

In this report we provide information on the business activities of IG Markets Limited and IG Index Limited in the countries in which they operate. This includes details of turnover, employee numbers, the profits generated and the tax paid in each country for the year ended 31 May 2018, alongside an explanation of the business they undertake.

The disclosures are presented in accordance with the provisions within CRD IV:

COUNTRY	NUMBER OF EMPLOYEES	TURNOVER £000	PROFIT BEFORE TAX £000	CASH TAX PAID £000
IG Markets Limited				
United Kingdom	-	259,556	111,460	19,063
Branches of IG Markets Limited				
Poland	105	4,436	216	49
Germany	14	9,497	1,214	349
France	14	7,343	888	350
Spain	14	4,770	543	144
Italy	13	4,922	525	216
Sweden	11	3,845	414	82
Netherlands	2	30	(13)	12
Norway	-	(4)	(2)	10
Ireland	-	498	51	17
Luxembourg	-	45	1	15
Subsidiaries of IG Markets Limited				
Singapore	38	13,798	6,749	420
Total	211	308,736	122,046	20,727
IG Index Limited				
United Kingdom	763	195,330	91,723	15,315
Branches of IG Index Limited				
Ireland	2	808	139	23
Total	765	196,138	91,862	15,338

IG Markets Limited and IG Index Limited and their branches and subsidiaries did not receive any public subsidies.

IG Markets Limited is exempt under s400 of the United Kingdom's Companies Act 2006 from preparing group financial statements because they have been included in the 2018 consolidated financial statements of IG Group Holdings plc, a company incorporated in the United Kingdom.

Some of the figures in the table above will not agree to the figures in the statutory financial statements of the company for the year ended 31 May 2018 as the figures in the table are shown on a consolidated basis.

COUNTRY	DESCRIPTION OF ACTIVITIES	
IG Markets Limited		
United Kingdom	OTC leveraged derivatives, share dealing, and investments.	IG Markets Limited
	Holding company	IG Finance 9 Limited
Poland	Back office, marketing and sales support	IG Markets Limited – Poland Branch
Germany	Marketing and sales support	IG Markets Limited – German Branch
France	Marketing and sales support	IG Markets Limited – French Branch
Spain	Marketing and sales support	IG Markets Limited – Spanish Branch
Italy	Marketing and sales support	IG Markets Limited – Italian Branch
Sweden	Marketing and sales support	IG Markets Limited – Swedish Branch
Netherlands	Non - trading	IG Markets Limited – Dutch Branch
Norway	Non - trading	IG Markets Limited – Norwegian Branch
Ireland	Non - trading	IG Markets Limited – Irish Branch
Luxembourg	Non - trading	IG Markets Limited – Luxembourg Branch
Singapore	OTC leveraged derivatives	IG Asia Pte Limited
IG Index Limited		
United Kingdom	OTC leveraged derivatives	IG Index Limited
Ireland	Non - trading	IG Index Limited – Irish Branch

EXPLAINING THE NUMBERS ABOVE

COUNTRY

We have determined which country to report activity under by looking at country of tax residence and considered other factors such as the location of management and employees and the jurisdiction in which the majority of revenues are generated.

NUMBER OF EMPLOYEES

This column shows the calculated average number of the monthly employees. Branches with no employees are managed by employees of other group companies or the branch ceased trading during the year.

TURNOVER

Turnover is the net trading revenue of each entity or branch. The figure gives an indication of the size of the business in each country. Adjustments have been made to eliminate any double counting.

PROFIT BEFORE TAX

These numbers are accounting profits. As with the turnover figures, these numbers include some double counting which has been eliminated on consolidation.

CASH TAX PAID

This column shows the total corporation tax actually paid in each country in the year ended 31 May 2018. Most of the taxes paid in any given year will not relate directly to the profits earned in that year.

DESCRIPTION OF ACTIVITIES

We are also required to publish the nature of the activities in each country and have classified the activities as OTC leveraged derivatives, share dealing, investments, marketing and sales support, holding company, back office and non - trading.

Independent auditors' report to the directors of IG Markets Limited

Report on the audit of the country-by-country information

Opinion

In our opinion, IG Markets Limited's country-by-country information for the year ended 31st May 2018 has been properly prepared, in all material respects, in accordance with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

We have audited the country-by-country information for the year ended 31st May 2018 in the 2018 Country-by-Country Reporting Snapshot.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), including ISA (UK) 800 and ISA (UK) 805, and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the country-by-country information section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the country-by-country information in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - Basis of preparation

In forming our opinion on the country-by-country information, which is not modified, we draw attention to the country-by-country information which describes the basis of preparation. The country-by-country information is prepared for the directors for the purpose of complying with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013. The country-by-country information has therefore been prepared in accordance with a special purpose framework and, as a result, the country-by-country information may not be suitable for another purpose.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the country-by-country information is not appropriate; or
- the directors have not disclosed in the country-by-country information any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the country-by-country information is authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Responsibilities for the country-by-country information and the audit

Responsibilities of the directors for the country-by-country information

The directors are responsible for the preparation of the country-by-country information in accordance with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013 and for determining that the basis of preparation and accounting policies are acceptable in the circumstances. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of country-by-country information that is free from material misstatement, whether due to fraud or error.

In preparing the country-by-country information, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the country-by-country information

It is our responsibility to report on whether the country-by-country information has been properly prepared in accordance with the relevant requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Our objectives are to obtain reasonable assurance about whether the country-by-country information as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this country-by-country information.

A further description of our responsibilities for the audit of the country-by-country information is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the company's directors in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

The engagement partner responsible for this audit is Darren Meek.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

4th September 2018

Independent auditors' report to the directors of IG Index Limited

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