

# Second Quarter Investor Presentation

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# Disclaimer



## Non-GAAP Financial Measures

We use certain non-GAAP financial measures as additional measures to enhance the understanding of our financial results. This presentation includes the following non-GAAP financial measures: adjusted net revenues, adjusted variable expenses, adjusted fixed expenses, adjusted income before income taxes and adjusted diluted earnings per share (“EPS”). We believe that these non-GAAP financial measures are important measures of our financial performance because they exclude certain items that may not be indicative of our core operating results and business outlook. We believe these non-GAAP financial measures are useful to investors and analysts in evaluating the operating performance of the business. These non-GAAP financial measures should be considered in addition to, rather than as a substitute for, measures of financial performance prepared in accordance with accounting principles generally accepted in the United States (“GAAP”). A reconciliation of these non-GAAP measures to the most comparable financial measure presented in accordance with GAAP is included at the end of this presentation.

## Cautionary Note Regarding Forward-Looking Statements

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.

# Company Overview<sup>1</sup>



## We Are a Highly Automated Electronic Broker

- We use our proprietary technology and international market-maker experience to offer the **lowest cost**,<sup>2</sup> **seamless global access** to multiple types of securities for both institutional and individual investors.
- We offer a wide array of financial products on more than **150 market centers** in **34 countries** and **27 currencies** around the world.

### ▪ Our Focus on Innovation Drives Continued Growth

2Q 2024 vs 2Q 2023 growth

EQUITY CAPITAL <sup>3</sup>

**\$15.2 billion ▲20%**

ACCOUNTS <sup>3</sup>

**2.9 million ▲28%**

DAILY AVG. REVENUE TRADES <sup>4,5</sup>

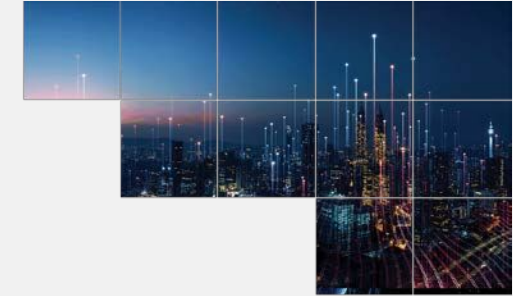
**2.4 million ▲28%**

CLIENT EQUITY <sup>3</sup>

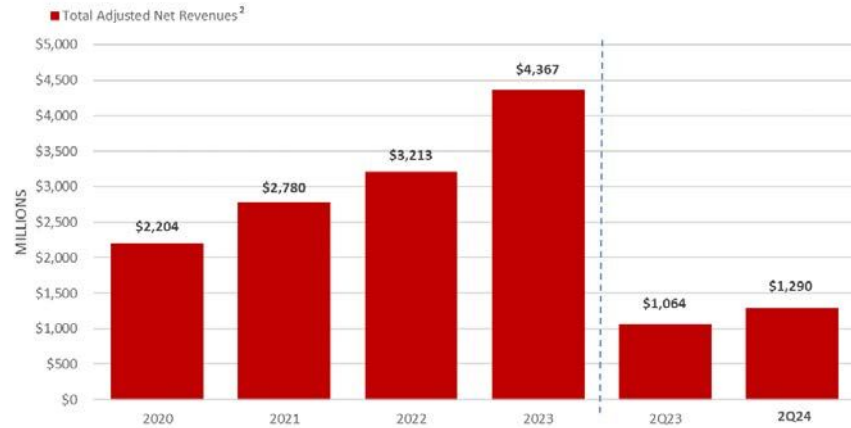
**\$497.2 billion ▲36%**

1. "Interactive Brokers Group" and "IBKR" include the Group's operating subsidiaries  
2. For more information see [ibkr.com/info](https://ibkr.com/info). Lower investment costs will increase your overall return on investment, but lower costs do not guarantee that your investment will be profitable  
3. 06/30/24  
4. DARTs are based on client orders  
5. YTD through 06/30/24

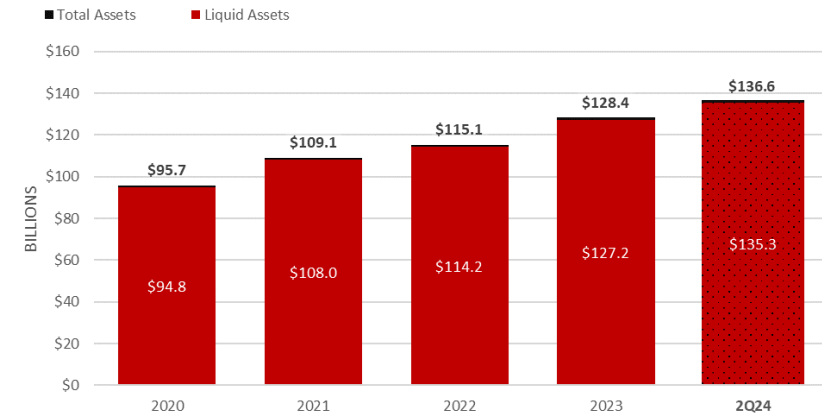
# Financial Strength – Strong and Growing<sup>1</sup>



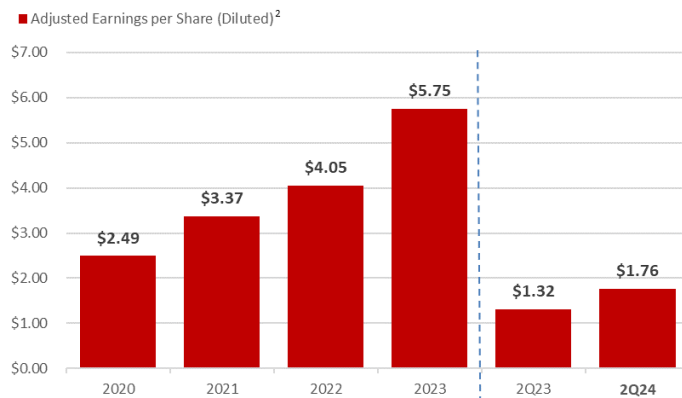
**Consistent revenue growth**



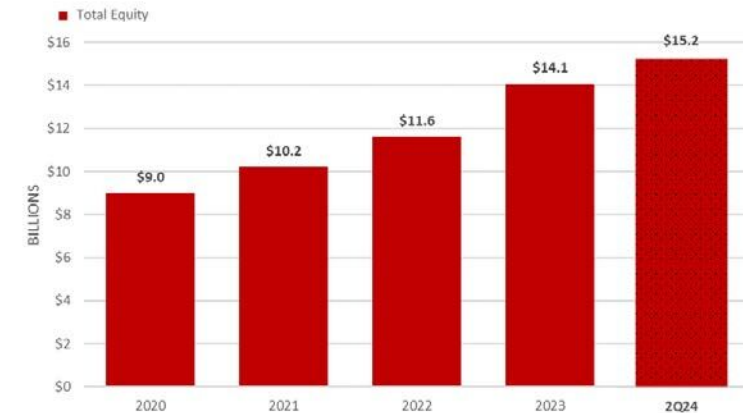
**Over 99% of our balance sheet is comprised of liquid assets**



**Steady EPS growth from low cost / high margin model**



**Solid Equity Capital and No long-term debt**



1. "Interactive Brokers Group" and "IBKR" include the Group's operating subsidiaries  
 2. See reconciliation of non-GAAP measures at the end of this presentation

# The IBKR Advantage



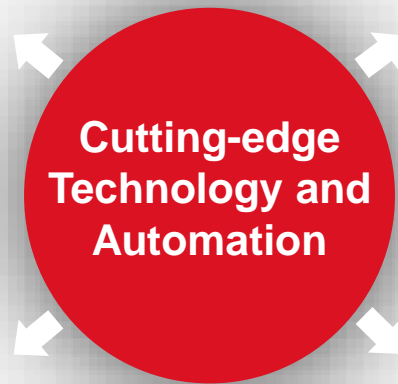
## Superior Technology

- **Award-winning platforms** (desktop, mobile and web-based) that match a client's trading style and expertise—from powerful trading features for professional traders to streamlined solutions for beginners
- Technology built and developed **in-house** by leading computer programmers
- **Direct access** (“online”) trade execution and clearing services



## Professional Pricing

- IBKR provides technology to help its clients grow assets: those investors with the lowest drag from investing costs can show better performance and attract more business
- U.S. margin rates range from **5.83%** to **6.83%** for IBKR Pro<sup>4</sup>
- Credit interest on instantly available cash is up to **4.83%** for IBKR Pro<sup>5</sup>
- Stock Yield Enhancement program and pricing transparency in our Securities Lending system
- No added spreads, ticket charges, platform fees, or account minimums



## Breadth of Global Products

- Clients can access **150 market centers** in **34 countries**
- **Universal Account**<sup>1</sup> to fund and trade in up to **27 currencies**, giving clients the ability to operate in many jurisdictions, while complying with all regulatory requirements
- Clients can invest in **stocks, options**<sup>2</sup>, **futures, currencies, commodities, bonds, mutual funds, ETFs and crypto**<sup>3</sup> from a single unified platform



## Strength & Security

- \$15.2 billion in equity capital
- **Conservative** balance sheet, with significantly low duration risk, no external debt, and no off-balance sheet valuations
- Carefully selected and diverse counterparties
- **Automated** risk controls
- All assets marked to market **daily**

1. Regulations in certain jurisdictions require securities and commodities activities to be conducted in separate accounts. Universal Account refers to the consolidation of these accounts for display purposes only, enabling clients the ability to use a single platform to conduct trading activity and view consolidate activity and position information for all products and services offered.

2. Options involve risk and are not suitable for all investors. For more information read the “Characteristics and Risks of Standardized Option” by visiting [ibkr.com/occ](http://ibkr.com/occ)

3. Cryptocurrency trade execution and custody are provided by either Paxos Trust Co. or Zero Hash LLC depending on the account type and country of legal residence

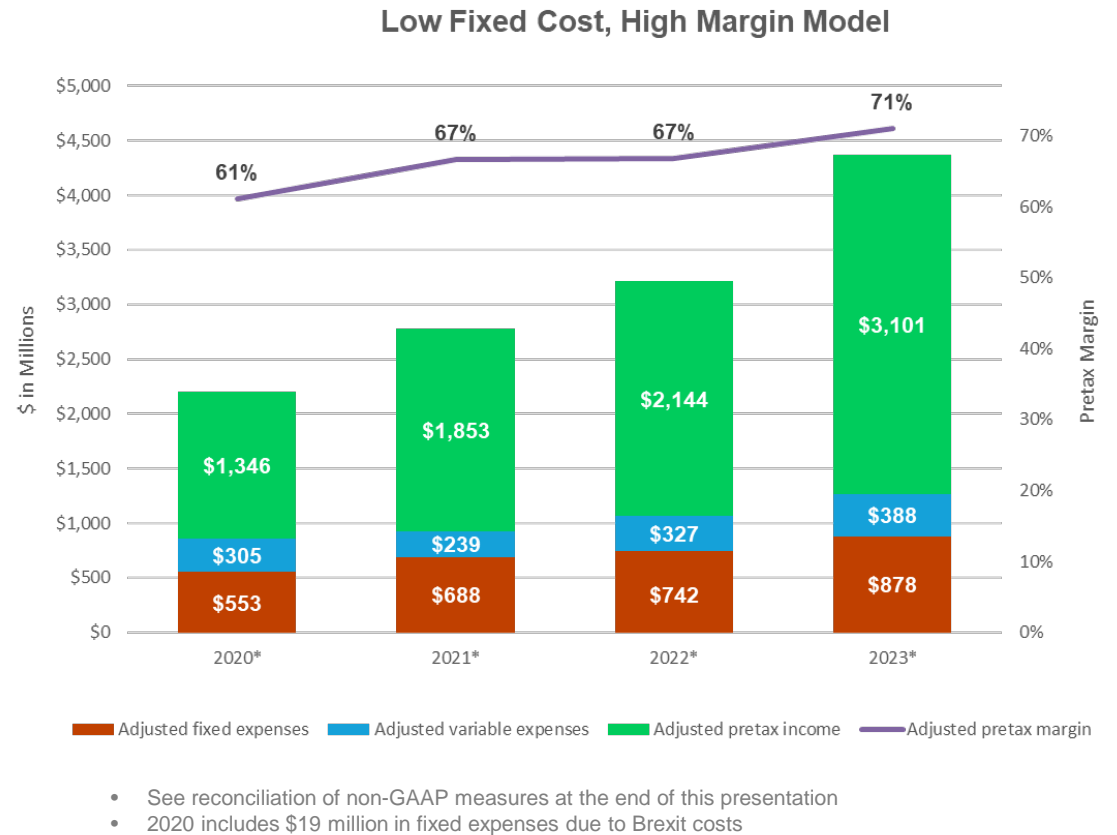
4. As of 08/08/2024. See [ibkr.com/marginrates](http://ibkr.com/marginrates). U.S. margin interest priced at 50 to 150 basis points over benchmark Federal Funds rate

5. Credit Interest rate as of 08/08/2024. Restrictions apply. For additional information, see [ibkr.com/interestpaid](http://ibkr.com/interestpaid)

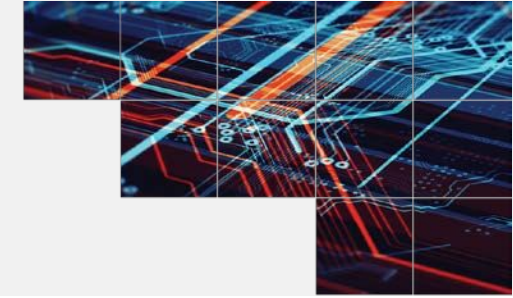
# Impact of Automation

## Automation allows IBKR to be one of the lowest cost processors in the industry

- **Majority of senior management are software engineers**, committed to automating as many brokerage processes as possible
- From account opening through the entire transaction lifecycle, **our processes are automated**, including real-time risk management, securities lending and short stock availability
- Our **proprietary technology** is the key to our success. Integrating our system with electronic exchanges and market centers worldwide results in transparency, liquidity and efficiencies of scale

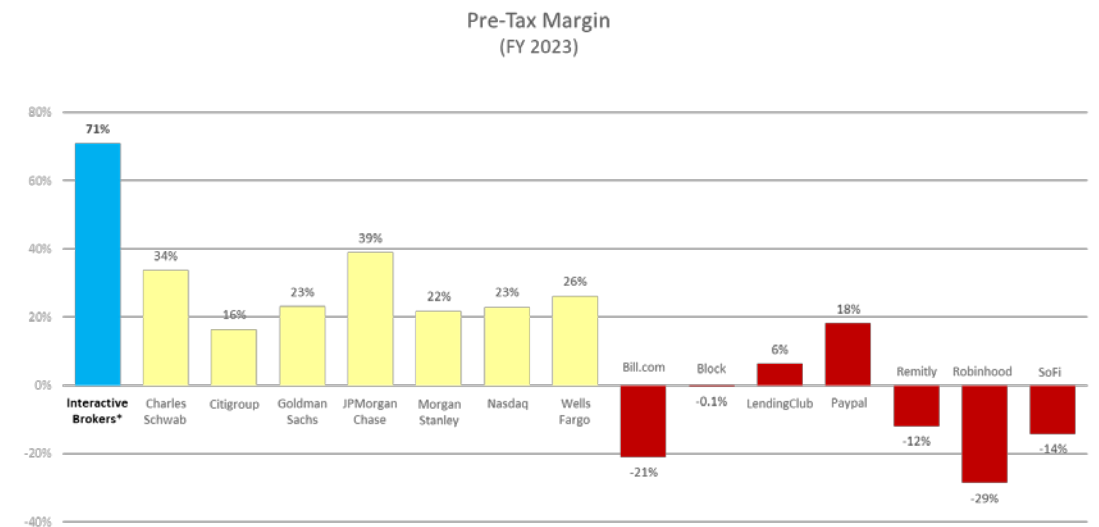


# FinTech vs Financial Services



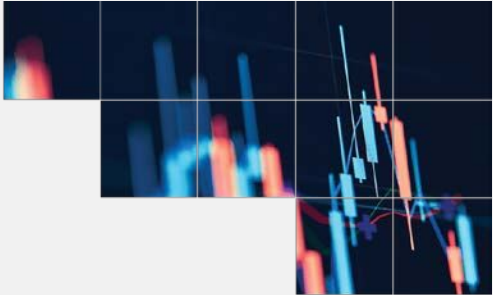
	Financial Services	FinTech	IBKR
	Technology assists existing business model	Changes an existing business model in finance in a material way	A class of its own, combining the best from both industries
Established Business	✓		✓
Sustained Growth	✓	✓	✓
> 50% Pre-tax Margins			✓
Domain Knowledge	✓		✓
Experience with Policy & Regulation	✓		✓
Many Active Users		✓	✓
Brick and Mortar Presence	✓		
Technology	Slow to adopt	Heavy use	Heavy use
Workforce	Large	Lean	Lean
Customers	Institutional & Retail	Mostly Retail	Institutional & Retail

- **IBKR boasts industry-leading margins that surpass both financial services and financial technology companies**



\* Represents adjusted pre-tax margin. See the reconciliation of non-GAAP measures at the end of this presentation.

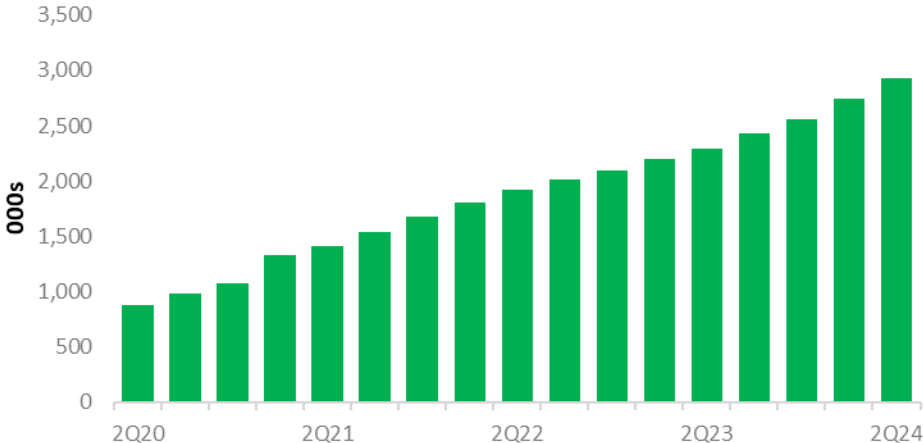
# IBKR Growth Continues<sup>1</sup>



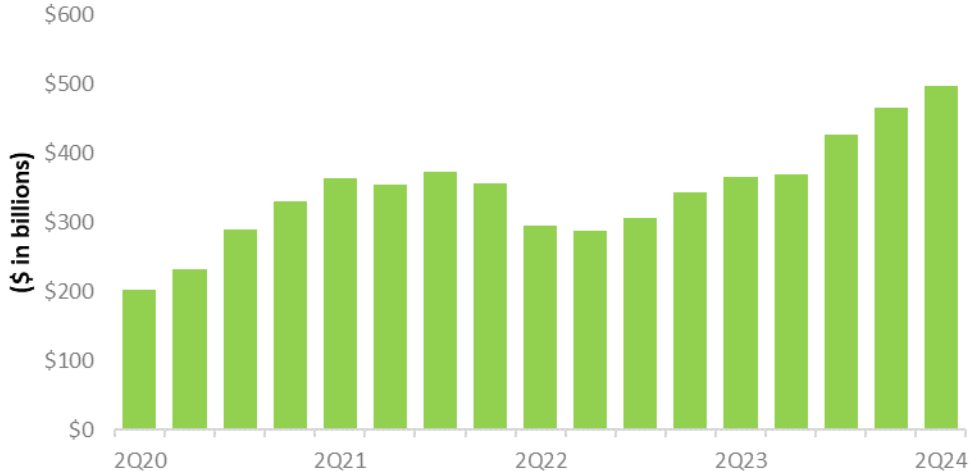
Multiple factors, including increased interest in the financial markets and the growing interconnectedness of investors worldwide, have propelled account growth.

More accounts on our platform have led to more client assets held at IBKR.

### Client Accounts



### Client Equity



1. "Interactive Brokers Group" and "IBKR" include the Group's operating subsidiaries



# IBKR Growth Continues<sup>1</sup>

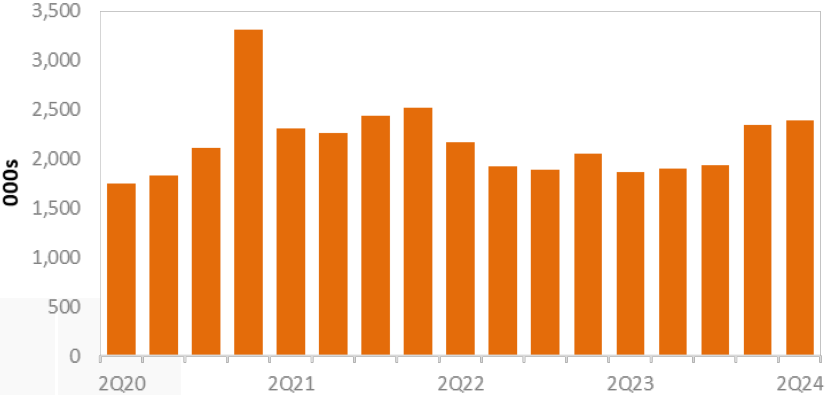


More accounts and client equity on our highly automated platform mean higher activity, as seen in increased DART levels that remain above pre-pandemic levels.

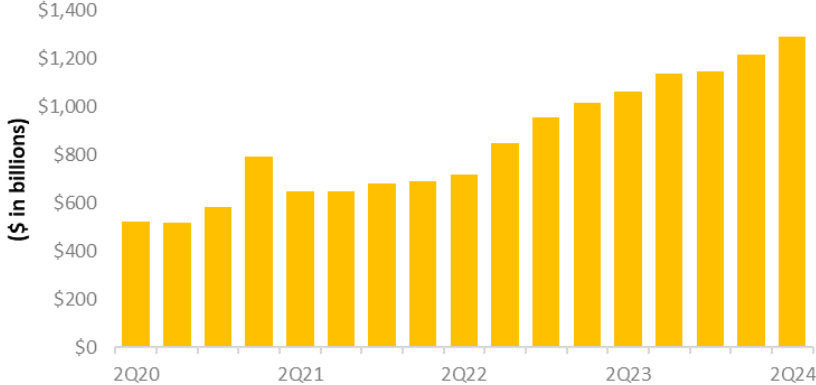
More accounts and higher activity levels translate to higher revenues.

This drives our superior, industry-leading profit margins.

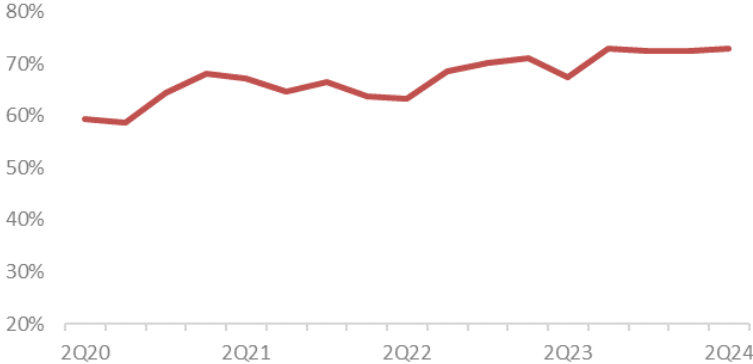
**Total DARTs**



**Adjusted Net Revenues**



**Adjusted Pretax Profit Margin<sup>2</sup>**

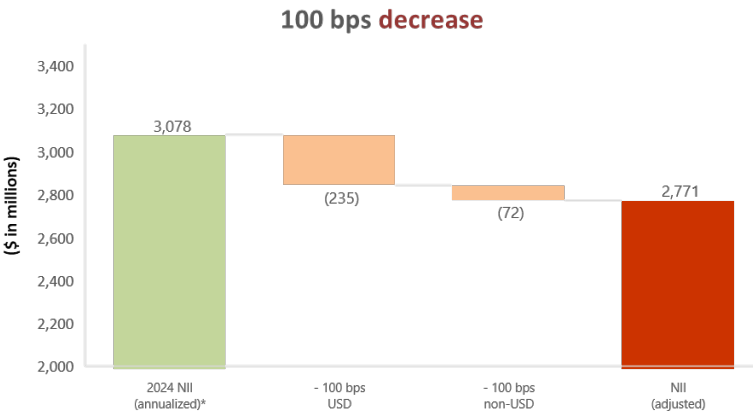


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 2. See reconciliation of non-GAAP measures at the end of this presentation

# Interest Rate Sensitivity

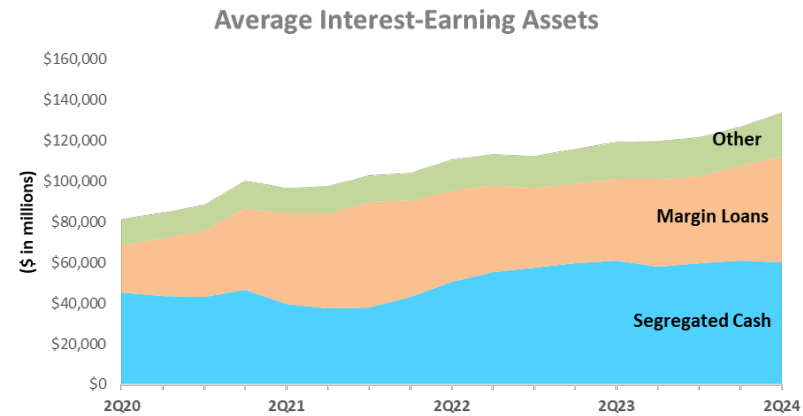


Interest rate moves have a modest impact on our net interest income.

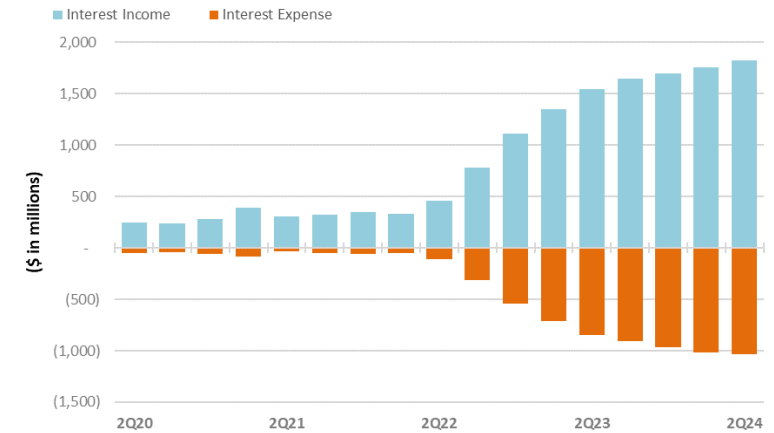


- A 100-bps decrease in **Fed Funds rate** will reduce annual net interest income by \$235 million
- A 100-bps decrease in all **non-USD benchmark rates** reduces annual net interest income by an additional \$72 million
- This assumes **no balance sheet growth**

A growing balance sheet, supported by healthy account growth may offset this impact.

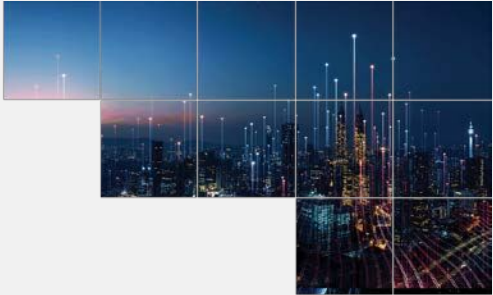


Lower rates also reduce our interest expense. As we pay interest based on benchmark rates, reduced rates are automatically passed to our customers.

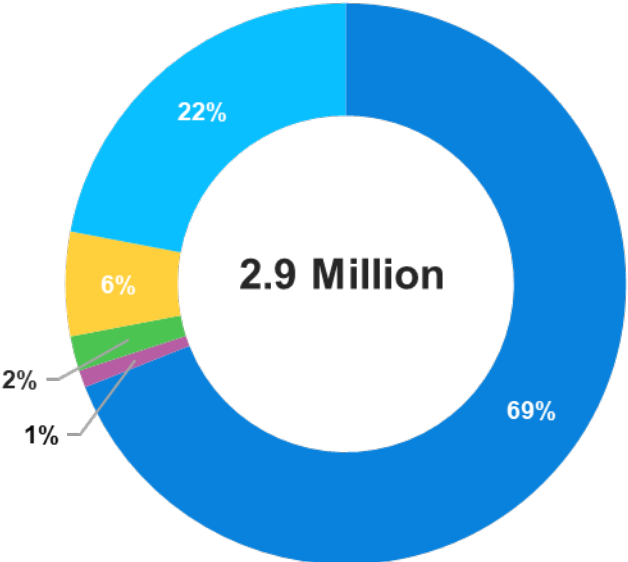


# Diversified Client Base – by Client Type<sup>1</sup>

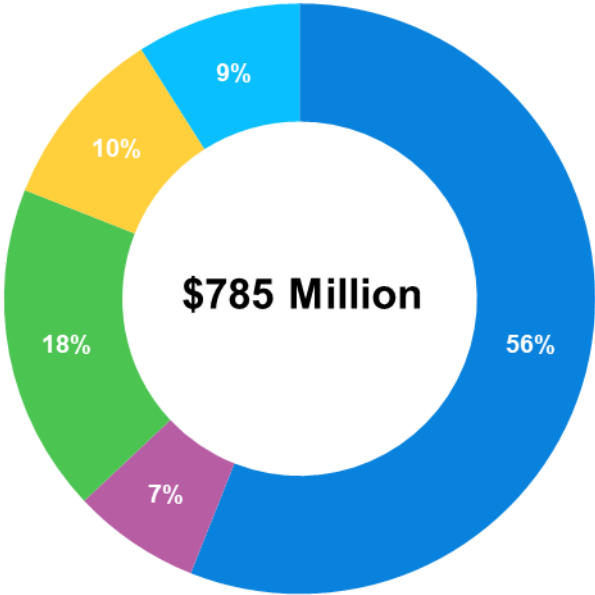
As of June 30, 2024



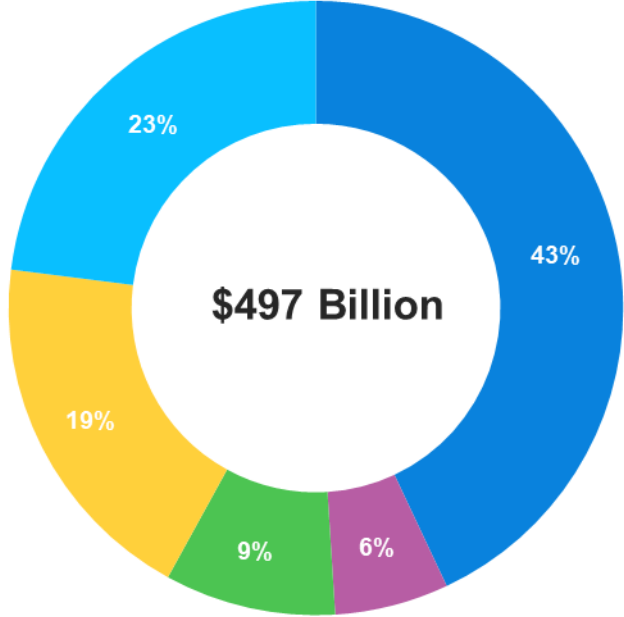
**Accounts**



**Year to Date Commissions**



**Client Equity**

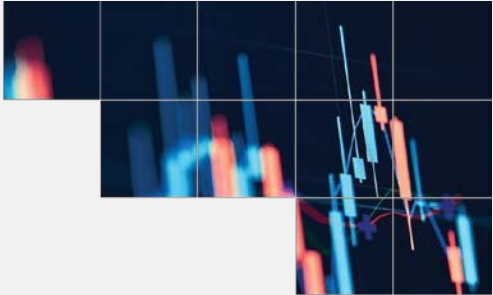


- Individuals
- Hedge and Mutual Funds
- Proprietary Trading Groups
- Financial Advisors
- Introducing Brokers

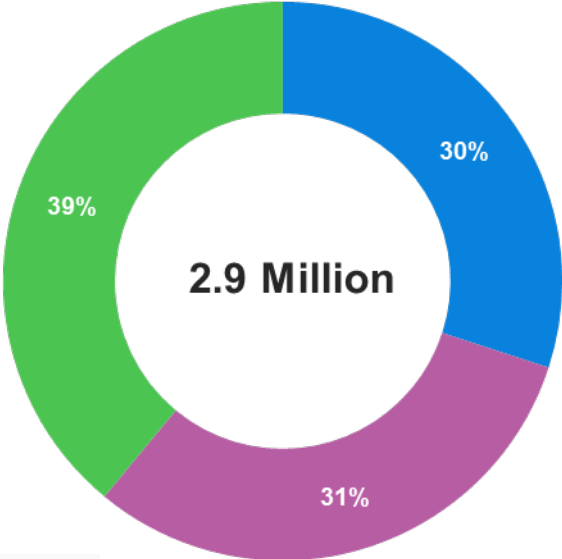
1. "Interactive Brokers Group" and "IBKR" include the Group's operating subsidiaries

# Diversified Client Base – by Geography<sup>1</sup>

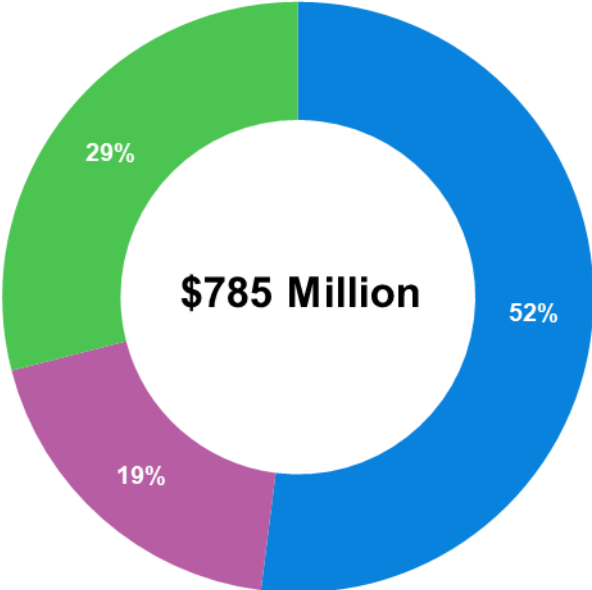
As of June 30, 2024



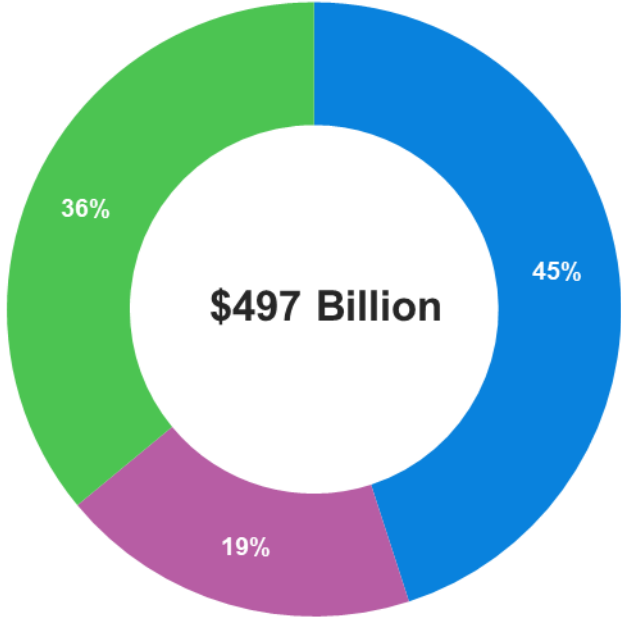
### Accounts



### Year to Date Commissions



### Client Equity



- Americas
- Europe
- Asia-Pacific

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# Superior Technology: BestX™



**IBKR BestX™** is a powerful suite of advanced trading technologies designed to help clients achieve best execution and maximize price improvement while minimizing market impact and maintaining complete control over their orders.

For **IBKR Pro** clients, we **do not sell customer order flow** to high frequency traders. Orders are routed directly to one or more execution venues, including multiple exchanges, dark pools, and IBKR's **own alternative trading system (ATS)**.

- ✓ **IBUSOPT<sup>1</sup>**, a destination for US options orders where customers can interact with other customers without revealing their trading interests to the market or being subject to adverse selection by market-moving orders
- ✓ **IBKR ATS**, an ATS for US stock and ETF orders where customers can interact with other customers so that both sides receive better prices
- ✓ **IB SmartRouting<sup>SM</sup>**, designed to search for the best available prices for stocks, options, and combinations across exchanges and dark pools
- ✓ **Advanced Order Types and Algorithms<sup>2</sup>**, IBUSOPT<sup>1</sup> and IBKR ATS offer proprietary order types designed to help clients maximize price improvement

1. Options involve risk and are not suitable for all investors. For more information read the "Characteristics and Risks of Standardized Option" by visiting [ibkr.com/occ](http://ibkr.com/occ)  
2. See [ibkr.com/algos](http://ibkr.com/algos) for more order types and algos

# Professional Pricing



## ■ Clients Benefit from Rising Interest Rates

- Clients can earn up to 4.83%<sup>1</sup> on **instantly available** cash balances over \$10,000, paid directly to client brokerage accounts
- No need for separate sweep accounts, funds or programs

## ■ Clients Borrow at **Low Margin Rates**<sup>2</sup>

- IBKR clients recognize that they can **maximize returns** by **minimizing their costs**
- Lower rates than credit cards, personal loans and home equity lines of credit<sup>3</sup>

BROKER	INTEREST RATES	MARGIN RATES <sup>4,5</sup>			
		\$25K	\$300K	\$1.5M	\$3.5M
<b>Interactive Brokers</b>	<b>4.83%<sup>1</sup></b>	<b>6.83%</b>	<b>6.50%</b>	<b>6.28%</b>	<b>6.17%</b>
E-Trade	0.01%	13.70%	12.20%	N/A	N/A
Fidelity	N/A	13.08%	11.83%	9.25%	9.25%
Schwab	0.45%	13.08%	11.83%	N/A	N/A
Vanguard	4.50%	13.25%	11.75%	N/A	N/A

Margin borrowing is **only for experienced investors** with high risk tolerance. You may lose more than your initial investment.

For additional information about margin trading including risks please see the Margin Risk Disclosure at [ibkr.com/info](https://ibkr.com/info)

1. Credit Interest rate as of 08/08/2024. Rate shown applies to IBKR Pro clients only. Positive settled cash balances held in securities segment of accounts with a Net Asset Value (NAV) of \$100,000 (or equivalent) or greater earn the stated interest rate and those with NAV lower than \$100,000 (or equivalent) receive interest payments at rates proportional to the account size, and no interest is paid on the first \$10,000 of cash in the account. Cash held in the commodities segment of an account does not earn interest. For more information, see [ibkr.com/interestpaid](https://ibkr.com/interestpaid)

2. According to StockBrokers.com Interactive Brokers Review: Online Broker Reviews, May 6, 2024. "Professionals can take advantage of industry-leading commissions, including the lowest margin rates across all balance tiers"

3. Credit cards, personal loans and home equity lines of credit based on US data

4. Restrictions apply. Margin loan rates as of 08/08/2024. Each firm's information reflects the standard online margin loan rates obtained from their respective websites. Competitor rates and offers subject to change without notice. Services vary by firm

5. Annual Percentage Rate (APR) on USD margin loan balances for IBKR Pro as of 08/08/2024. Interactive Brokers calculates the interest charged on margin loans using the applicable rates for each interest rate tier listed on its website. For additional information on margin loan rates, see [ibkr.com/marginrates](https://ibkr.com/marginrates)

# IBKR Desktop: The Next Big Thing in Trading

## Next Generation Trading Platform

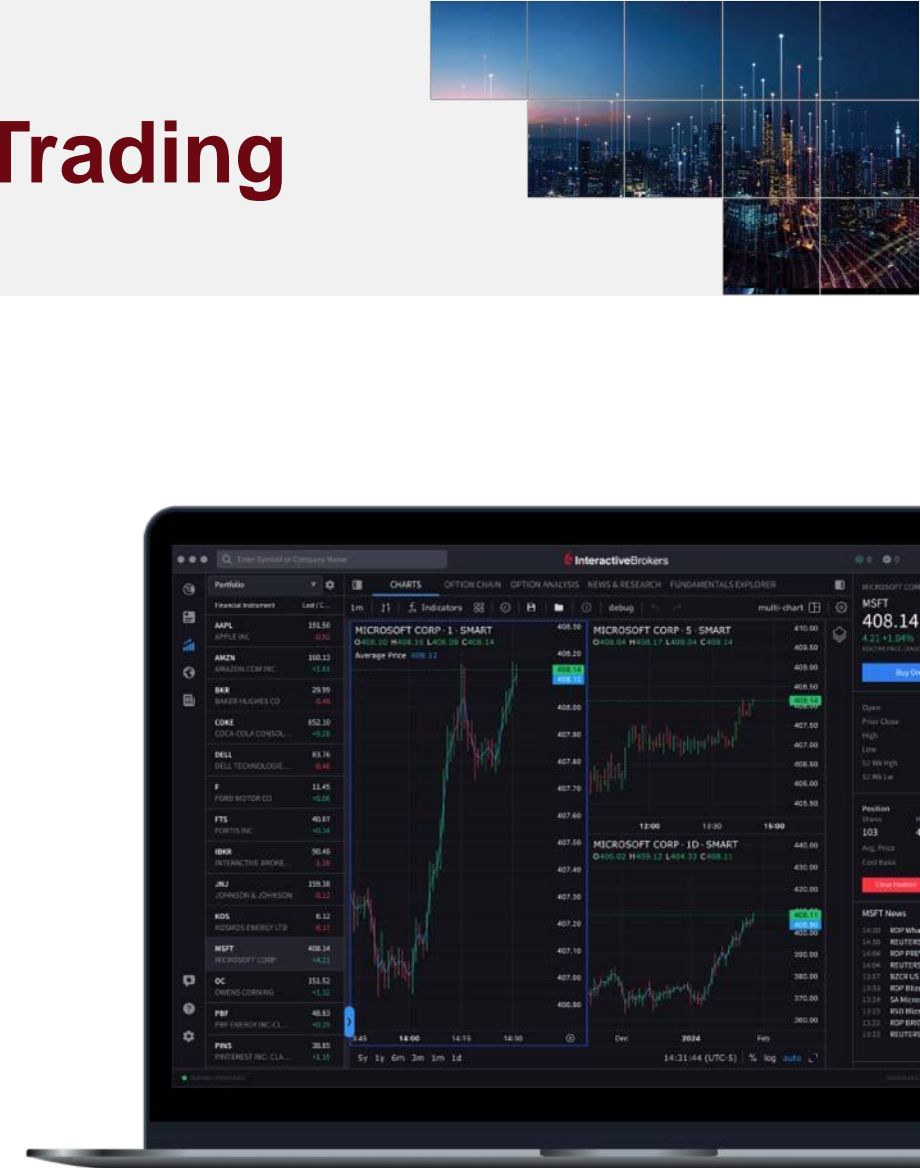
- Powerful trading capabilities in a user-friendly interface for novice and experienced traders
- Simplified and streamlined design for faster and easier navigation
- Modern UI framework that combines aesthetics with speed and agility

## Available Features

- Popular features from TWS with customizable tools
- Global access to stocks, options, futures, currencies, bonds, funds and more on over 150 markets
- Exclusive trading tools, including Screeners with **MultiSort** and **Option Lattice**

## Recently Added

- Quickly react to markets with order modifications done directly in the order line
- Windows docking and workspace management
- Improved asset and search features



# IBKR GlobalTrader<sup>1</sup>

## A Streamlined Mobile App for Global Stock Trading

### Trade Stocks Worldwide

- Trade **90+ stock markets worldwide**, plus options and cryptocurrencies<sup>2</sup>
- Trade and fund in one of **27 different currencies**

### Fractional Trading

- With **fractional shares**, clients can invest with as little as \$1, regardless of the price of the stock. Small cash balances can be put to work to maximize returns

### Options Trading<sup>3</sup>

- Trade Options on **30+ market centers** around the world
- The **Options Wizard** can help clients understand how options work and how to trade them



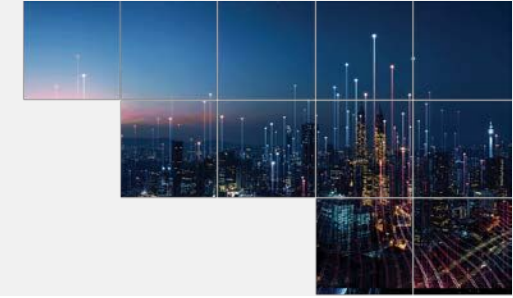
1. See [globaltrader.ibkr.com](https://globaltrader.ibkr.com) for further details

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# High-Touch Prime Brokerage Service<sup>1</sup>



Large, active hedge funds receive enhanced support, which includes:

- A dedicated **Relationship Manager** who acts as the primary point of contact
- Access to **Subject Matter Experts** in Risk/Margin, Compliance, Securities Finance, Corporate Actions, Clearing and Tax
- **Prioritization** of requests and expedited review of exceptions
- 24/5 access to our global **Outsourced Trading Desk** for execution of orders in North America, Europe and Asia by experienced traders



Preqin Ranked IBKR a Top Prime Broker

- #1 Prime Broker for Hedge Funds with AUM < \$50 million
- #5 Prime Broker Overall

# Trade Forecast Contracts from ForecastEx<sup>1,2</sup>



## Trade a View on Economic Indicators and Global Climate Events

- **Trade the probabilities** associated with the future outcomes of US economic events and global events
  - US Economic Events include Unemployment Claims, Consumer Price Index, Retail Sales, Fed Fund Housing Starts and many others
  - Global climate events include temperatures and atmospheric CO2
- **Provides exposure while limiting risk** because the max loss on each contract is limited to the price paid for the contract
- **Easy to trade** by simply choosing YES or NO on a forecast contract
- Offered at **zero-commission** and provides an incentive coupon currently paid at a rate of 4.83% APR



1. For more details see [forecasttrader.ibkr.com](http://forecasttrader.ibkr.com)

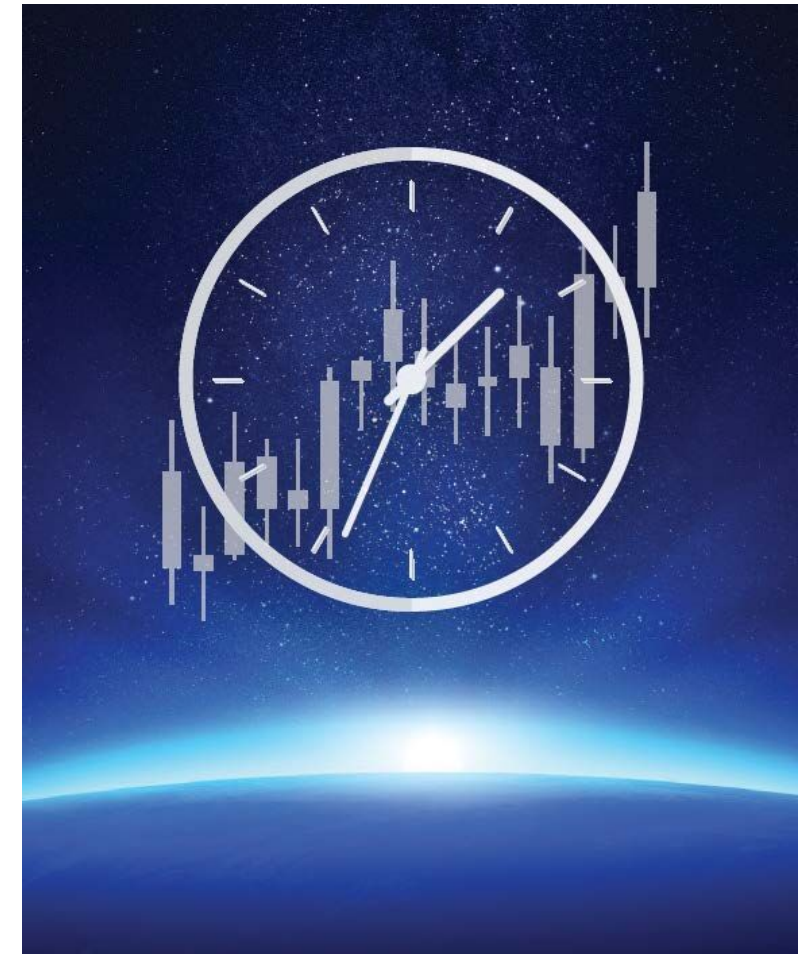
2. Forecast Contracts are only available to eligible clients of Interactive Brokers LLC, Interactive Brokers Hong Kong Limited, and Interactive Brokers Singapore Pte. Ltd. Interactive Brokers LLC is a CFTC-registered Futures Commission Merchant and a clearing member and affiliate of ForecastEx LLC ("ForecastEx"). ForecastEx is a CFTC-registered Designated Contract Market and Derivatives Clearing Organization. Interactive Brokers LLC provides access to ForecastEx forecast contracts for eligible customers. Interactive Brokers LLC does not make recommendations with respect to any products available on its platform, including those offered by ForecastEx. Futures, event contracts and forecast contracts are not suitable for all investors. Before trading these products, please read the CFTC Risk Disclosure. For a copy visit our Warnings and Disclosures page at [ibkr.com/disclosures](http://ibkr.com/disclosures)

# Overnight Trading Hours



## Trade US Stocks, ETFs<sup>1</sup> and Treasury Bonds Around the Clock

- **React immediately** to market-moving news
- Conveniently trade at almost any time
- Clients globally can **access US markets** during their trading day
- Available for **over 10,000** US stocks and ETFs, and US government treasury securities<sup>2,3</sup>
- CBOE SPX Suite of Index Options also available around the clock
- European stock options and European Index futures and options through Cboe Europe Derivatives (CEDX)
- Eurex/KRX Link with extended trading hours for Korean KOSPI 200 derivatives



1. Any discussion or mention of an ETF is not to be construed as recommendation, promotion or solicitation. All investors should review and consider associated investment risks, charges and expenses of the investment company or fund prior to investing. Before acting on this material, you should consider whether it is suitable for your particular circumstances and, as necessary, seek professional advice

2. For more details see [ibkr.com/overnight-trading](https://ibkr.com/overnight-trading)

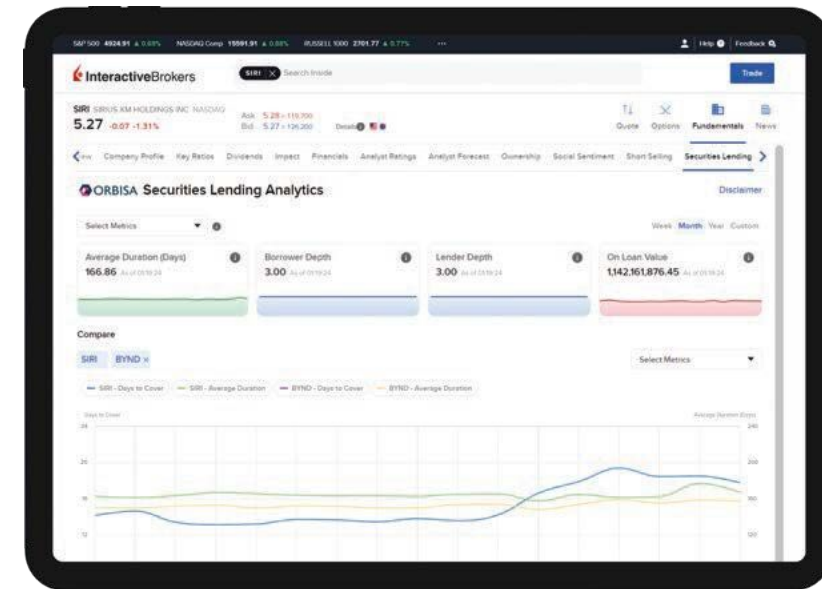
3. For more details see [ibkr.com/bonds](https://ibkr.com/bonds)

# Securities Lending Dashboard

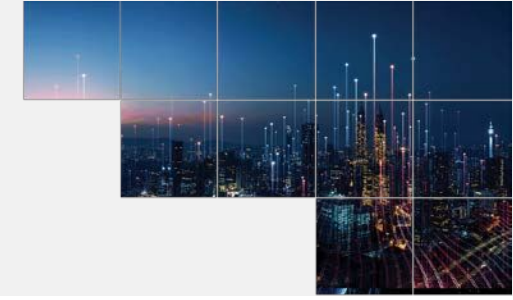
Clients can now access the same expanded securities lending data and key metrics for US equities that previously were only available to banks, broker-dealers and large institutional investors.

## Use Short Sale Data to Gauge Short Sentiment

- New tool to help better inform investors who short
- View an expanded universe of securities lending data across key metrics
- Select two stocks and compare short-selling data across different date ranges
- View a snapshot of securities lending market data and then explore additional market intelligence, including utilization, borrower depth, lender depth, and average duration



# IBKR Campus<sup>1</sup>



We remain committed to having the **most informed clients**, wherever they are in their investing journey. IBKR Campus is designed to assist our clients in learning more about trading, the economy, and financial markets—from the most basic educational fundamentals to sophisticated strategies and market commentary.

## Traders' Academy

- Free online courses on the concepts and tools of financial trading

## IBKR Webinars

- Watch, listen and learn about current market topics, IBKR tools and more

## Student Trading Lab

- A free online resource for educators to introduce their students to trading

## Traders' Insight

- Watch or read market commentary and analysis from nearly 100 industry pros, including our Chief Strategist and our Senior Economist

## IBKR Quant Blog

- Blog for quantitative professionals on programming, AI, Blockchain and more

## IBKR Podcasts

- New series on topics impacting global markets and trading

# Recent Enhancements and New Products



## New Trading Venues<sup>1</sup>

- **Eurex Exchange / Korea Exchange (KRX) KOSPI and USD/KRW Derivatives** – Eurex Exchange has partnered with KRX to list KOSPI and USD/KRW derivatives at Eurex. These products are available during the core European and North American trading hours, making it easier for investors in those regions to access the Korean market
- **Cboe CEDX** – CEDX is Cboe's pan-European derivatives exchange, offering trading in index derivatives and single-stock options. Clients can enjoy greater precision with free live prices, and trade options on over 300 popular European stocks

## New Global Offerings

- **Securities Lending** for Swedish stocks
- **Crypto Offering** available in the UK<sup>2</sup>
- **Recurring Investment** in Canada
- **Auto-FX** is now the default setting for clients with cash accounts wishing to trade securities in a currency different from their account's, so a client can place an order and IBKR will handle the FX transaction automatically



1. For more details and to see global availability see [ibkr.com/exchanges](https://ibkr.com/exchanges)

2. Cryptocurrency trade execution and custody are provided by either Paxos Trust Co. or Zero Hash LLC depending on the account type and country of legal residence

# Recent Enhancements and New Products



## PortfolioAnalyst Retirement Planner<sup>1</sup>

- Enables clients to have a better understanding of their **retirement outlook** by creating a plan that considers their personal retirement preferences, current and future employment expectations, any potential additional monthly retirement income sources, current monthly expenses, and general market performance assumptions



## New for Mobile<sup>2</sup>

- **Conditional Orders** can be set to initiate or cancel an order based on a variety of triggers

## New for Advisors<sup>3</sup>

- **New Portfolio Summary Screen** – allows advisors to view account and group portfolios, with features including Accounts view, Position Summary view, and Positions view
- **Specialized Order Allocation Tool** – streamlines the creation, execution, and allocation of group orders for all or selected clients



1. For more details see [ibkr.com/portfolioanalyst](https://ibkr.com/portfolioanalyst)  
2. For more details see [ibkr.com/platforms](https://ibkr.com/platforms)  
3. For more details see [ibkr.com/advisors](https://ibkr.com/advisors)

# Consistent Recognition as an Industry Leader



- **IBKR's Multiple Trading Platforms, Extensive Suite of Advanced Trading Tools, Algos and Order Types Continue to Earn Awards, Year After Year.<sup>1</sup>**

## **BENZINGA**

### **2023 Benzinga Awards**

Best Online Brokers for Bonds  
Best Overall Broker for Mutual Funds  
Best for Global Options Traders

## **BROKERCHOOSER**

### **2024 BrokerChooser Best Online Brokers**

Best Online Broker  
Best Stock Broker  
Best Broker for Day Trading  
Best Broker for Investing  
Best Broker for Margin Trading  
Best Broker for ESG Investing  
#1 Best Online Broker & Trading Platform in  
Australia, Canada, Germany, India, Singapore,  
and United Kingdom

## **ForexBrokers.com**

### **2024 ForexBrokers.com Awards**

5 out of 5 stars Overall Rating  
#1 Professional Trading  
#1 ESG Offering  
#1 Institutional Clients  
#1 Offering Investments  
#1 Platform Technology  
Best in Class Overall  
Best in Class on Algo Trading, Commission & Fees, Crypto Trading, Education, Mobile Trading Apps, Platforms & Tools, Trust Score, and Research



### **2023 Good Money Guide Awards**

Best Bond Broker  
Best Futures Broker  
Best Options Trading Platform



# Consistent Recognition as an Industry Leader

(continued)



## 2024 Investopedia Awards

Best Broker for Advanced Traders  
Best for International Trading  
Best for Risk Management  
Best for Generating Stock Trading Ideas  
Best for Algorithmic Trading



## 2024 The Ascent – A Motley Fool Service Review

Best Stock Broker for International Trading



## 2024 Nerdwallet Best-Of Awards

Best Online Broker for Advanced Traders



## 2023 Preqin Awards

Top Prime Broker  
Top Hedge Fund Custodian



## 2024 StockBrokers.com Awards

#1 Bond Trading  
#1 ESG Investing  
#1 Fractional Shares  
#1 International Trading  
#1 Order Execution  
#1 Platform Technology  
#1 Professional Trading  
#1 Sentiment Investing  
5 out of 5 stars Mobile Trading Apps  
5 out of 5 stars Investment Options  
5 out of 5 stars Platforms & Tools  
5 out of 5 stars Research



## 2023 Broker Awards

Best Multi-Asset Broker



## 2024 Investing in the Web Global Broker Awards

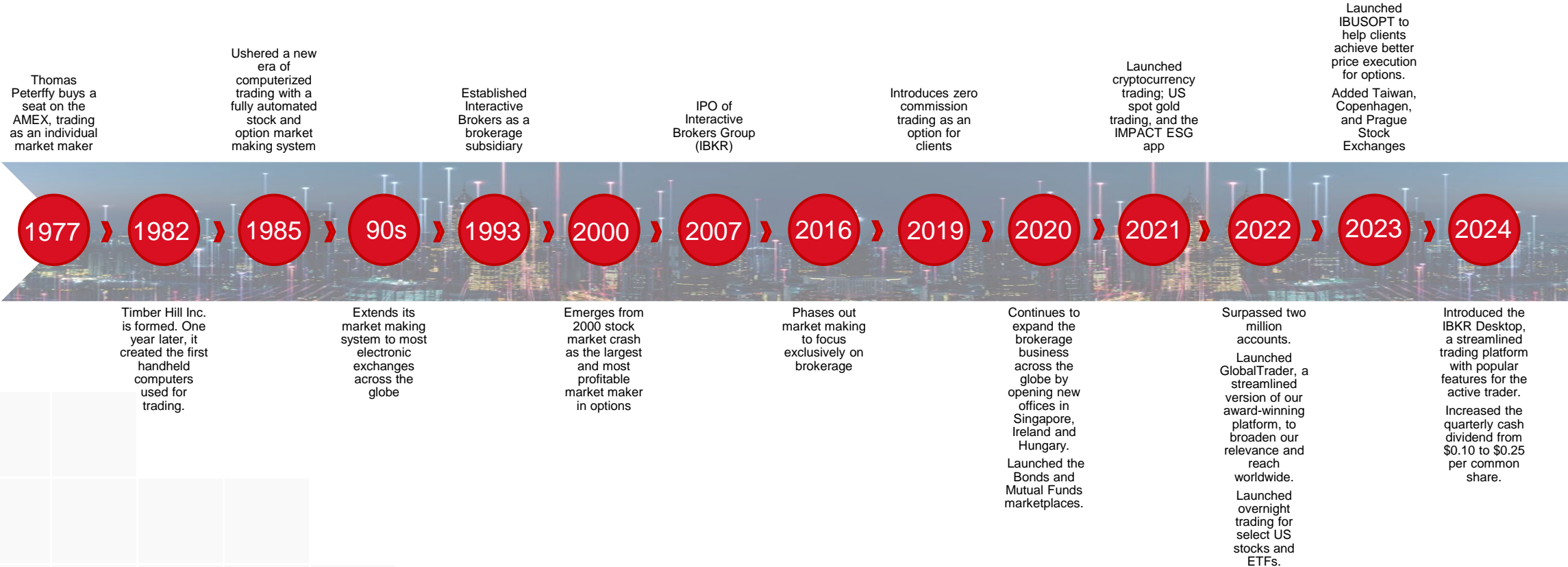
Best Broker Overall  
Best Broker for Options, Bonds and Corporate Accounts  
Best ESG and Impact Investing App (for Impact, by IBKR)  
Best Broker for LLCs: [Read More](#)  
Best European Trading App and Platform  
Best Trading Platform in the UAE

# APPENDIX

# Pioneer in technology throughout the years



*Over four decades of developing our automated trading platforms allow us to be the lowest cost broker-dealer*

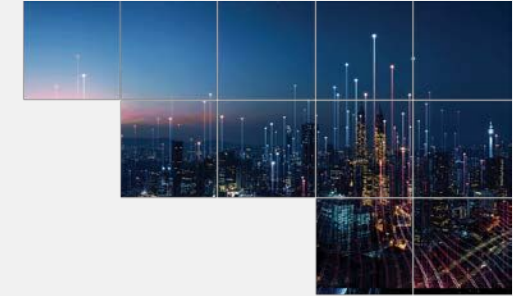


# Non-GAAP Reconciliation

	Year Ended December 31,			
	2020	2021	2022	2023
	(in millions)			
<b>Adjusted net revenues</b>				
Net revenues - GAAP	\$ 2,218	\$ 2,714	\$ 3,067	\$ 4,340
Non-GAAP adjustments				
Currency diversification strategy, net	19	37	100	80
Mark-to-market on investments	(36)	30	52	(46)
Remeasurement of TRA liability	3	(1)	(6)	(7)
Total non-GAAP adjustments	(14)	66	146	27
Adjusted net revenues	\$ 2,204	\$ 2,780	\$ 3,213	\$ 4,367
<b>Adjusted income before income taxes</b>				
Income before income taxes - GAAP	\$ 1,256	\$ 1,787	\$ 1,998	\$ 3,069
Non-GAAP adjustments				
Currency diversification strategy, net	19	37	100	80
Mark-to-market on investments	(36)	30	52	(46)
Remeasurement of TRA liability	3	(1)	(6)	(7)
Customer compensation expense	103	-	-	-
Bad debt expense	1	-	-	5
Total non-GAAP adjustments	90	66	146	32
Adjusted income before income taxes	\$ 1,346	\$ 1,853	\$ 2,144	\$ 3,101
Pre-tax profit margin	57%	66%	65%	71%
Adjusted pre-tax profit margin	61%	67%	67%	71%
<b>Adjusted diluted EPS</b>				
Diluted EPS - GAAP	\$ 2.42	\$ 3.24	\$ 3.75	\$ 5.67
Non-GAAP adjustments				
Currency diversification strategy, net	0.05	0.09	0.24	0.19
Mark-to-market on investments	(0.08)	0.07	0.12	(0.11)
Remeasurement of TRA liability	0.04	(0.01)	(0.06)	(0.07)
Customer compensation expense	0.24	0.00	0.00	0.00
Bad debt expense	0.00	0.00	0.00	0.01
Income tax effect of above adjustments <sup>1</sup>	(0.04)	(0.03)	(0.07)	(0.01)
Remeasurement of deferred income taxes	(0.14)	0.01	0.07	0.07
Total non-GAAP adjustments	0.08	0.13	0.30	0.08
Adjusted diluted EPS	\$ 2.49	\$ 3.37	\$ 4.05	\$ 5.75
Diluted weighted average common shares outst	80,638,908	95,009,880	101,299,609	105,846,877

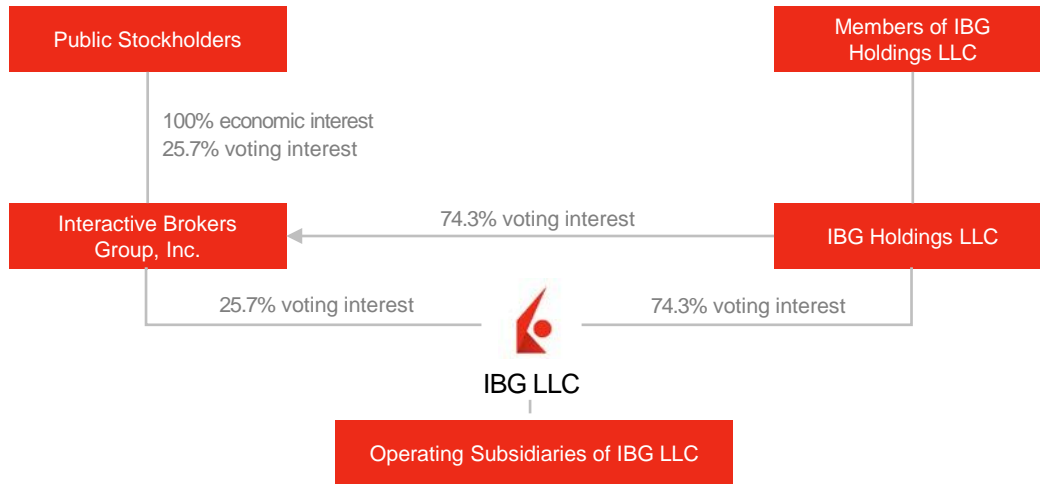
	Year Ended December 31,			
	2020	2021	2022	2023
	(in millions)			
<b>Adjusted variable expenses</b>				
Execution, clearing and distribution fees	\$ 293	\$ 236	\$ 324	\$ 386
Bad debt expense	13	3	3	7
Variable expenses	306	239	327	393
Non-GAAP adjustments				
Bad debt expense	(1)	-	-	(5)
Total non-GAAP adjustments	(1)	-	-	(5)
Adjusted variable expenses	\$ 305	\$ 239	\$ 327	\$ 388
<b>Adjusted fixed expenses</b>				
Employee compensation and benefits	\$ 325	\$ 399	\$ 454	\$ 527
Occupancy, depreciation and amortization	69	80	90	99
Communications	26	33	33	41
General and administrative	236	176	165	211
Fixed expenses	656	688	742	878
Non-GAAP adjustments				
Customer compensation expense	(103)	-	-	-
Total non-GAAP adjustments	(103)	-	-	-
Adjusted fixed expenses	\$ 553	\$ 688	\$ 742	\$ 878

# Non-GAAP Reconciliation



	Quarter Ended																
	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
	(in millions)																
<b>Adjusted net revenues</b>																	
Net revenues - GAAP	\$ 539	\$ 548	\$ 599	\$ 893	\$ 754	\$ 464	\$ 603	\$ 645	\$ 656	\$ 790	\$ 976	\$ 1,056	\$ 1,000	\$ 1,145	\$ 1,139	\$ 1,203	\$ 1,230
Non-GAAP adjustments																	
Currency diversification strategy, net	(16)	(27)	13	2	9	3	23	18	53	40	(11)	(1)	55	17	9	2	20
Mark-to-market on investments	-	(3)	(33)	(99)	(113)	184	57	29	8	17	(1)	(40)	9	(23)	8	11	40
Remeasurement of TRA liability	-	-	3	-	-	(1)	-	-	-	-	(6)	-	-	-	(7)	-	-
Total non-GAAP adjustments	(16)	(30)	(17)	(97)	(104)	186	80	47	61	57	(18)	(41)	64	(6)	10	13	60
Adjusted net revenues	\$ 523	\$ 518	\$ 582	\$ 796	\$ 650	\$ 650	\$ 683	\$ 692	\$ 717	\$ 847	\$ 958	\$ 1,015	\$ 1,064	\$ 1,139	\$ 1,149	\$ 1,216	\$ 1,290
<b>Adjusted income before income taxes</b>																	
Income before income taxes - GAAP	\$ 222	\$ 334	\$ 392	\$ 639	\$ 541	\$ 234	\$ 373	\$ 394	\$ 392	\$ 523	\$ 689	\$ 761	\$ 652	\$ 840	\$ 816	\$ 866	\$ 880
Non-GAAP adjustments																	
Currency diversification strategy, net	(16)	(27)	13	2	9	3	23	18	53	40	(11)	(1)	55	17	9	2	20
Mark-to-market on investments	-	(3)	(33)	(99)	(113)	184	57	29	8	17	(1)	(40)	9	(23)	8	11	40
Remeasurement of TRA liability	-	-	3	-	-	(1)	-	-	-	-	(6)	-	-	-	(7)	-	-
Customer compensation expense	103	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad debt expense	1	-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	-
Total non-GAAP adjustments	88	(30)	(17)	(97)	(104)	186	80	47	61	57	(18)	(41)	64	(6)	15	13	60
Adjusted income before income taxes	\$ 310	\$ 304	\$ 375	\$ 542	\$ 437	\$ 420	\$ 453	\$ 441	\$ 453	\$ 580	\$ 671	\$ 720	\$ 716	\$ 834	\$ 831	\$ 879	\$ 940
Pre-tax profit margin	41%	61%	65%	72%	72%	50%	62%	61%	60%	66%	71%	72%	65%	73%	72%	72%	72%
Adjusted pre-tax profit margin	59%	59%	64%	68%	67%	65%	66%	64%	63%	68%	70%	71%	67%	73%	72%	72%	73%
<b>Adjusted diluted EPS</b>																	
Diluted EPS - GAAP	\$ 0.40	\$ 0.58	\$ 0.81	\$ 1.16	\$ 1.00	\$ 0.43	\$ 0.67	\$ 0.74	\$ 0.72	\$ 0.97	\$ 1.31	\$ 1.42	\$ 1.20	\$ 1.56	\$ 1.48	\$ 1.61	\$ 1.65
Non-GAAP adjustments																	
Currency diversification strategy, net	(0.04)	(0.06)	0.03	-	0.02	0.01	0.06	0.04	0.13	0.09	(0.03)	-	0.13	0.04	0.02	-	0.05
Mark-to-market on investments	-	(0.01)	(0.08)	(0.24)	(0.27)	0.44	0.13	0.07	0.02	0.04	-	(0.09)	0.02	(0.05)	0.02	0.03	0.09
Remeasurement of TRA liability	-	-	0.04	-	-	(0.01)	-	-	-	-	(0.06)	-	-	-	(0.07)	-	-
Customer compensation expense	0.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad debt expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01	-	-
Income tax effect of above adjustments	(0.05)	0.02	0.01	0.05	0.06	(0.10)	(0.04)	(0.02)	(0.03)	(0.03)	0.01	0.02	(0.03)	0.01	(0.01)	(0.01)	(0.03)
Remeasurement of deferred income taxes	-	-	(0.12)	-	-	0.01	-	-	-	-	0.07	-	-	-	0.07	-	-
Total non-GAAP adjustments	0.16	(0.05)	(0.12)	(0.19)	(0.19)	0.34	0.15	0.09	0.12	0.11	(0.01)	0.07	0.12	(0.01)	0.04	0.02	0.11
Adjusted diluted EPS	\$ 0.57	\$ 0.53	\$ 0.69	\$ 0.98	\$ 0.82	\$ 0.78	\$ 0.83	\$ 0.82	\$ 0.84	\$ 1.08	\$ 1.30	\$ 1.35	\$ 1.32	\$ 1.55	\$ 1.52	\$ 1.64	\$ 1.76
Diluted weighted average common shares out	78,031,462	79,120,548	87,772,443	91,766,142	92,199,169	96,989,968	98,980,339	99,224,776	99,695,489	102,555,482	103,656,668	104,042,571	104,463,729	107,011,427	107,811,190	108,149,440	108,626,836

# UP-C Corporate Structure



- Interactive Brokers Group, Inc. (IBG, Inc.) is the public company that trades on Nasdaq as IBKR. It approximately owns **25.7%** of the membership interests of IBG LLC
- The remaining **74.3%** are held by management and their affiliates

June 2024

## Ownership of IBG LLC Membership Interests

Interactive Brokers Group, Inc. (IBKR)	108.5	25.7%
Noncontrolling interests (IBG Holdings LLC)	314.0	74.3%
<b>Total IBG LLC membership interests</b>	<b>422.5 million</b>	<b>100.0%</b>

- Owners of “membership interests” can exchange them for shares of the public company on a one-for-one basis
- Management and their affiliates have the same voting rights as public company holders and vote in proportion to their ownership. There is no supervoting stock

# Equity Capital

*Solid Foundation for Growth and Resilience*



\$15.2 B



Equity

## We use capital to:

Capture Growth Opportunities

- Enter new countries
- Introduce new products
- M&A

Support Margin Loans

- Customer credits can be used to fund the bulk of our margin loans, then financing and our own capital is required for the rest

Guarantee Trades

- Deposits, to guarantee customer trades, are required by securities clearing houses (like DTCC in the US) around the world
- Can be increased immediately during unusually high-volume trading periods

Observe Regulatory Requirements  
For Reserve Buffer

- Conservative capital management satisfies securities regulations for maintaining liquid asset buffers and to safeguard client money