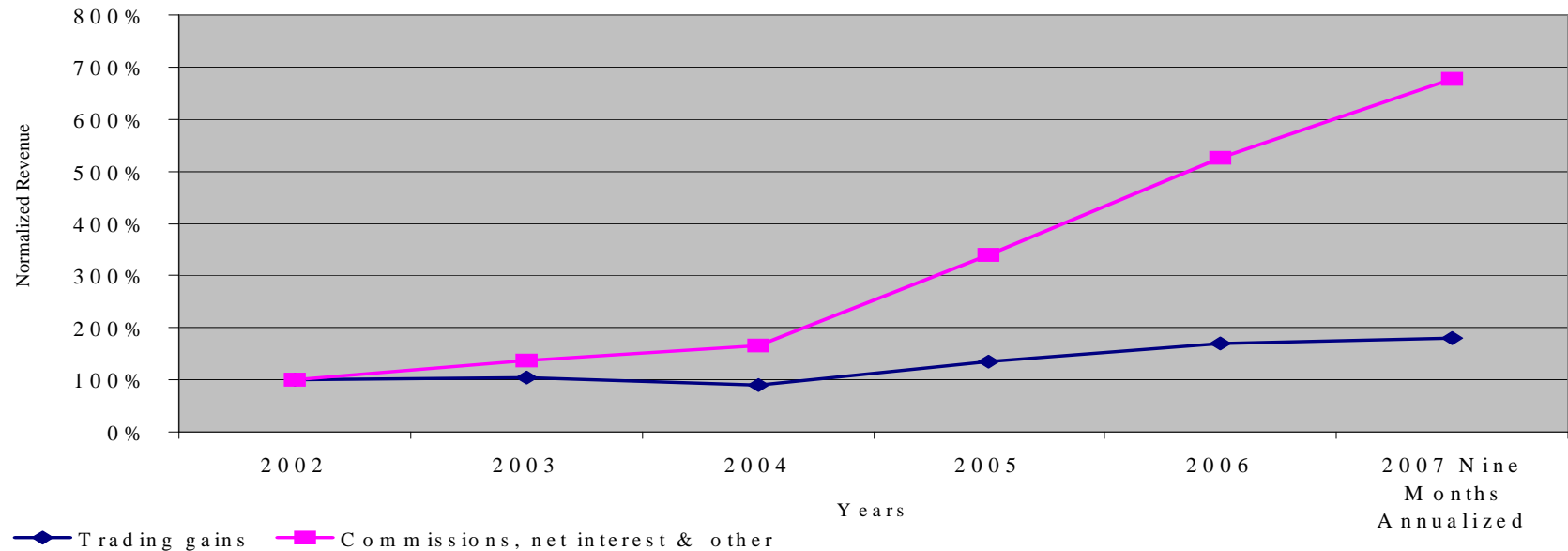
- Automated proprietary platform - Automation - An overwhelming competitive advantage
  - Execute on 70 electronic exchanges and ECNs, in 24 countries, in 13 currencies
  - Transact 14% of the world's and 18% of the US listed equity based options volume
  - Executed, cleared and settled 796,000 trades per day in the 3<sup>rd</sup> quarter of 2007, with an average of 571 employees
    - Makes us one of the lowest cost producers in our industry, able to compete with lowest dealing spreads, lowest commissions, lowest financing rates and fees
  
- Financial summary



➤ Historical PL

(In millions)

	Year Ended December 31,					9 Months Annualized
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
	(Unaudited)					
<b>Revenues:</b>						
Trading gains	\$472	\$488	\$423	\$640	\$805	\$851
Commissions, net interest & other	85	117	141	289	447	576
<b>Total net revenues</b>	<b>557</b>	<b>605</b>	<b>564</b>	<b>929</b>	<b>1,252</b>	<b>1,427</b>
<b>Non-interest expenses:</b>						
Variable, execution and clearing	97	127	152	215	313	342
Fixed Expenses	114	113	122	145	178	201
<b>Total non-interest expenses</b>	<b>211</b>	<b>240</b>	<b>274</b>	<b>360</b>	<b>491</b>	<b>543</b>
<b>Income before income tax</b>	<b>\$347</b>	<b>\$365</b>	<b>\$290</b>	<b>\$569</b>	<b>\$762</b>	<b>\$884</b>
% of Net Revenue	62%	60%	51%	61%	61%	62%



➤ Historical PL

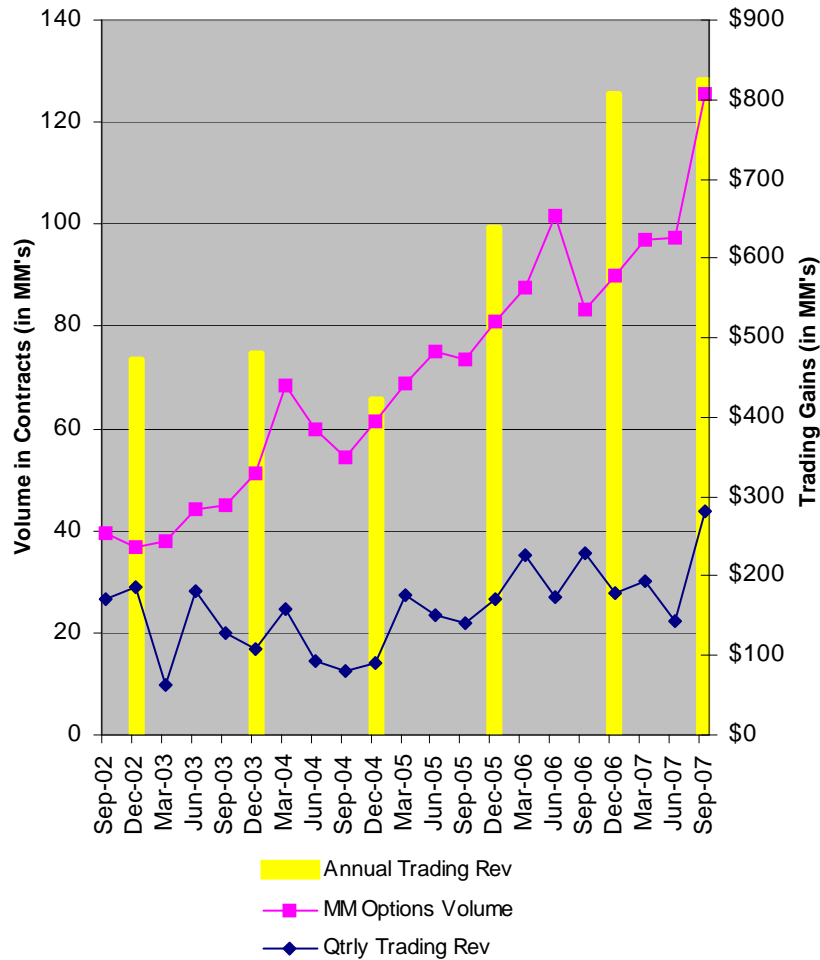
	2006				2007		
	<u>1Q06</u>	<u>2Q06</u>	<u>3Q06</u>	<u>4Q06</u>	<u>1Q07</u>	<u>2Q07</u>	<u>3Q07</u>
<i>(In millions)</i>				(Unaudited)			
<b>Revenues:</b>							
Trading gains	\$225	\$176	\$230	\$174	\$199	\$150	\$289
Commissions, net interest & other	104	115	110	119	132	145	156
<b>Total net revenues</b>	<b>329</b>	<b>291</b>	<b>340</b>	<b>293</b>	<b>331</b>	<b>295</b>	<b>445</b>
<b>Non-interest expenses:</b>							
Variable, execution and clearing	71	83	77	83	90	81	85
Fixed Expenses	42	43	43	49	50	49	52
<b>Total non-interest expenses</b>	<b>113</b>	<b>126</b>	<b>120</b>	<b>132</b>	<b>140</b>	<b>130</b>	<b>137</b>
<b>Income before income tax</b>	<b>\$215</b>	<b>\$164</b>	<b>\$220</b>	<b>\$162</b>	<b>\$190</b>	<b>\$165</b>	<b>\$308</b>
% of Net Revenue	66%	57%	65%	55%	58%	56%	69%
<b>Market making options contracts volume</b>	<b>90</b>	<b>104</b>	<b>86</b>	<b>92</b>	<b>100</b>	<b>99</b>	<b>126</b>
<b>Commissions/Cleared DART (in \$'s)</b>	<b>\$4.02</b>	<b>\$4.16</b>	<b>\$4.31</b>	<b>\$4.48</b>	<b>\$4.69</b>	<b>\$4.86</b>	<b>\$4.58</b>
<b>Annualized net revenues/Account (in \$'s)</b>	<b>\$3,224</b>	<b>\$3,526</b>	<b>\$3,293</b>	<b>\$3,481</b>	<b>\$4,069</b>	<b>\$4,084</b>	<b>\$4,344</b>





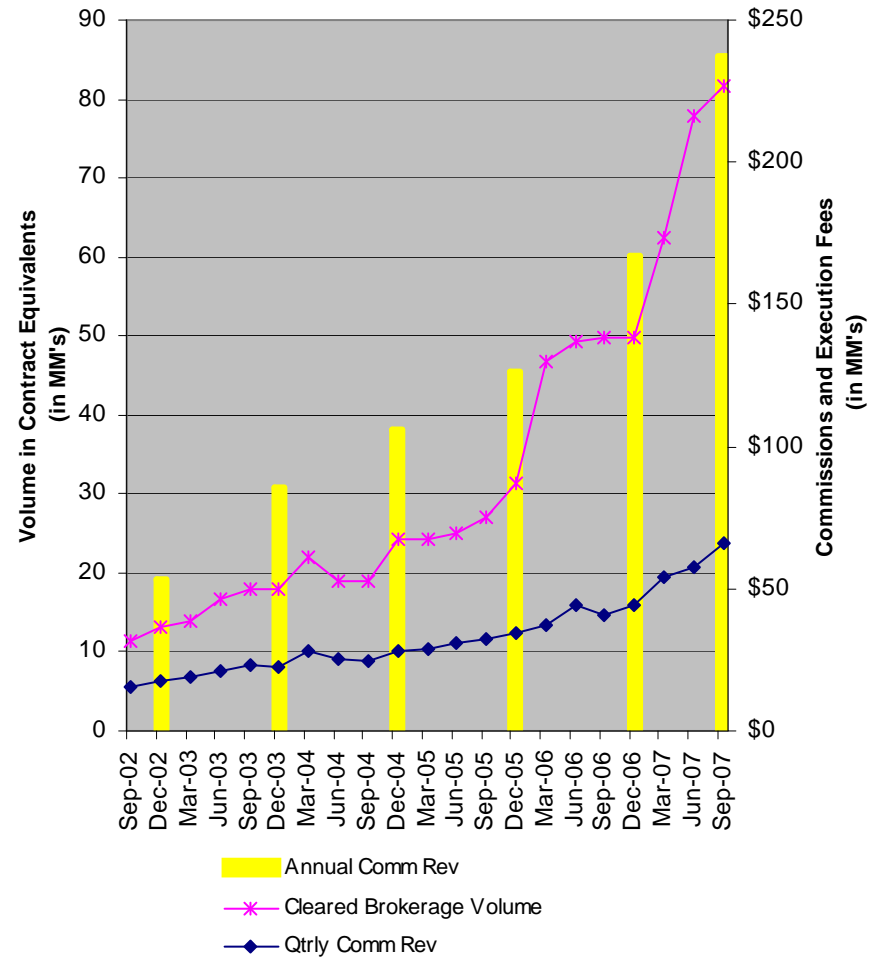
- Penny pricing
  - Industry volume up 57%
  - Our average daily volume up 113%
  - Profit per contract down 45%
  - Average daily profit up 17%
  
- On the long term, as always, we benefit from automation. Our technology enables us to quote tighter spreads that bring more volume to the market and others have difficulty competing with us

## Market Making



**Note:** Sep-07 data is annualized YTD 2007

## Cleared Electronic Brokerage



**Note:** Sep-07 data is annualized YTD 2007

- As more exchanges and products mature around the globe, expanding to these exchanges will diversify our revenue stream
- The ongoing turmoil in the conventional brokerage space is an opportunity for electronic brokers, and specifically for Interactive Brokers to gain wider acceptance for our business model

3Q2006 to 3Q2007: DARTs up 46%

Customer Equity up 54%

Net revenues up 48%

Pre-tax profit up 115%

- Our Goals:
  - To be the global broker for financial professionals wherever they are and whatever they want to trade
  - Building the technology to provide liquidity and to execute and clear all exchanges and all products around the world is what we are good at
  - Integrating all these processes on one platform gives us competitive advantages in efficiency and cost that we pass on to our customers
- To really understand our business you should open an account with us