



Piper Sandler Global Exchange & FinTech Conference

June 8, 2022

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, and adjusted income before income taxes. 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 and may be useful to investors and analysts in evaluating the operating performance of the business and facilitating a meaningful comparison of our results in the current period to those in prior and future periods. These non-GAAP 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.

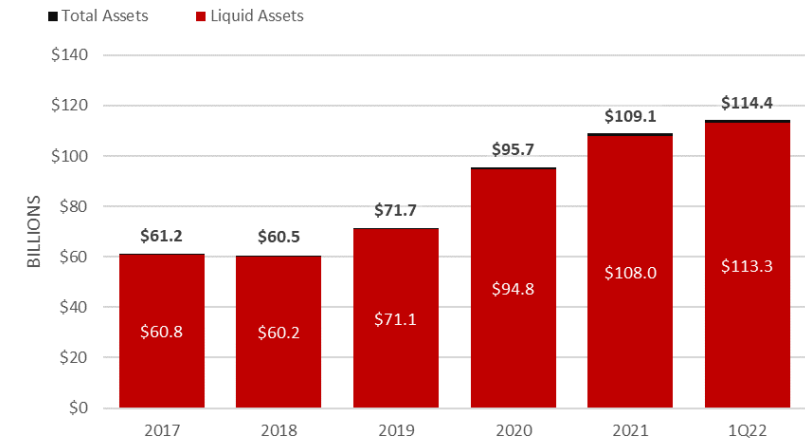
Cautionary Note Regarding Forward-Looking Statements

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.

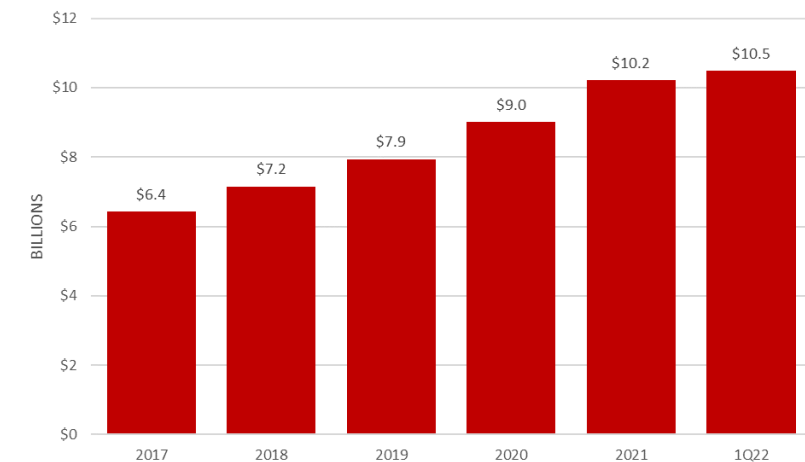
Financial Strength – Liquid and Growing

		March 2022
Total Membership Interests		418.2 million
Held by management & their affiliates	319.9 million	76.5%
Publicly held	98.3 million	23.5%
Total Market Capitalization		\$27.6 billion
Public float		\$6.5 billion
Cash and Equivalents		\$2.7 billion
Total Debt		\$0.01 billion
Total Equity		\$10.5 billion
Total Assets		\$114.4 billion

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



- \$10.5 billion** of consolidated equity. **No** long-term debt.



Company Overview

We Are a Highly Automated Electronic Broker

We use our proprietary technology and international market-maker experience to offer **low cost, seamless global access** to multiple types of securities for both institutional and individual investors.

1.8mil

Client Accounts¹

+36%

YoY¹ Account Growth

\$356B

Client Equity¹

2.5mil

DARTs^{1,3}

\$10.5B

Total Equity¹

Stocks | Bonds | ETFs | Mutual Funds | Futures
Options | Currencies | Commodities | Crypto

150

Market Centers

33

Countries

27

Currencies

1. 03/31/22
2. DARTs are based on client orders
3. YTD through 03/31/22

The IBKR Advantage



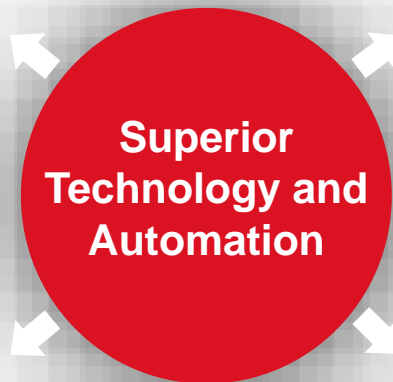
Versatile Platform

- Seamless electronic market access to **stocks, options, futures, forex, commodities, bonds, crypto¹, mutual funds and ETFs** from a single platform
- Multiple desktop and mobile trading platforms
- Advanced trading and research tools
- Over 100 order types and algos
- API solutions



Best Execution Prices: IBKR Pro

- IB SmartRoutingSM is designed to achieve best price execution by routing directly to market centers, including IBKRDARK and other dark pools. IBKR Pro **does not sell client order flow** ²
- IB SmartRoutingSM continuously evaluates fast changing market conditions and dynamically re-routes all or part of your order seeking to achieve **optimal execution** and maximize any potential rebate ²



Broad Product Offering

- Access to multiple products in multiple currencies from a single Integrated Investment Management Account requires experience and the ability to operate in many jurisdictions, while complying with all regulatory requirements
- Clients can trade on over **150 market centers** in **33 countries** and in **27 currencies**



Lowest Margin & Online Stock Loan Rates ⁴

- 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 **1.33%** to **2.33%** for IBKR Pro ³
- U.S. margin rates are **3.33%** for IBKR Lite ³
- We guarantee the return and share the interest earned on fully paid stock loans on behalf of our clients

1. Paxos Trust Co. provides trading and custody services

2. See ibkr.com/bestexecution

3. As of May 11, 2022. See ibkr.com/interest. U.S. margin interest priced at 50 to 250 basis points over benchmark Federal Funds rate, with 75 basis point minimum

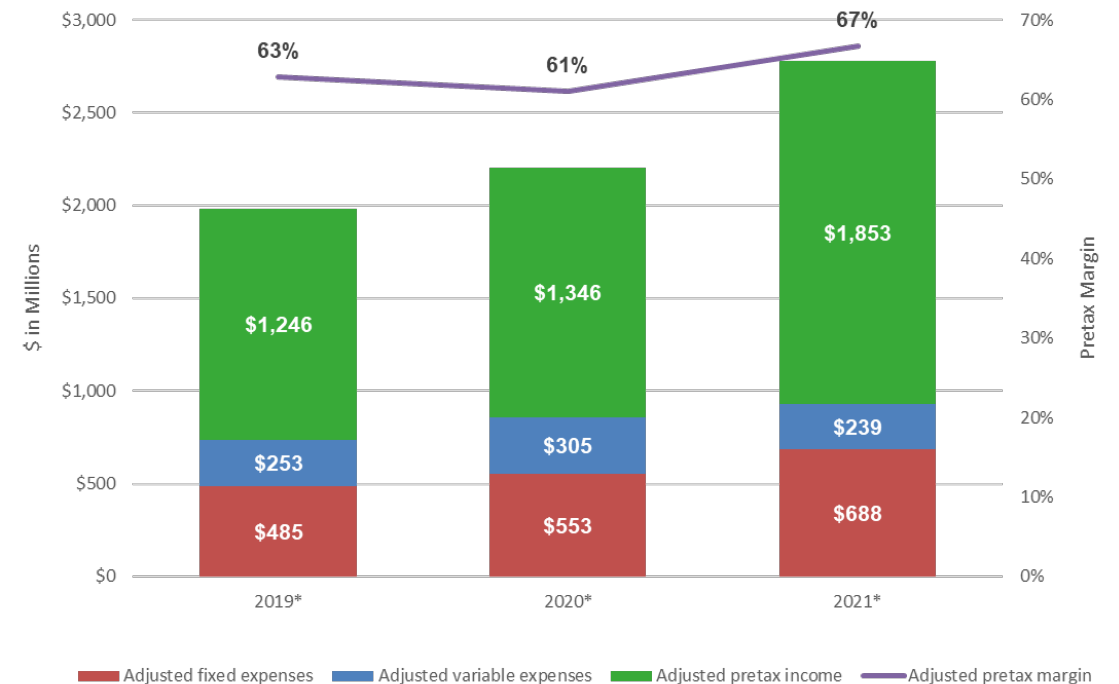
4. See ibkr.com/awards

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 processes as possible
- From account opening through the entire transaction lifecycle, our processes are automated, including real-time risk management
- We executed, cleared and settled over **3.9 million** trades per day year-to-date through 1Q22, across multiple product classes and in multiple currencies, on over 150 market centers in 33 countries

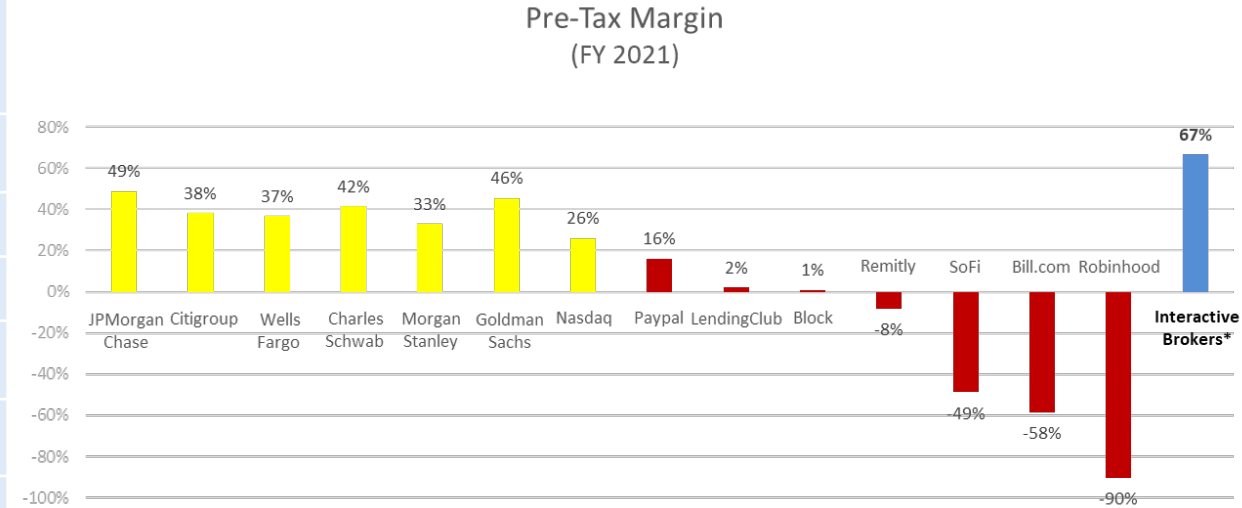
Low Fixed Cost, High Margin Model



- See reconciliation of non-GAAP measures at the end of this presentation.
- 2020 includes \$19 million in fixed expenses due to Brexit costs

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	✓	✓	✓
Domain Knowledge	✓		✓
Experience with Policy & Regulation	✓		✓
> 50% Pre-tax Margins			✓
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



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

Cost Comparison

IBKR Continues to be the “Lowest Cost Broker”¹

- IBKR clients recognize that they can **maximize returns** by **minimizing their costs**
- Barron’s has recognized Interactive Brokers as the low-cost broker 2002 through 2022¹

US Margin Loan Rates Comparison^{2 3}

	\$ 25K	\$ 300K	\$ 1.5M	\$ 3.5M
Interactive Brokers	2.33%	1.99%	1.78%	1.66%
E-Trade	9.20%	7.70%	N/A	N/A
Fidelity	8.57%	7.32%	4.75%	4.75%
Schwab	8.57%	7.32%	N/A	N/A
TD Ameritrade	9.75%	8.25%	N/A	N/A

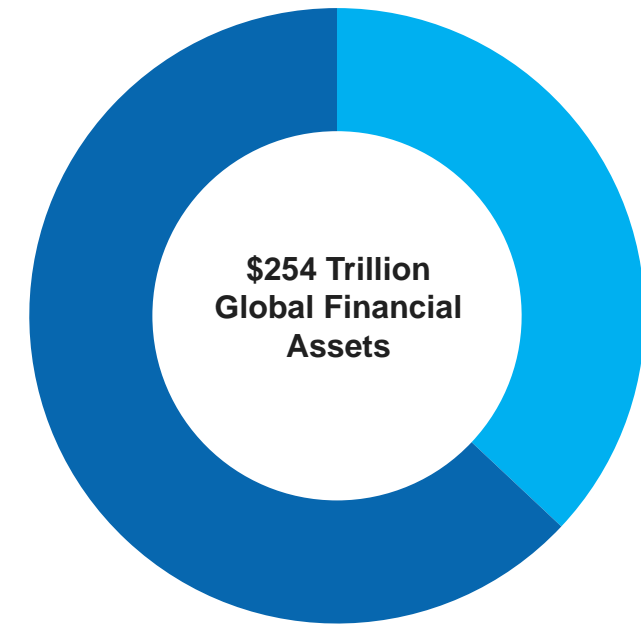
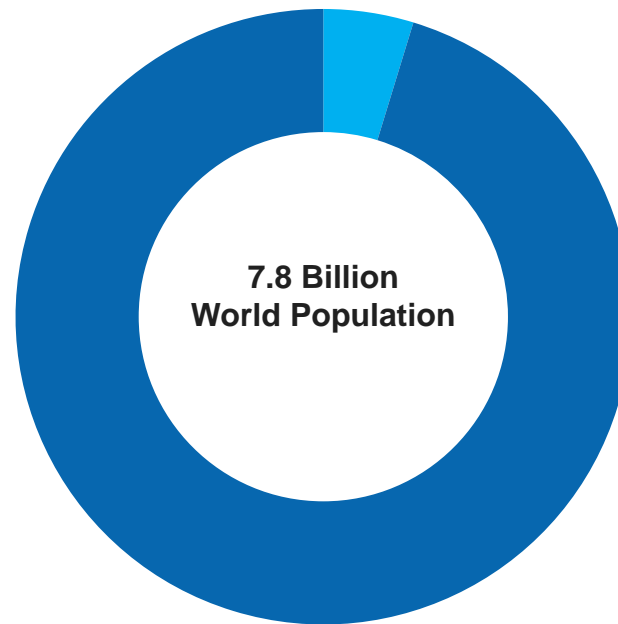
1. For additional information, see ibkr.com/awards.

2. Annual Percentage Rate (APR) on USD margin loan balances for IBKR Pro as of 5/11/2022. 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

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

Broad, Global Addressable Market

- Interactive Brokers operates globally, in multiple currencies across multiple client segments, which significantly enhances our addressable market size
- IBKR currently has customers in over 200 countries and territories, with about three-quarters located internationally
- Non-North American markets have the majority of global population, with many regions showing accelerating financial asset growth

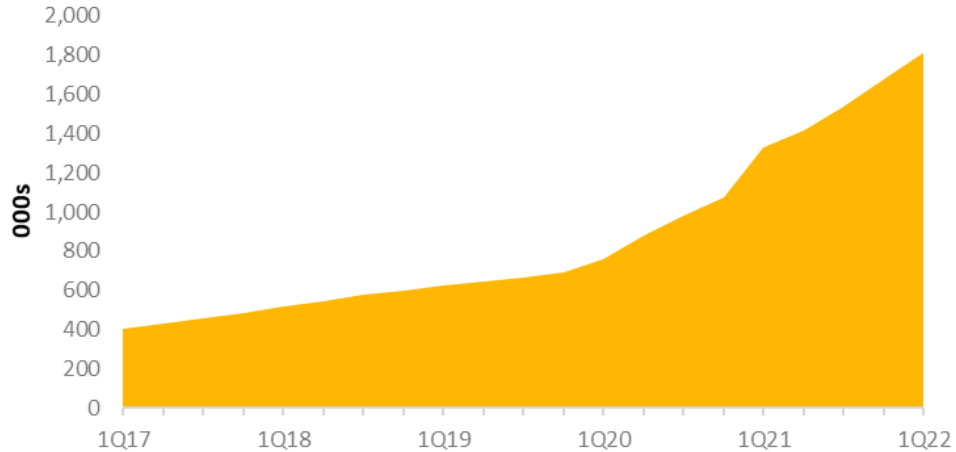


■ North American
■ Non-North American

IBKR Growth Continues

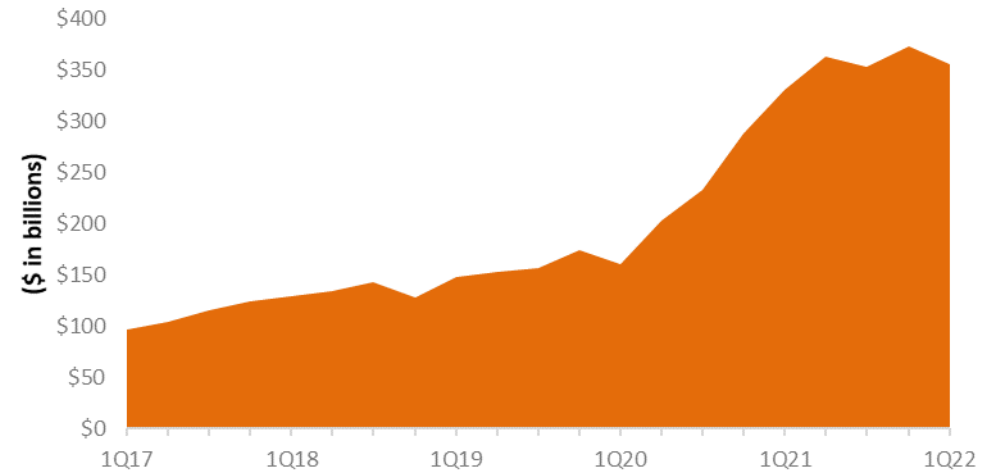
Multiple factors, including increased interest in the financial markets and the growing interconnectedness of investors worldwide, have propelled account growth.

Client Accounts



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

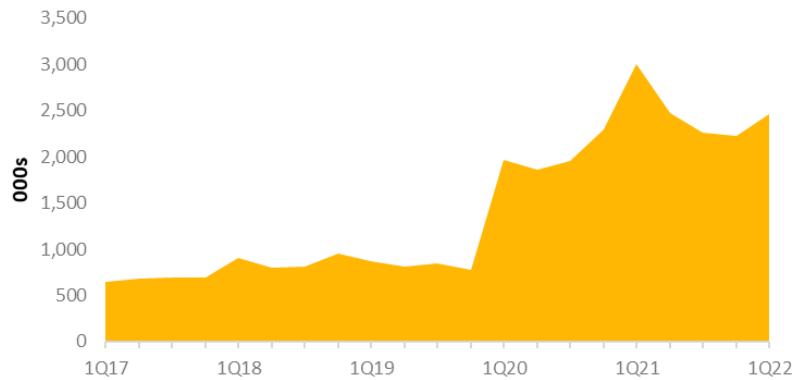
Client Equity



IBKR Growth Continues

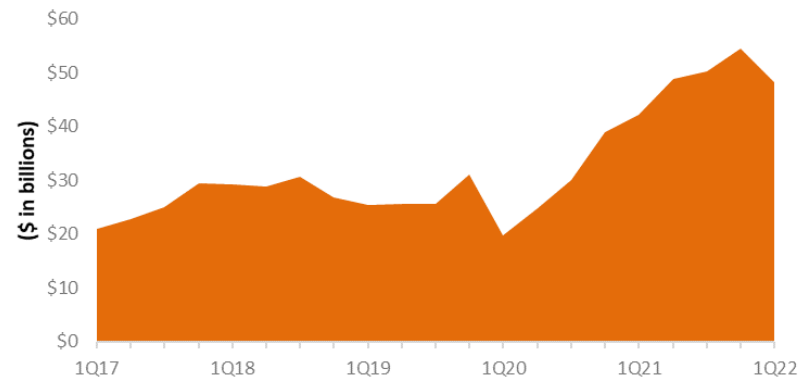
More accounts and client equity on our highly automated platform mean higher activity, as seen in increased DARTs...

Total DARTs



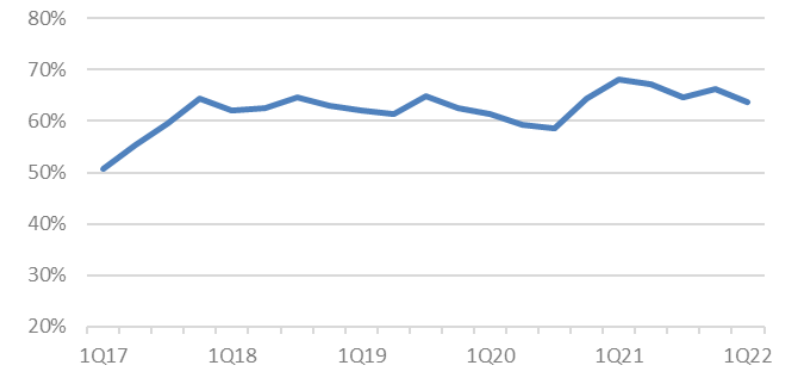
...as well as higher margin loans.

Margin Loans



This drives our superior, industry-leading profit margins.

Adjusted Pretax Profit Margin ¹

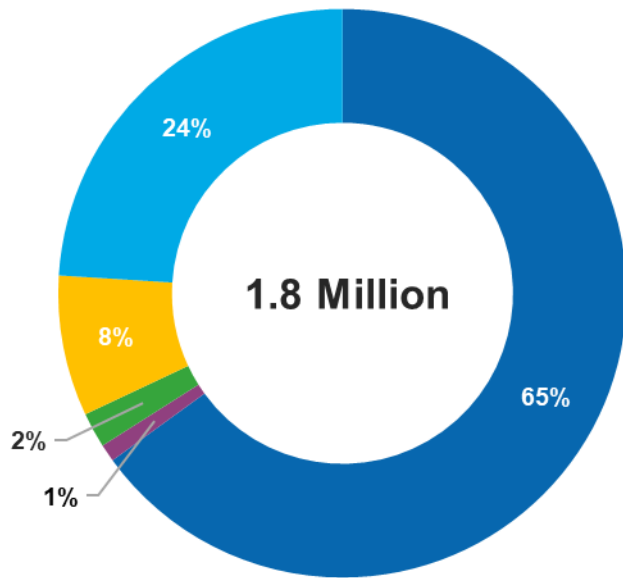


¹See reconciliation of non-GAAP measures at the end of this presentation. Non-GAAP reporting began in 1Q20.

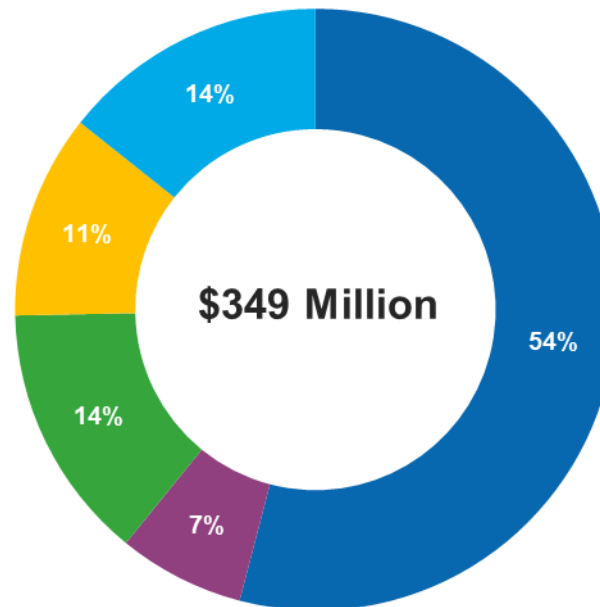
Diversified Client Base – by Client Type

As of March 31, 2022

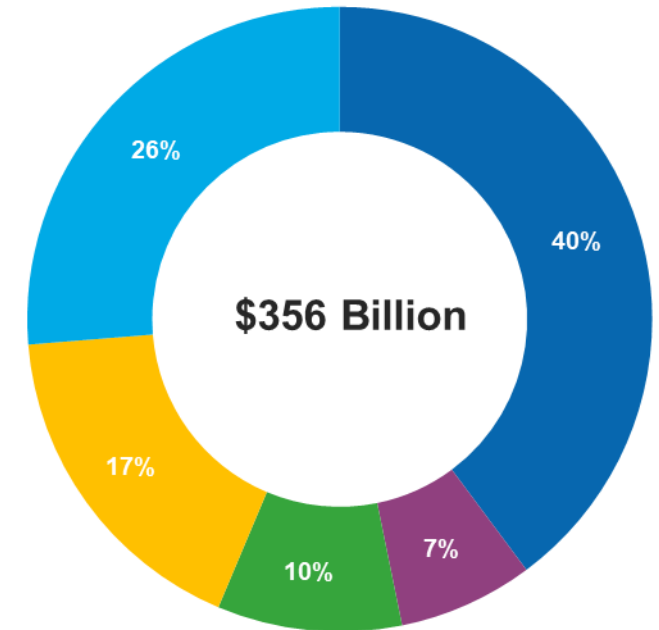
Accounts



Year to Date Commissions



Client Equity

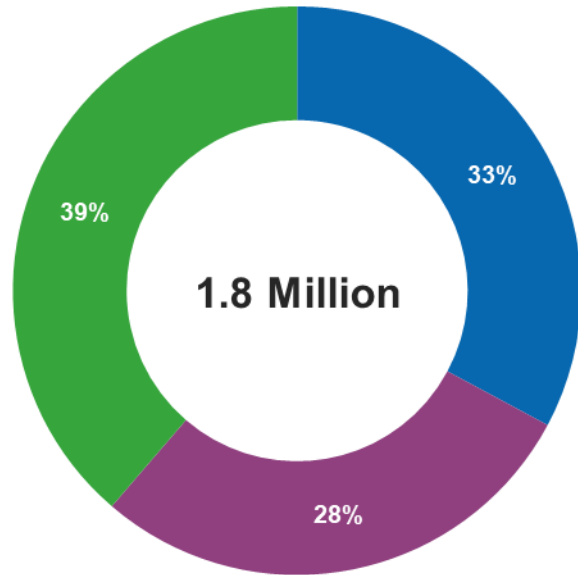


- Individuals
- Hedge and Mutual Funds
- Proprietary Trading Groups
- Financial Advisors
- Introducing Brokers

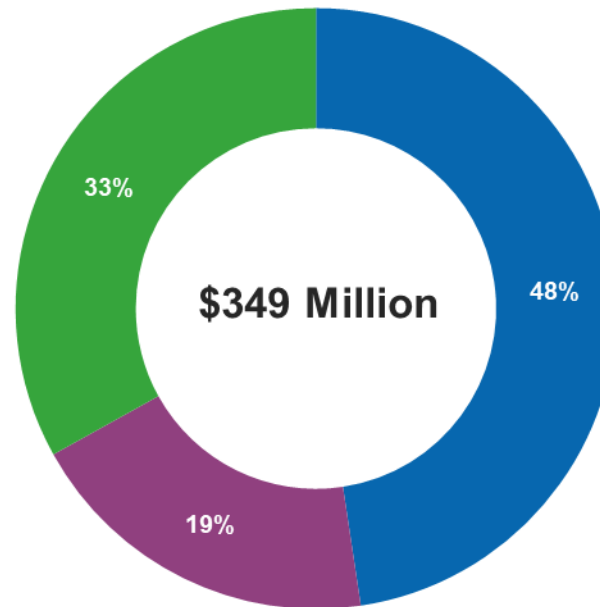
Diversified Client Base – by Geography

As of March 31, 2022

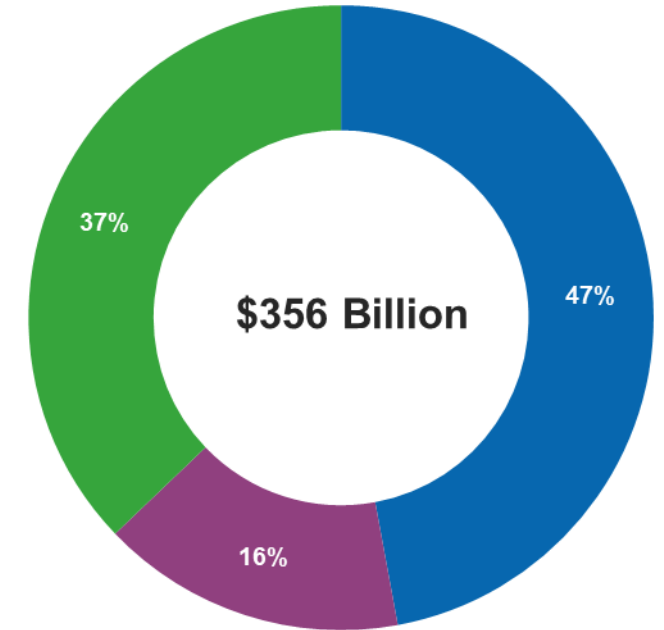
Accounts



Year to Date Commissions



Client Equity



- North America
- Europe
- Asia-Pacific

Integrated Investment Management from One Account

EARN

Earn income on securities by lending out fully paid shares.¹

Directly deposit your paycheck and instantly earn interest.

Use our Insured Bank Deposit Sweep Program to get up to \$2.75 million of SIPC and FDIC insurance on the cash in your accounts, and still earn the same market rate interest.²

BORROW

Borrow against your account whenever needed at our extremely low, market-based rates.

SPEND

Spend using our Bill Pay to pay any expense, or use our Debit Mastercard® to make purchases anywhere.³

INVEST

Invest in stocks, options, futures, forex, commodities, bonds, crypto, mutual funds and ETFs on over 150 global market centers at industry-low cost.⁴




1. For more information, see ibkr.com/syep

2. For additional information, see ibkr.com/sweep

3. Eligibility restrictions may apply based on country of residence. For additional details, see ibkr.com/debitcard

4. Barron's ranked Interactive Brokers #1 with 5 out of 5 stars in its March 25, 2022, Best Online Broker review. For complete information, see ibkr.com/info

IBKR GlobalTrader



Simple.
Worldwide.
Stock trading.¹

**IBKR
Global
Analyst**

Scan the Globe for **Undervalued Stocks**. This helps in identifying new investment opportunities by comparing the prices and financial metrics of global stocks using the same currency.

**Deposit
Local**

Make deposits in one of **27 different currencies**, and automatically convert into the currency you need in the country where you want to invest.

**Trade
Global**

Trade on **90+ stock markets** around the world, including the NYSE, NASDAQ, LSE and HKSE.

**\$0
Fees**

Enjoy **\$0 Commissions** on US Stocks and ETFs.²
No Inactivity Fees or Account Minimums.

**Trade in
Fractions**

No trade is too small, and no stock is too expensive. With **fractional shares**, clients can invest with as little as \$1, regardless of the price of the stock. Even small cash balances can be quickly put to work to maximize returns.

1. See globaltrader.ibkr.com for further details.
2. For additional information, visit ibkr.com/lite

Sustainable Investing

Interactive Brokers has a suite of environmental, social and governance (ESG) tools to develop a conscientious investing plan. Clients can align their investments with what they care about most.¹

ESG Scores

Invest Responsibly. ESG scores are available on all of our platforms. Alerts are sent when ESG news may affect the scores of the companies followed by investors.

Impact Dashboard

The Impact Dashboard ensures that a client's investments is aligned with their **values**.

IMPACT App

This standalone app adds **flexibility, portability and a simplified trading interface**. When ESG scores change, it allows instant swapping of stocks to keep the investor's values and investments aligned. U.S. users can add cryptocurrencies for new degrees of diversification.²

1. For additional information, see ibkr.com/esg-tools
2. The projections or other information generated by IMPACT app regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Please note that results may vary with use of the tool over time.

Recent Enhancements and New Products



IMPACT Mobile App – a simplified trading platform that allows users to seamlessly align their investments with their values. Investors can select personally relevant investment criteria from 13 impact values, flag investments based on 10 categories, and can score a portfolio based on how well it aligns with their personal value preferences. Donations to nonprofits, position swaps in the same dollar amount from one company to another, and purchasing carbon offsets can all be done directly from the app.¹



Cryptocurrency Trading – clients with individual or financial advisor accounts in the US now have the ability to seamlessly trade Bitcoin, Ethereum, Litecoin and Bitcoin Cash through our desktop, mobile and web platforms. While other crypto exchange and brokers charge trading fees of as much as 2.00% of trade value, with added spreads or markups, crypto currency trading on our platform has a low commission of just 0.12% to 0.18% of trade value, with a \$1.75 minimum commission per order, with no added spreads, markups or custody fees.²



Traders' Insight Radio – a new podcast series featuring interviews with executives, thought leaders and market experts from across the financial services industry discussing topical themes impacting global markets and trading.³

1. See impact.ibkr.com for further details. Program eligibility may change according to country of residence.
2. See ibkr.com/crypto for further details. Paxos Trust Co. provides trading and custody services.
3. See ibkr.com/tradersinsight for further details.

Recognized Industry Leader

**IBKR's Multiple Trading Platforms,
Extensive Suite of Advanced Trading
Tools, Algos and Order Types
Continue to Earn Awards, Year After
Year.²**



2022 Barron's Awards¹:

Rated #1 - Best Online Broker (5 out of 5 stars)
Rated #1 for Active Traders
Rated #1 for Information



2022 Investopedia Awards:

4.6 out of 5 stars Overall
Best Broker for International Trading
Best Online Broker for Advanced Traders



2021 Prequin Awards:

Top Hedge Fund Prime Broker
Top Hedge Fund Custodian



2022 StockBrokers.com Awards:

#1 for Professional Tools
#1 for Futures Trading
#1 for Offering of Investments
#1 International Trading
5 out of 5 stars Offering of Investments
5 out of 5 stars Research



2022 ForexBrokers.com Awards:

#1 Offering of Investments
#1 Innovation
#1 Institutional Clients
5 out of 5 stars Overall
5 out of 5 stars Commissions & Fees
5 out of 5 stars Offering of Investments



2022 BrokerChooser Best Online Brokers:

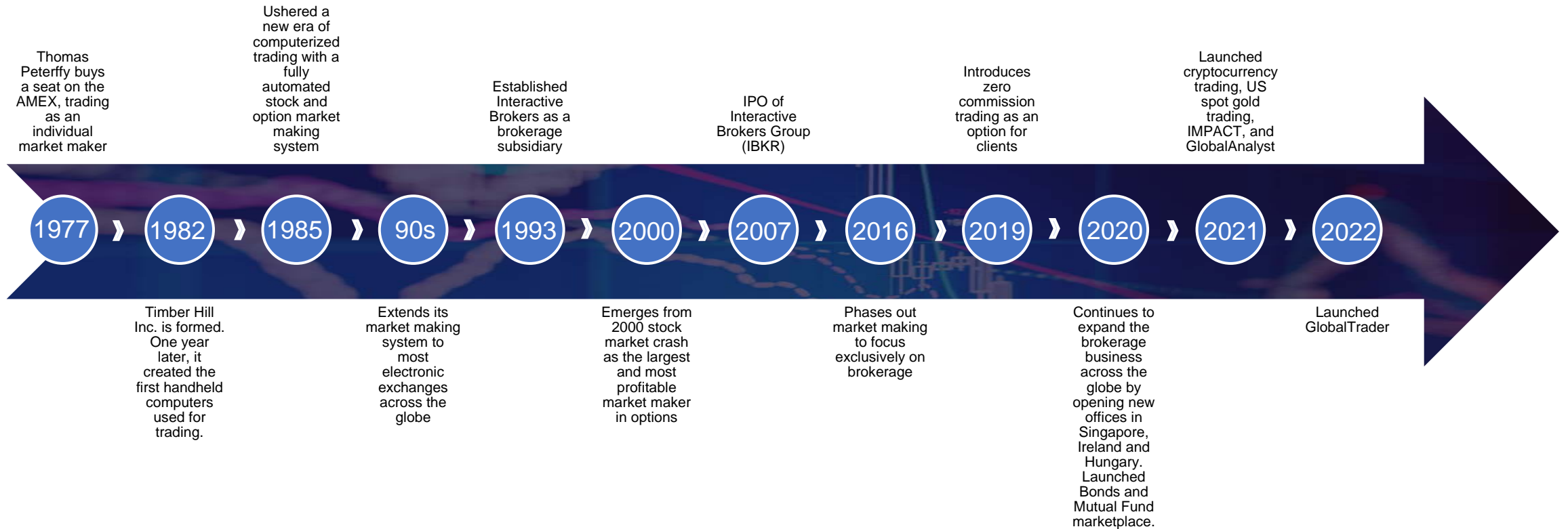
Best Online Broker
Best Broker for Day Trading
Best Broker for Investing

1. Barron's is a registered trademark of Dow Jones & Co. Inc.
2. See ibkr.com/awards

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,		
	2019	2020	2021
	(in millions)		
Adjusted net revenues			
Net revenues - GAAP	\$ 1,937	\$ 2,218	\$ 2,714
Non-GAAP adjustments			
Currency diversification strategy, net	60	19	37
Mark-to-market on investments	(13)	(36)	30
Remeasurement of TRA liability	-	3	(1)
Total non-GAAP adjustments	47	(14)	66
Adjusted net revenues	<u>\$ 1,984</u>	<u>\$ 2,204</u>	<u>\$ 2,780</u>
Adjusted income before income taxes			
Income before income taxes - GAAP	\$ 1,157	\$ 1,256	\$ 1,787
Non-GAAP adjustments			
Currency diversification strategy, net	60	19	37
Mark-to-market on investments	(13)	(36)	30
Remeasurement of TRA liability	-	3	(1)
Customer compensation expense	-	103	-
Bad debt expense	42	1	-
Total non-GAAP adjustments	89	90	66
Adjusted income before income taxes	<u>\$ 1,246</u>	<u>\$ 1,346</u>	<u>\$ 1,853</u>
Pre-tax profit margin	60%	57%	66%
Adjusted pre-tax profit margin	63%	61%	67%

	Year Ended December 31,		
	2019	2020	2021
	(in millions)		
Adjusted variable expenses			
Execution, clearing and distribution fees	\$ 251	\$ 293	\$ 236
Bad debt expense	44	13	3
Variable expenses	295	306	239
Non-GAAP adjustments			
Bad debt expense	(42)	(1)	-
Total non-GAAP adjustments	(42)	(1)	-
Adjusted variable expenses	<u>\$ 253</u>	<u>\$ 305</u>	<u>\$ 239</u>
Adjusted fixed expenses			
Employee compensation and benefits	\$ 288	\$ 325	\$ 399
Occupancy, depreciation and amortization	60	69	80
Communications	25	26	33
General and administrative	112	236	176
Fixed expenses	485	656	688
Non-GAAP adjustments			
Customer compensation expense	-	(103)	-
Total non-GAAP adjustments	-	(103)	-
Adjusted fixed expenses	<u>\$ 485</u>	<u>\$ 553</u>	<u>\$ 688</u>

Non-GAAP Reconciliation

	Quarter Ended									
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	
	(in millions)									
Adjusted net revenues										
Net revenues - GAAP	\$ 532	\$ 539	\$ 548	\$ 599	\$ 893	\$ 754	\$ 464	\$ 603	\$ 645	
Non-GAAP adjustments										
Currency diversification strategy, net	49	(16)	(27)	13	2	9	3	23	18	
Mark-to-market on investments	-	-	(3)	(33)	(99)	(113)	184	58	29	
Remeasurement of TRA liability	-	-	-	3	-	-	(1)	-	-	
Total non-GAAP adjustments	49	(16)	(30)	(17)	(97)	(104)	186	81	47	
Adjusted net revenues	<u>\$ 581</u>	<u>\$ 523</u>	<u>\$ 518</u>	<u>\$ 582</u>	<u>\$ 796</u>	<u>\$ 650</u>	<u>\$ 650</u>	<u>\$ 684</u>	<u>\$ 692</u>	
Adjusted income before income taxes										
Income before income taxes - GAAP	\$ 308	\$ 222	\$ 334	\$ 392	\$ 639	\$ 541	\$ 234	\$ 373	\$ 394	
Non-GAAP adjustments										
Currency diversification strategy, net	49	(16)	(27)	13	2	9	3	23	18	
Mark-to-market on investments	-	-	(3)	(33)	(99)	(113)	184	58	29	
Remeasurement of TRA liability	-	-	-	3	-	-	(1)	-	-	
Customer compensation expense	-	103	-	-	-	-	-	-	-	
Bad debt expense	-	1	-	-	-	-	-	-	-	
Total non-GAAP adjustments	49	88	(30)	(17)	(97)	(104)	186	81	47	
Adjusted income before income taxes	<u>\$ 357</u>	<u>\$ 310</u>	<u>\$ 304</u>	<u>\$ 375</u>	<u>\$ 542</u>	<u>\$ 437</u>	<u>\$ 420</u>	<u>\$ 454</u>	<u>\$ 441</u>	
Pre-tax profit margin	58%	41%	61%	65%	72%	72%	50%	62%	61%	
Adjusted pre-tax profit margin	61%	59%	59%	64%	68%	67%	65%	66%	64%	