



Investor Presentation Third Quarter 2021

November 9, 2021

Disclaimer

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.

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, 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.

Financial Strength – Liquid and Growing

As of September 30, 2021

Total Membership Interests	418.1 million	
Held by management	319.9 million	76.5%
Public shares	98.2 million	23.5%
Total Market Capitalization	\$26.1 billion	
Public float	\$6.1 billion	
Cash and Equivalents	\$2.8 billion	
Total Debt (0 long-term)	\$0.02 billion	
Total Equity	\$10.0 billion	
Total Assets	\$106.3 billion	

Company Overview

We Are a Highly Automated Electronic Broker

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

1,535,900

Client Accounts¹

+57%

YoY¹ Account Growth

\$354B

Client Equity¹

2.6mil

DARTs^{1,3}

\$10.0B

Total Equity¹

Stocks | Bonds | ETFs | Mutual Funds | Futures

Options | Currencies | Commodities | Crypto

135

Market Centers

33

Countries

23

Currencies

1. 9/30/21
2. DARTs are based on client orders
3. YTD through 9/30/21

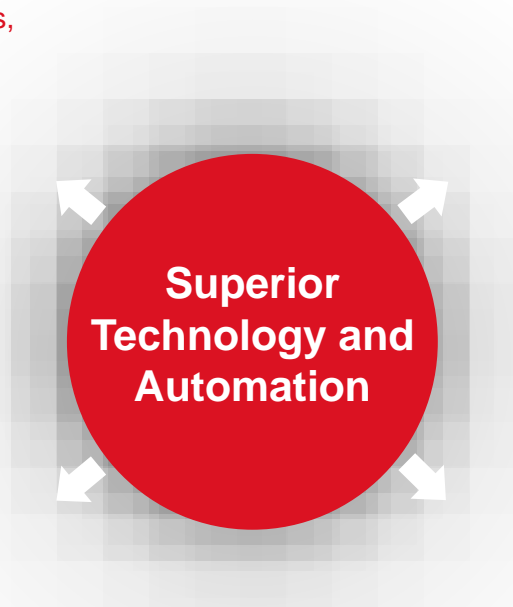
The IBKR Advantage

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 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. IBKR Pro **does not sell client order flow.**²
- IHS Markit, a third-party provider of transaction analysis, determined that IBKR's U.S. stock execution prices were \$0.47 per 100 shares better than the industry average.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 **135 market centers** in **33 countries** and in **23 currencies**

Lowest Margin Rates⁴

- 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 **0.75%** to **1.59%** for IBKR Pro.³
- U.S. margin rates are **2.58%** for IBKR Lite.³

1. Paxos Trust Co. provides trading and custody services

2. See ibkr.com/bestexecution

3. As of October 22, 2021. See ibkr.com/interest. U.S. margin interest priced at 30 to 150 basis points over benchmark Federal Funds rate, with 75 basis point minimum

4. See ibkr.com/awards

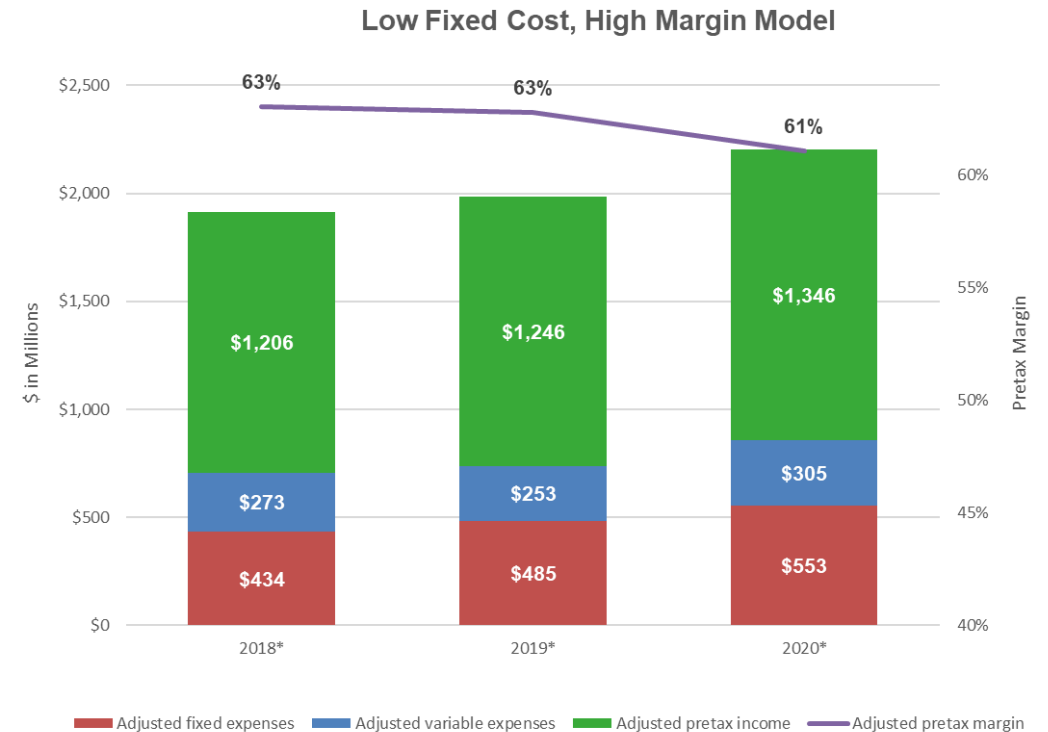
Impact of Automation

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 2.5 million trades per day year-to-date through 3Q21, across multiple product classes and in multiple currencies, on over 135 market centers in 33 countries



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

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 2021¹

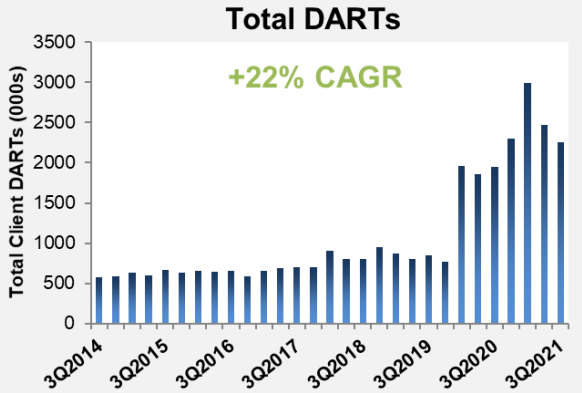
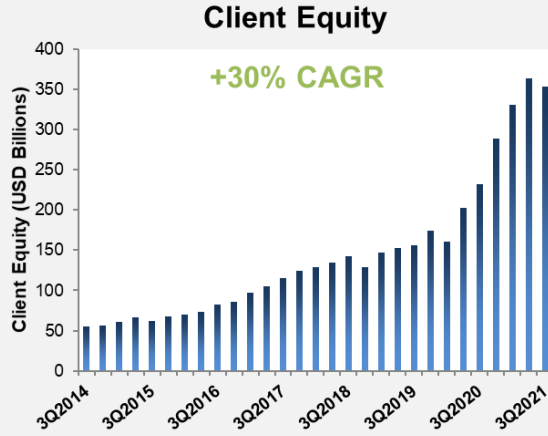
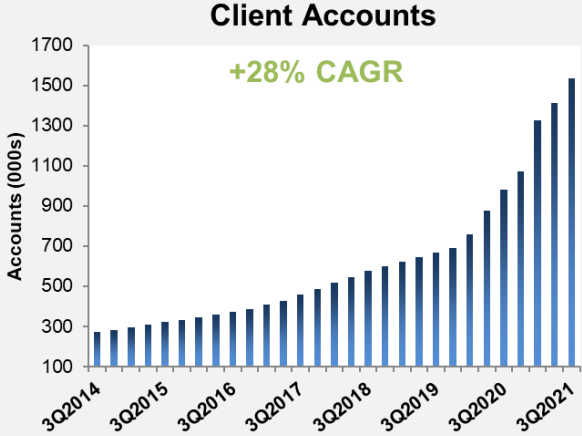
US Margin Loan Rates Comparison²

	\$ 25K	\$ 300K	\$ 1.5M	\$ 3.5M
Interactive Brokers	1.59%	1.25%	1.01%	0.86%
E-Trade	8.45%	6.95%	5.45%	5.45%
Fidelity	7.82%	6.57%	4.00%	4.00%
Schwab	7.82%	6.57%	N/A	N/A
TD Ameritrade	9.00%	7.50%	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 08/26/2021. 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/interest.

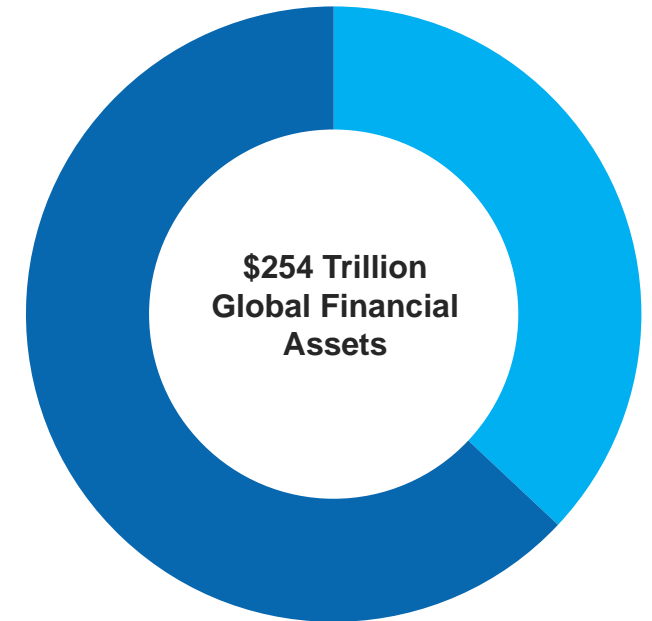
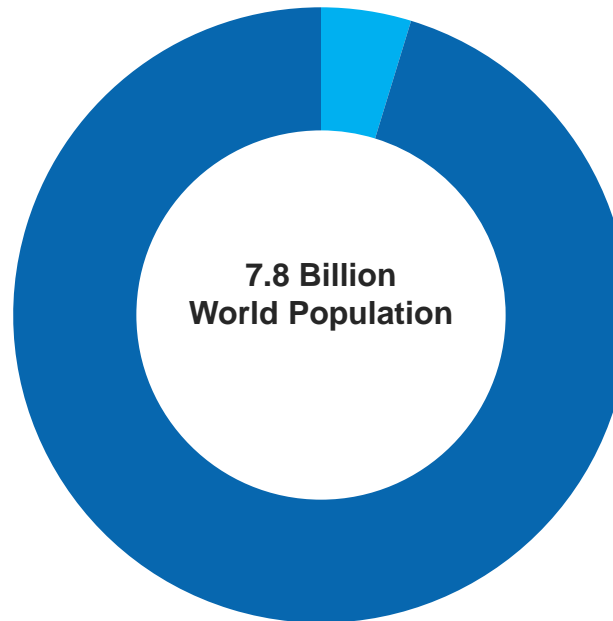
Automation and Focusing on the Client Lead to Growth



7-year compound annual growth rate

Broad, Global Addressable Market

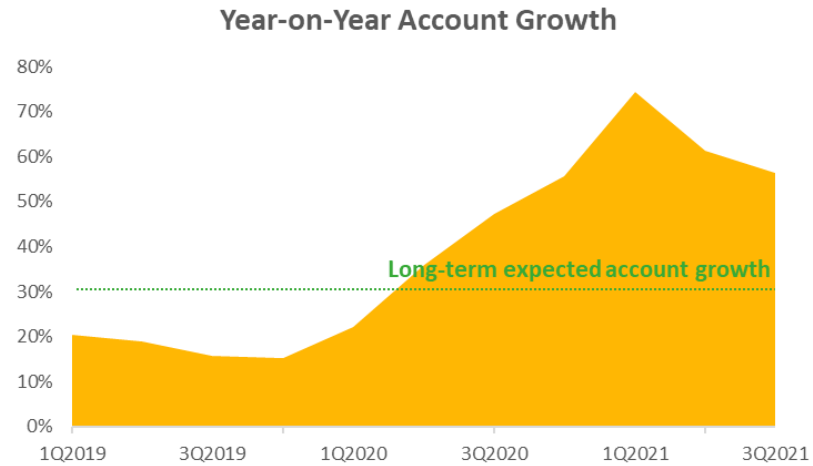
- Interactive Brokers operates globally, in multiple currencies across multiple client segments, which significantly enhances our addressable market size.
- IBKR currently has customers in over 200 countries and territories, with about three-quarters located internationally.
- Non-North American markets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



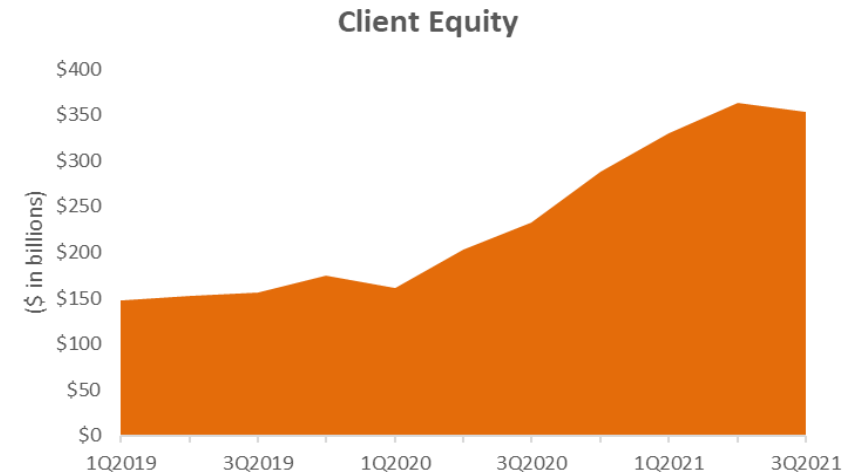
■ North American
■ Non-North American

IBKR Growth Continues

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



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



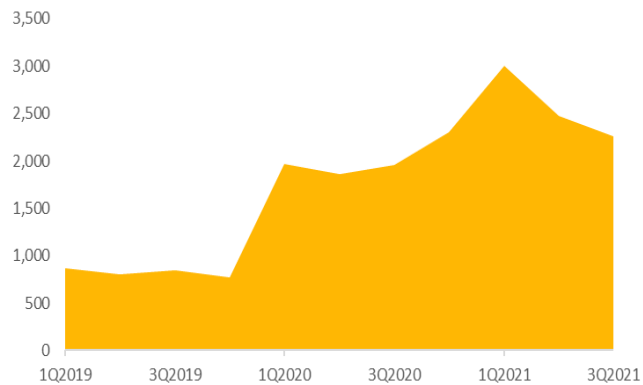
IBKR Growth Continues

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

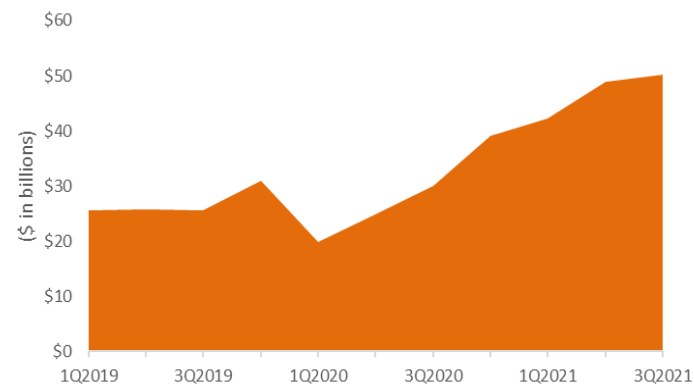
...as well as higher margin loans.

This drives our superior, industry-leading profit margins.

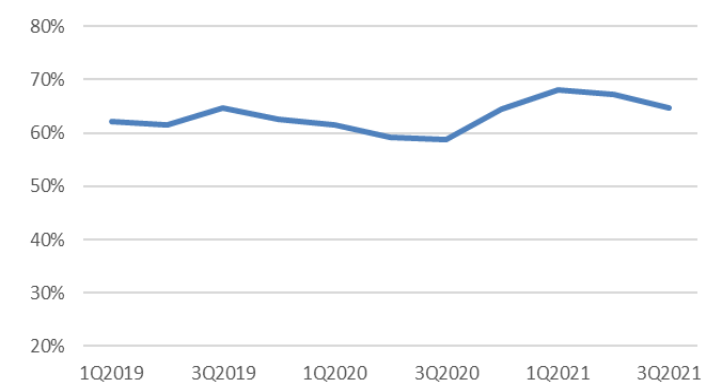
Total DARTs



Margin Loans



Adjusted Pretax Profit Margin¹

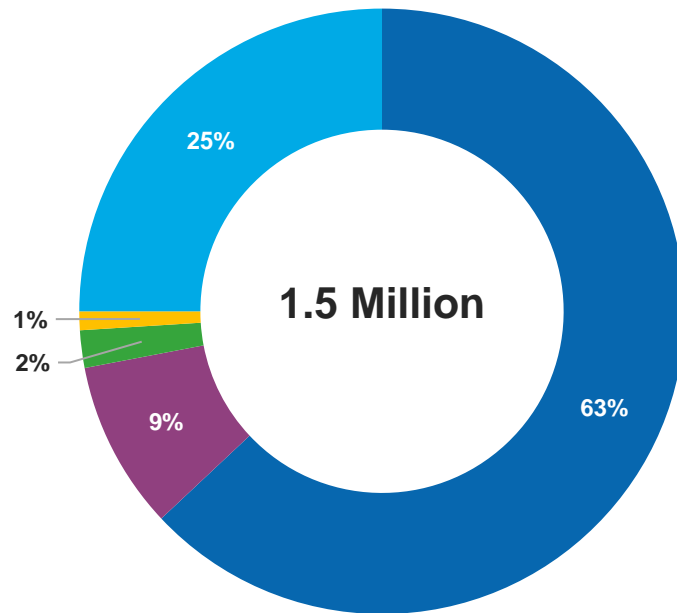


¹See reconciliation of non-GAAP measures at the end of this presentation.

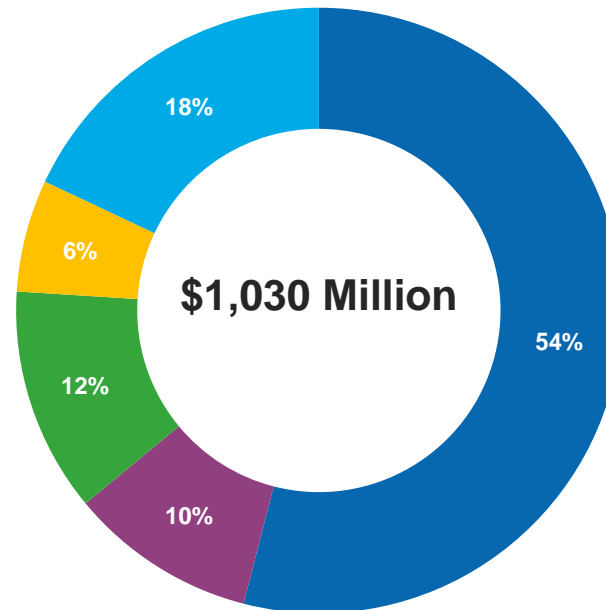
Diversified Client Base – by Client Type

As of September 30, 2021

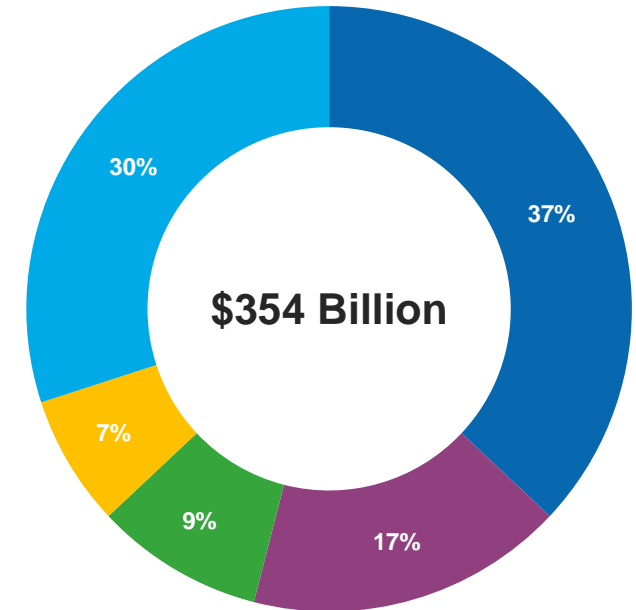
Accounts



Year to Date Commissions



Client Equity

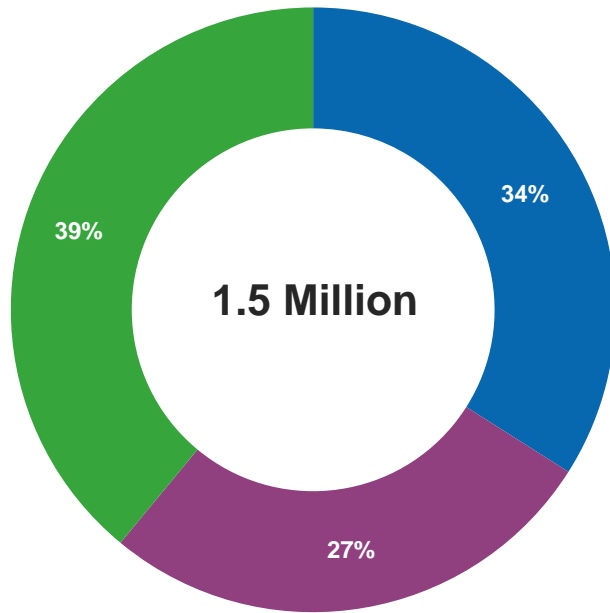


- Individuals
- Financial Advisors
- Proprietary Trading Groups
- Hedge and Mutual Funds
- Introducing Brokers

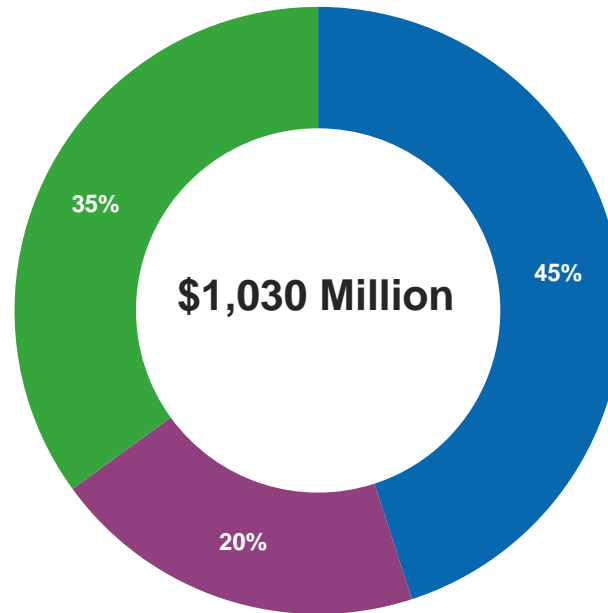
Diversified Client Base – by Geography

As of September 30, 2021

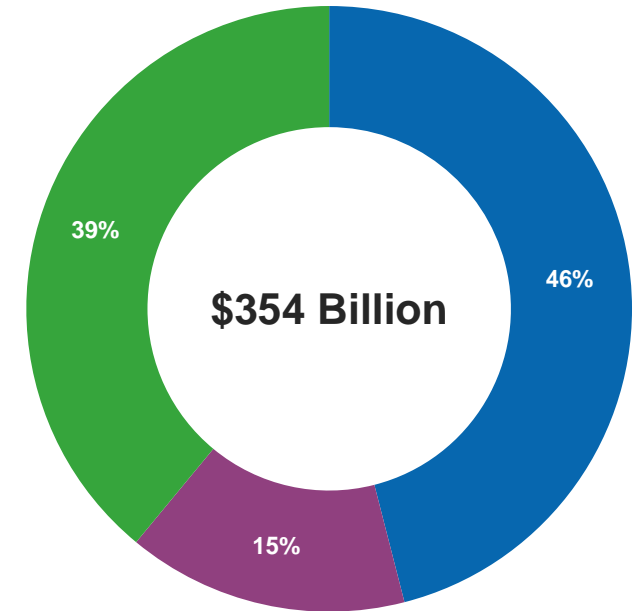
Accounts



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.

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.

INVEST

Invest in stocks, options, futures, forex, commodities, bonds, crypto, mutual funds and ETFs on over 135 global market centers at industry-low cost.²



1. For more information, see ibkr.com/syep
2. Barron's ranked Interactive Brokers #1 with 5 out of 5 stars in its February 27, 2021, Best Online Broker review. For complete information, see ibkr.com/info

Recent Enhancements and New Products



IMPACT Mobile App – The IMPACT mobile app is 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, and flag investments based on 10 categories. Investors can score a portfolio based on how well it aligns with their personal value preferences, make donations to nonprofits directly from the app, and swap positions in the same dollar amount from one company to another.²



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 USD 1.75 minimum commission per order, with no added spreads, markups or custody fees.¹



Monthly Account Inactivity Fees Eliminated– Now there are no impediments to maintaining an account with IBKR. As of July 1, we eliminated inactivity fees for most account types, reflecting our ongoing commitment to provide clients with low-cost trading solutions.

1. See ibkr.com/crypto for further details. Crypto services provided by Paxos Trust Co.
2. See impact.ibkr.com 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 Year²

BARRON'S

2021 Barron's Awards¹:

Interactive Brokers Rated #1 - Best Online Broker
Rated #1 for Active Traders
Rated #1 for Information
Rated #1 for International Traders
Rated #1 for Trading

BENZINGA

2021 Benzinga Awards:

Best Online Broker for Bonds
Best Online Broker for Mutual Funds

preqin

2021 Preqin Awards:

Top Hedge Fund Prime Broker
Top Hedge Fund Custodian



2021 BrokerChooser Best Online Brokers:

Best Online Broker - 2021
Best Broker for Day Trading - 2021



2021 StockBrokers.com Awards:

5 out of 5 stars Overall
#1 for Professionals
#1 New Tool
#1 for Offering of Investments
#1 International Trading
#1 Futures Trading



2021 ForexBrokers.com Awards:

4.5 out of 5 stars Overall
5 stars Offering of Investments
4.5 stars Commissions & Fees
4.5 stars Platform & Tools
4.5 stars Research

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

Appendix

Non-GAAP Reconciliation

	Year Ended December 31,		
	2018	2019	2020
	(in millions)		
Adjusted net revenues			
Net revenues - GAAP	\$ 1,903	\$ 1,937	\$ 2,218
Non-GAAP adjustments			
Currency diversification strategy, net	19	60	19
Mark-to-market on investments	(9)	(13)	(36)
Remeasurement of TRA liability	-	-	3
Total non-GAAP adjustments	10	47	(14)
Adjusted net revenues	<u>\$ 1,913</u>	<u>\$ 1,984</u>	<u>\$ 2,204</u>
Adjusted income before income taxes			
Income before income taxes - GAAP	\$ 1,196	\$ 1,157	\$ 1,256
Non-GAAP adjustments			
Currency diversification strategy, net	19	60	19
Mark-to-market on investments	(9)	(13)	(36)
Remeasurement of TRA liability	-	-	3
Customer compensation expense	-	-	103
Bad debt expense	-	42	1
Total non-GAAP adjustments	10	89	90
Adjusted income before income taxes	<u>\$ 1,206</u>	<u>\$ 1,246</u>	<u>\$ 1,346</u>
Pre-tax profit margin	63%	60%	57%
Adjusted pre-tax profit margin	63%	63%	61%

	Year Ended December 31,		
	2018	2019	2020
Adjusted variable expenses			
Execution, clearing and distribution fees	\$ 269	\$ 251	\$ 293
Bad debt expense	4	44	13
Variable expenses - GAAP	273	295	306
Non-GAAP adjustments			
Bad debt expense	-	(42)	(1)
Total non-GAAP adjustments	-	(42)	(1)
Adjusted variable expenses	<u>\$ 273</u>	<u>\$ 253</u>	<u>\$ 305</u>
Adjusted fixed expenses			
Employee compensation and benefits	\$ 264	\$ 288	\$ 325
Occupancy, depreciation and amortization	49	60	69
Communications	25	25	26
General and administrative	96	112	236
Fixed expenses - GAAP	434	485	656
Non-GAAP adjustments			
Customer compensation expense	-	-	(103)
Total non-GAAP adjustments	-	-	(103)
Adjusted fixed expenses	<u>\$ 434</u>	<u>\$ 485</u>	<u>\$ 553</u>

Non-GAAP Reconciliation

	Quarter Ended										
	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
	(in millions)										
Adjusted net revenues											
Net revenues - GAAP	\$ 558	\$ 413	\$ 466	\$ 500	\$ 532	\$ 539	\$ 548	\$ 599	\$ 893	\$ 754	\$ 464
Non-GAAP adjustments											
Currency diversification strategy, net	19	6	47	(12)	49	(16)	(27)	13	2	9	3
Mark-to-market on investments	(109)	69	12	15	-	-	(3)	(33)	(99)	(113)	184
Remeasurement of TRA liability	-	-	-	-	-	-	-	3	-	-	(1)
Total non-GAAP adjustments	(90)	75	59	3	49	(16)	(30)	(17)	(97)	(104)	186
Adjusted net revenues	<u>\$ 468</u>	<u>\$ 488</u>	<u>\$ 525</u>	<u>\$ 503</u>	<u>\$ 581</u>	<u>\$ 523</u>	<u>\$ 518</u>	<u>\$ 582</u>	<u>\$ 796</u>	<u>\$ 650</u>	<u>\$ 650</u>
Adjusted income before income taxes											
Income before income taxes - GAAP	\$ 339	\$ 225	\$ 281	\$ 312	\$ 308	\$ 222	\$ 334	\$ 392	\$ 639	\$ 541	\$ 234
Non-GAAP adjustments											
Currency diversification strategy, net	19	6	47	(12)	49	(16)	(27)	13	2	9	3
Mark-to-market on investments	(109)	69	12	15	-	-	(3)	(33)	(99)	(113)	184
Remeasurement of TRA liability	-	-	-	-	-	-	-	3	-	-	(1)
Customer compensation expense	-	-	-	-	-	103	-	-	-	-	-
Bad debt expense	42	-	-	-	-	1	-	-	-	-	-
Total non-GAAP adjustments	(48)	75	59	3	49	88	(30)	(17)	(97)	(104)	186
Adjusted income before income taxes	<u>\$ 291</u>	<u>\$ 300</u>	<u>\$ 340</u>	<u>\$ 315</u>	<u>\$ 357</u>	<u>\$ 310</u>	<u>\$ 304</u>	<u>\$ 375</u>	<u>\$ 542</u>	<u>\$ 437</u>	<u>\$ 420</u>
Pre-tax profit margin	61%	54%	60%	62%	58%	41%	61%	65%	72%	72%	50%
Adjusted pre-tax profit margin	62%	61%	65%	63%	61%	59%	59%	64%	68%	67%	65%