

Sandler O'Neill
Global Securities & Electronic Trading Conference

June 2009



Disclaimer

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.



Business Overview

We are an automated global electronic market maker and broker specializing in routing orders and executing and processing trades in options, equities, futures and foreign exchange worldwide on over 80 electronic exchanges and trading venues around the world.

Market Making

As providers of liquidity we offer competitive bid/offer pricing on exchange-listed products.

Electronic Brokerage

Our customers use our platform to access these markets and trade across multiple products and currencies, from one screen, seamlessly.

Our Mission: *"Create technology to provide liquidity on better terms. Compete on price, speed, size, diversity of global products and advanced trading tools."*





Our Competitive Strengths

1. AUTOMATION

.....in addition to:

- **Broad global diversification** - Connected to over 80 electronic exchanges and trading venues in 27 countries
- **Recognized leader** - For offering low costs, superior trading tools and best execution
- **Complementary Business Segments** - Economical and technological economies of scale
- **Experienced Management Team** - Longevity and technology focused
- **Strong Fundamentals** - Solid financial position and track record for high profitability
- **Conservative risk**



Proven Track Record

<i>(In millions)</i>	Year Ended December 31,						
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>1Q09</u>
Revenues:							
Trading gains	\$488	\$423	\$640	\$805	\$888	\$1,304	\$181
Commissions and execution fees	\$93	\$112	\$132	\$174	\$261	\$360	\$84
Net interest income	\$13	\$22	\$103	\$188	\$227	\$105	\$10
Other income	\$11	\$7	\$54	\$85	\$92	\$81	\$21
Total net revenues	\$605	\$564	\$929	\$1,252	\$1,468	\$1,850	\$296
Non-interest expenses:							
Variable, execution and clearing	\$127	\$152	\$215	\$313	\$336	\$323	\$61
Fixed expenses	\$113	\$122	\$145	\$178	\$201	\$277	\$68
Total non-interest expenses	\$240	\$274	\$360	\$491	\$537	\$600	\$129
Income before income tax	\$365	\$290	\$569	\$762	\$932	\$1,250	\$167
Profit Margin (% of Net Revenue)	60%	51%	61%	61%	63%	68%	56%

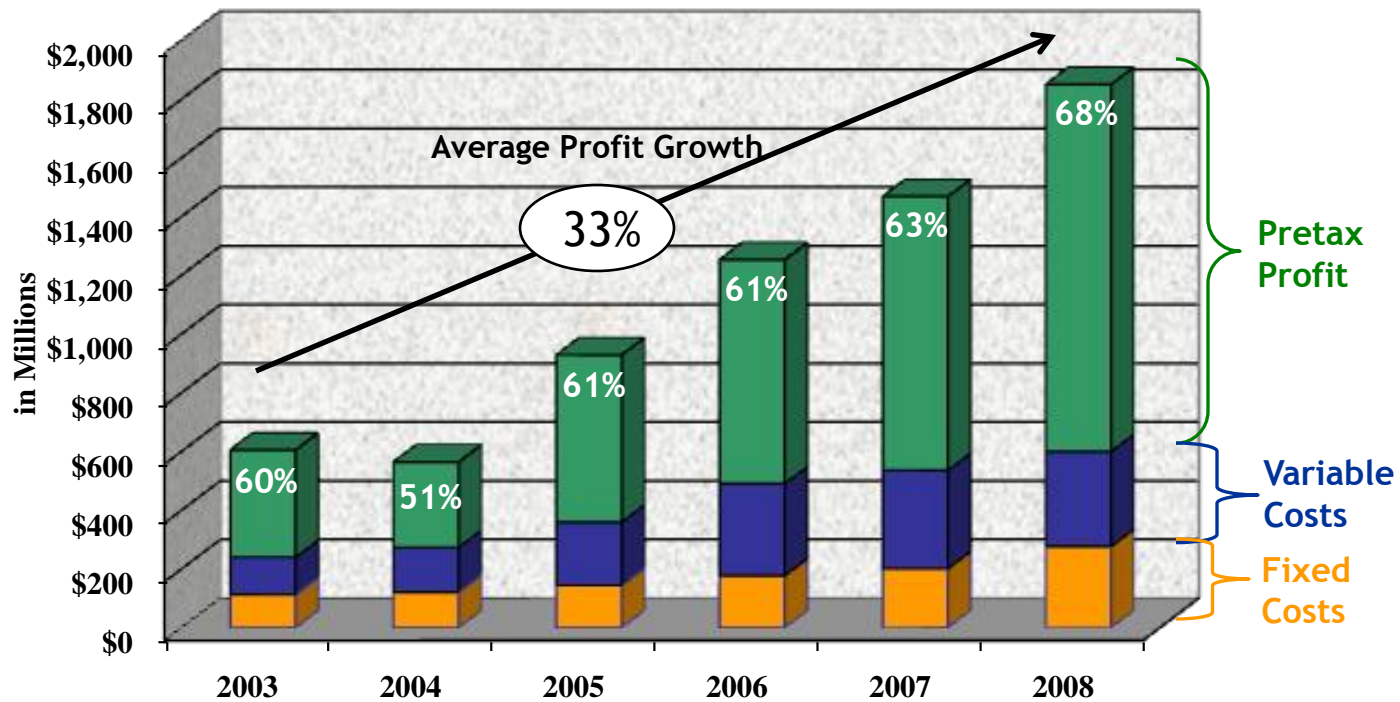
— Income before income tax

Over \$1 million annual profit per employee for the past 4 years



Low Fixed Costs

The Undeniable Advantage of Automation



We were able to process nearly one million trades per day in 1Q09, with an average of 758 employees



Experienced Management Team

	Age	Years with the company	Position
Thomas Peterffy	64	32	President & CEO, Chairman of the Board
Earl H. Nemser	62	21	Vice Chairman & Director
Thomas A.J. Frank	54	24	EVP and CIO
Paul J. Brody	49	22	CFO Group & Director
Milan Galik	43	19	SVP Software Development & Director
Next 8 officers	45	16	
Average Tenure		19	

- Longevity and significant economic interest
- Of the 15 steering committee members:
 - 11 are in their 40's
 - 8 are computer programmers



Segment Overviews

Market Making - Timber Hill

We are the leading global market maker in exchange traded options with preferential rights and obligations for providing liquidity at exchanges worldwide, executing many small trades at tiny but favorable bid/offer differentials

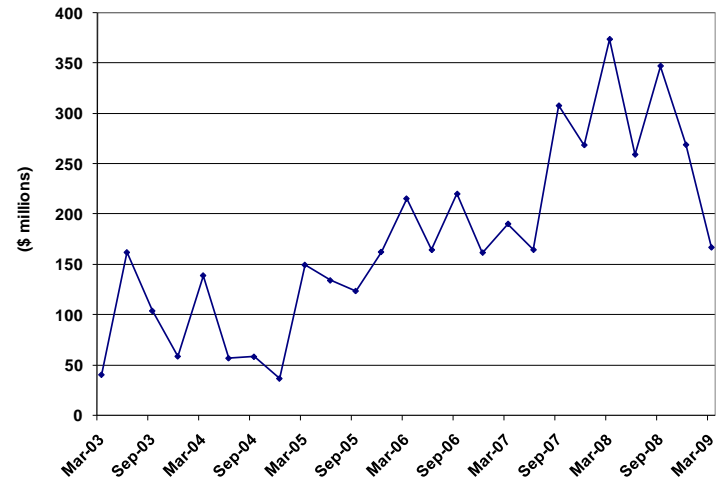


Market Making

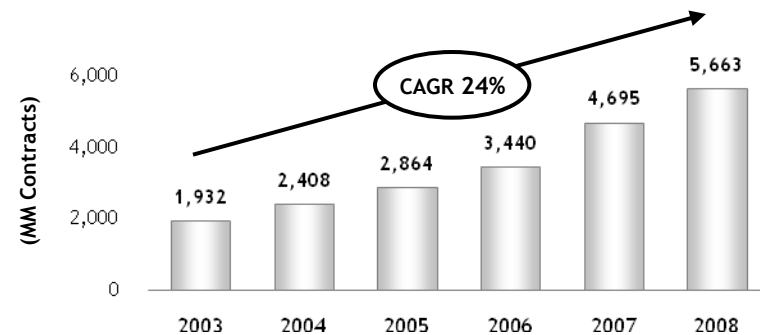
Profits driven by exchange volumes and bid/offer spreads

- Spreads are a function of competition and volatility. These forces move in cycles which leads to an irregular pattern of earnings.
- In 1Q-09, spreads contracted significantly due to heightened competition as trading firms redirected their interest to the ever growing options market
- Historically, similar periods of spread compression have been followed by higher volumes, offsetting the negative effects
- We witnessed this in 1988, 1992-3, 2002-3
- Other factors affecting market making profits are currency movements, actual v. implied volatility and M&A activity.

Consolidated Quarterly Pretax Income (Unaudited) *



Global Equity Option Volume: Annual Volume Traded ⁽¹⁾



* Prior to 2004, historical data does not reflect certain accounting standards that were adopted at later dates.

(1) 2002-2007 Source: Futures Industry Association. 2008 data based on volumes obtained directly from option exchanges. Data for global equity option volume excludes volume of the Kospi 200 Index Option Contract, which is an index of 200 stocks on the Korea Exchange.



Market Making Prudent Risk Management

- We only make markets in highly liquid, exchange traded instruments with readily determinable values.
- Counterparties are central clearing houses.
- Our portfolio is evaluated every second and continuously rebalanced throughout the trading day.
- Broad diversification globally and across multiple instruments.
 - Make markets in 27 countries
 - Broad diversification across 557,000 tradable items protects capital base
- Proprietary risk management system estimates the fair value of financial instruments.
 - Value at risk (VaR) is typically less than \$15 million
 - Financing limitations, both overall and product specific, are programmed as constraints
 - System hedges overall net position consistent with positive gamma profile
- Teams of experienced traders around the world monitor the system during all trading hours.



Segment Overviews

Electronic Brokerage

We are the broker of choice for sophisticated, high volume traders that demand superior technology and best execution at the lowest possible cost

The IB Trader Workstation - “TWS” - allows our 116,000 customers in 140+ countries to access 80+ exchanges in 17 countries in 13 currencies in stocks, futures, options and forex from one screen, seamlessly.



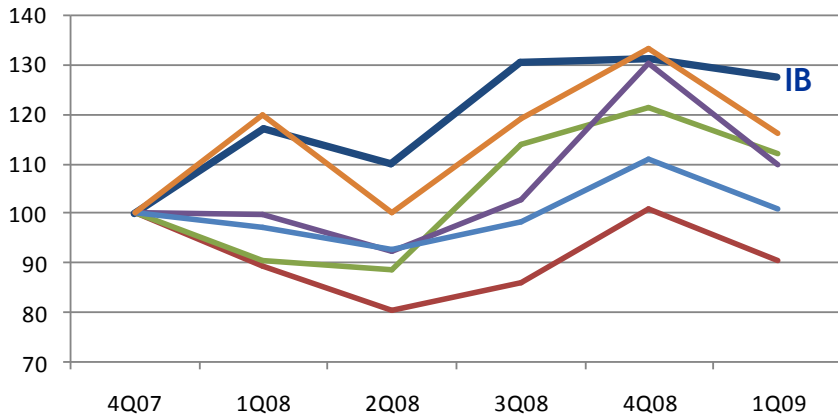
Electronic Brokerage: Current Market Environment Highlights our Strengths

- **Financial stability and risk management** are key concerns of investors when choosing a broker.
- Current market environment is an opportunity to emphasize our advantages over other brokers:
 - IBG, Inc. has over \$4B equity capital
 - No OTC or exotic financial instruments (mortgage derivatives or CDO's)
 - Only transact highly liquid, exchange-traded products with readily determinable values
 - Real-time margin system mitigates risk of large customer losses - no extended credit and automatic liquidation if margin limit is violated
- Our target customer understands the importance of broker safety
- The above strengths have been positive for new account growth; currently about half of new customers come from outside of U.S.
- 4th year in a row that we've gained more customers from our competitors than we've lost to them

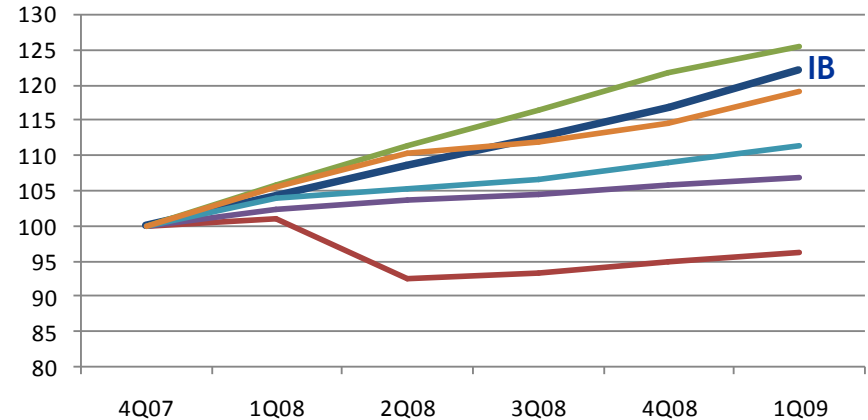


Brokerage Growth vs. Competitors: Trends normalized to 4Q07

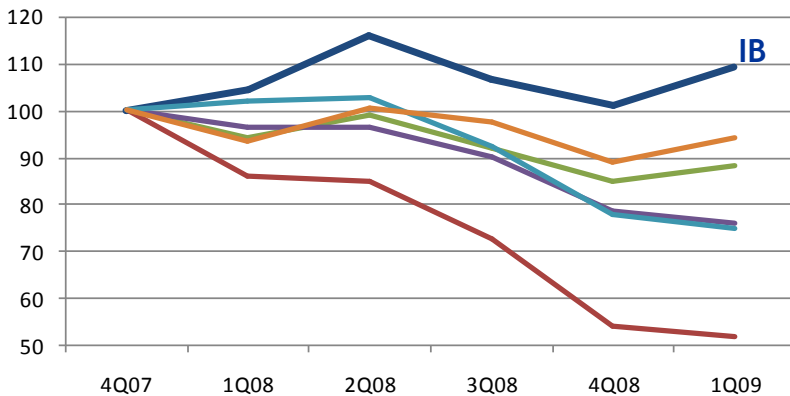
DARTs



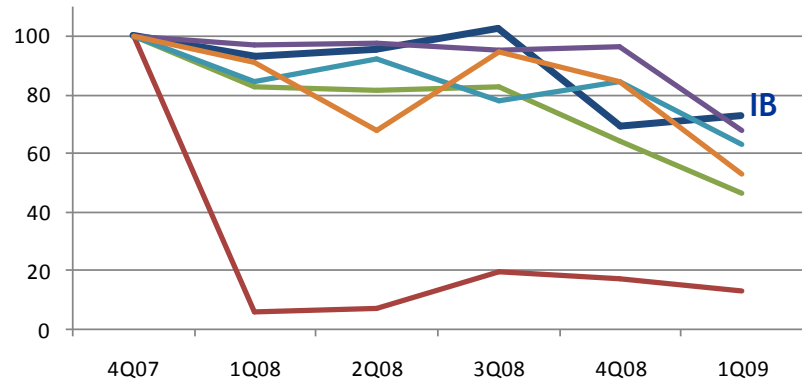
Accounts



Customer Equity



Pretax Profits



— Interactive Brokers — E-Trade — optionsXpress
— Schwab — TD Ameritrade — Tradestation



Electronic Brokerage: Leading the Competition on Several Metrics

	US Margin Loan Rates Comparison			US Commission Rates Comparison		
	\$25K	\$200K	\$1.5M	100 shares	1 Stock Option	1 E-mini S&P 500 Future
E-Trade	6.99%	5.99%	3.99%	\$ 7.99 ¹	\$ 8.74	\$ 2.99
Fidelity	7.58%	6.58%	3.75%	\$ 8.00 ²	\$ 8.75	N/A
Interactive Brokers	1.68%	1.18%	0.68%	\$ 1.00 ³	\$ 1.00	\$ 2.40
optionsXpress	6.25%	5.00%	4.00%	\$ 9.95 ⁴	\$ 12.95 ⁵	\$ 6.99 ⁶
Schwab	8.00%	6.88%	6.25%	\$ 8.95 ⁷	\$ 9.70	N/A
TD Ameritrade	8.50%	7.25%	6.25%	\$ 9.99	\$ 10.74	N/A
thinkorswim	7.70%	7.70% *	7.70% *	\$ 5.00	\$ 2.95	\$ 3.50

Comparisons as of 5/1/2009. Services vary by firm. Commissions data is for U.S. equities, stock options and futures.

* Negotiable

Net Dollar Price Improvement ^(A) vs. National Best Bid Offer

	Interactive Brokers	Industry ^(B)	IB Advantage
US Stocks (cents per 100 shares)	31¢	-11¢	42¢
US Options (cents per contract)	125¢	65¢	60¢

Source: The Transaction Auditing Group (TAG) a third party provider of transaction audit services. For stocks, the analysis included all market orders of 100 shares or more up to 10,000 shares, from July - December 2008. The analysis for options included all market orders with order sizes of 1 to 50 contracts from July - December 2008.



In the software-based competition, Interactive Brokers is once again ranked lowest cost broker with a 4.5 in 2009 the highest star rating awarded by Barron's.

Interactive Brokers LLC is a member of NYSE, FINRA, SIPC. Supporting documentation for any claims and statistical information will be provided upon request. [1] E-Trade - 150-1,499 trades per quarter. [2] Fidelity Gold Account - \$1 million or more in assets or \$25,000 in assets and 120 trades per year. [3] IB - total minimum monthly commission is \$10 per month with account equity of \$2,000 or more. [4] optionsXpress - minimum 9 stock trades per quarter. [5] optionsXpress - minimum 35 option trades per quarter. [6] optionsXpress - eMini - between 1 - 40 contracts per month. [7] Schwab - 120 trades+ per year or more than \$1 million in household balance. [8] Industry as a whole from July - December 2008. [A] Net \$ Improvement per Share Definition: ((# of Price Improved Shares * Price Improvement Amount) - (# of Price Dis-improved Trades*Price Dis-improvement Amount)) / Total Number of Executed Shares.



Our Unique Customer Base

A focus on *quality* rather than quantity

- Our target customer values best price execution at the lowest possible cost
- We keep our commissions low so our customers can be more profitable

	As of and for the quarter ended March 31, 2009				
	IB	Schwab	optionsXpress	ETrade	Ameritrade
Cleared accounts (<i>in thousands</i>)	116	7,479	328	2,661	7,200
Cleared DARTS (<i>in thousands</i>)	330	303	47	194	325
Average annual trades per account	720	10	36	18	11
Average commission per cleared trade	\$3.96	\$14.06	\$13.33	\$10.59	\$13.40
Average equity per customer account (<i>in thousands</i>)					
At December 31, 2007	\$ 92.6	\$ 206.5	\$ 22.0	\$ 34.3	\$ 46.4
At March 31, 2009	\$ 82.8	\$ 147.0	\$ 15.5	\$ 18.5	\$ 31.2
Change *	-11%	-29%	-29%	-46%	-33%

*** During this same period, the S&P fell 46%.**



Opportunities

Strategic

- Equity interest in Quadriserv - an electronic securities lending exchange

- Working on automated interface between:

IB trading systems ←————→ Quadriserv

IB brokerage systems ←————→ Quadriserv

- Available to customers July 2009
- Expected to significantly increase our availability of securities to lend which will support prime brokerage account growth

International expansion

- Our purchase of Japan's Moriai Securities give us direct access to membership on the Tokyo and Osaka exchanges
- Started market making in India in late 2008
- About to start offering our brokerage system in India, Japan and China

Customer focus

- Emphasizing our offerings to Introducing Brokers and Financial Advisors
- Installing our OMS systems on a growing number of trading desks