

Interactive Brokers Group, Inc.  
 Form 424B5  
 December 23, 2015

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Offering Price per Share	Aggregate Offering Price	Amount of Registration Fee(1)
Class A Common Stock, \$.01 par value per share	250,000	\$41.93	\$10,482,500	\$1,056

(1) Calculated pursuant to Rule 457 (f) and Rule 457 (r) under the Securities Act of 1933, as amended.

Filed Pursuant to Rule 424(b)(5)  
 Registration No. 333-192275

PROSPECTUS SUPPLEMENT

(To prospectus dated November 12, 2013)

250,000 Shares

Interactive Brokers Group, Inc.

Common Stock

This is an offering of 250,000 shares of our Class A common stock. All of the shares of Class A common stock offered pursuant to this prospectus supplement are to be issued to IBG Holdings LLC in exchange for membership interests in IBG LLC equal in number to such number of shares of Class A common stock issued by us. As a result, we will not receive any cash proceeds from the issuance of such shares of Class A common stock. We do not expect the issuance of Class A common stock to have a material dilutive effect on our stockholders, as discussed below.

Our Class A common stock is quoted on the NASDAQ Global Select Market under the symbol "IBKR." On December 18, 2015, the last reported sale price for our common stock was \$41.54.

Investing in our securities involves a high degree of risk. See "Risk Factors" beginning on Page S-10 for information that you should consider before investing in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a

criminal offense.

The date of this prospectus supplement is December 23, 2015.

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### ABOUT THIS PROSPECTUS SUPPLEMENT

We are providing information to you about this offering of shares of our Class A common stock, or our “common stock”, in two parts. The first part is this prospectus supplement, which provides the specific details regarding this offering. The second part is the accompanying prospectus, which provides general information, including information about the shares of our common stock. Generally, when we refer to this “prospectus,” we are referring to both documents combined. Some of the information in the accompanying prospectus may not apply to this offering. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on the information contained in this prospectus supplement. Please read “Where You Can Find More Information” in the accompanying prospectus and “Incorporation of Certain Documents by Reference” in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectuses we have prepared. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you.

In this prospectus supplement, unless otherwise indicated or the context otherwise requires, the terms “IBG, Inc.,” “we,” “our,” “company,” “issuer” or “us” refer to Interactive Brokers Group, Inc. and its subsidiaries.

## PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information from this prospectus supplement and the accompanying prospectus. Before deciding to invest in shares of our common stock, you should read the entire prospectus supplement and the accompanying prospectus carefully, including the documents incorporated by reference, especially the matters discussed under “Risk Factors” beginning on page S-10 and the documents incorporated by reference herein, including the audited financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2014. See “Incorporation of Certain Documents by Reference” below.

### ABOUT INTERACTIVE BROKERS GROUP, INC.

IBG, Inc. is an automated global electronic broker and market maker specializing in executing and clearing trades in securities, futures, foreign exchange instruments, bonds and mutual funds on more than 100 electronic exchanges and trading venues around the world and offering custody, prime brokerage, stock and margin borrowing services to our customers. In the United States (“U.S.”), our business is conducted from our headquarters in Greenwich, Connecticut, and from Chicago, Illinois and Jersey City, New Jersey. Abroad, we conduct business through offices located in Canada, England, Switzerland, Liechtenstein, China (Hong Kong and Shanghai), India, Australia, and Japan.

IBG, Inc. is a holding company and our primary assets are our ownership of approximately 15.7% (which will remain approximately 15.7% after completion of this offering) of the membership interests of IBG LLC, the current holding company for our businesses. The remaining approximately 84.3% (which will remain approximately 84.3% after completion of this offering) of IBG LLC membership interests are held by IBG Holdings LLC, a holding company that is owned by our founder, Chairman and Chief Executive Officer, Mr. Thomas Peterffy, and his affiliates, management and other employees of IBG LLC, and certain other members. We are the sole managing member of IBG LLC. On May 3, 2007, IBG, Inc. priced its initial public offering (“IPO”) of shares of common stock. In connection with the IPO, IBG, Inc. purchased 10.0% of the membership interests in IBG LLC and began to consolidate IBG LLC’s financial results into its financial statements.

We are a successor to the market making business founded by our Chairman and Chief Executive Officer, Mr. Thomas Peterffy, on the floor of the American Stock Exchange in 1977. Since our inception, we have focused on developing proprietary software to automate broker-dealer functions. During that time, we have been a pioneer in developing and applying technology as a financial intermediary to increase liquidity and transparency in the capital markets in which we operate. The advent and evolution of electronic exchanges over the last 25 years has provided us with the opportunity to integrate our software with an increasing number of exchanges and trading venues into one automatically functioning, computerized platform that requires minimal human intervention. Developing our automated market making platform and our automation of many middle and back office functions for more than three decades has allowed us to become one of the lowest cost providers of broker-dealer services and significantly increase the volume of trades we handle.

Our activities are divided into two principal business segments: (1) electronic brokerage and (2) market making:

- As a direct market access broker, we serve the customers of both traditional brokers and prime brokers. We provide our customers with an advanced order management, trade execution and portfolio management platform at a very low cost. Our customers can simultaneously access many financial markets worldwide and trade across multiple asset classes (stocks, options, futures, foreign exchange (“forex”), bonds and mutual funds) denominated in 21 different currencies, on one screen, from a single account based in any major currency. Our large bank and broker-dealer customers may “white label” our trading interface (i.e., make our trading interface available to their

customers without referencing our name), or they can select from among our modular functionalities, such as order routing, trade reporting or clearing on specific products or exchanges where they may not have up-to-date technology, to offer their customers a comprehensive, global range of services and products. The emerging complexity of multiple trading venues provided us with the opportunity of building and continuously adapting our order routing software to secure excellent execution prices. This has become our major focus.

- As a market maker, we provide continuous bid and offer quotations on over one million securities and futures products listed on electronic exchanges around the world. Our quotes are driven by proprietary mathematical models that assimilate market data and reevaluate our outstanding quotes each second. Unlike firms that trade over-the-counter (“OTC”) derivative products, our business creates liquidity and transparency on electronic exchanges. In the past several years our market making business has suffered from competitive pressures and along with the rapid increase of our brokerage business, its significance has diminished.

Our electronic brokerage and market making businesses are complementary. Both benefit from our combined scale and volume, as well as from our proprietary technology. Our brokerage customers benefit from the technology and market structure expertise developed in our market making business. The expense of developing and maintaining our unique technology, clearing, settlement, banking and regulatory structure required by any specific exchange or market center is shared by both of our businesses. These economies, in turn, enable us to provide lower transaction costs to our customers than our competitors. In addition, we believe we gain a competitive advantage by applying the software features we have developed for a specific product or market to newly-introduced products and markets over others who may have less automated facilities in one or both of our businesses or who operate only in a subset of the exchanges and market centers on which we operate. Our trading system contains unique architectural aspects that, together with our massive trading volume in markets worldwide, may impose a significant barrier to entry for firms wishing to compete in our specific businesses and permit us to compete favorably against our competitors.

Since launching our brokerage business in 1993, we have grown to approximately 329,000 institutional and individual brokerage customers. We conduct our electronic brokerage business through our Interactive Brokers (“IB”) subsidiaries. We provide our customers with what we believe to be one of the most effective and efficient electronic brokerage platforms in the industry. The following are key highlights of our electronic brokerage business:

- **Low Costs**—We provide our customers with among the industry’s lowest overall transaction costs in two ways. First, we offer among the lowest execution, commission and financing costs in the industry. Second, our customers benefit from our advanced routing of orders designed to achieve the best available trade price. In order to illustrate this advantage, in 2014 we expanded our published monthly brokerage metrics to include our customers’ average net trade cost for Reg.-NMS stocks. For the past twelve months, customers’ total all-in cost of executing and clearing U.S. Reg.-NMS stocks through IB, including brokerage commissions, regulatory and exchange fees and market impact, was 0.8 basis point (i.e. 0.008%) of trade money, as measured against a daily Volume Weighted Average Price (“VWAP”) benchmark.
- **Automated Risk Controls**—Throughout the trading day, we calculate margin requirements for each of our customers on a real-time basis across all product classes (stocks, options, futures, bonds, forex, and mutual funds) and across all currencies. Our customers are alerted to approaching margin violations and if a customer’s equity falls below what is required to support that customer’s margin, we attempt to automatically liquidate positions on a real-time basis to bring the customer’s account into margin compliance. This is done to protect IB, as well as the customer, from excessive losses.
- **IB Universal Account<sup>SM</sup>**—From a single point of entry in one IB Universal Account<sup>SM</sup> our customers are able to trade products denominated in 21 currencies, across multiple classes of tradable, exchange-listed products, including stocks, options, futures, bonds, forex and mutual funds traded on more than 100 exchanges and market centers and in 24 countries around the world seamlessly.
- **IB SmartRouting<sup>SM</sup>**—Our customers benefit from our advanced order routing technology. IB SmartRouting<sup>SM</sup> retains control of the customer’s order, continuously searches for the best available price and, unlike most other routers, dynamically routes and re-routes all or parts of a customer’s order to achieve optimal execution and among the lowest execution and commission costs in the industry. To highlight the quality of our price executions, we publish on our website independent measurements performed by a third party provider of transaction analysis to illustrate IB’s net price improvement versus the industry. In 2014, we also launched Transaction Cost Analysis reporting to allow customers to track execution performance by criteria including trade date, trade price, underlying and exchange.
- **Flexible and Customizable System**—Our platform is designed to provide an efficient customer experience, beginning with a highly automated account opening process and ending with a fast trade execution, with real-time position

monitoring. Our sophisticated interface provides interactive real-time views of account balances, positions, profits or losses, buying power and “what-if” scenarios to enable our customers to more easily make informed investment decisions and trade efficiently. Our system is configured to remember the user’s preferences and is specifically designed for multi-screen systems. When away from their main workstations, customers are able to access their accounts through our IB WebTraderSM or MobileTraderSM interfaces.

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- Interactive Analytics<sup>SM</sup> and IB Options Analytics<sup>SM</sup>—We offer our customers state-of-the-art tools, which include a customizable trading platform, advanced analytic tools and over 60 sophisticated order types and algorithms. IB also provides a real-time option analytics window which displays values that reflect the rate of change of an option's price with respect to a unit change in each of a number of risk dimensions.
- Probability Lab<sup>SM</sup> (Patent Pending)—The Probability Lab provides clients with an intuitive, visual method to analyze market participants' future stock price forecasts based on current option prices. This tool compares a client's stock price forecast versus that of the market, and scans the entire option universe for the highest Sharpe ratio multi-leg option strategies that take advantage of the client's forecast.
- IB Risk Navigator<sup>SM</sup>—We offer free to all customers our real-time market risk management platform that unifies exposure across multiple asset classes around the globe. The system is capable of identifying overexposure to risk by starting at the portfolio level and drilling down into successively greater detail within multiple report views. Report data is updated every ten seconds or upon changes to portfolio composition. Predefined reports allow the summarization of a portfolio from different risk perspectives, and allow views of Exposure, Value at Risk ("VaR"), Delta, Gamma, Vega and Theta, profit and loss and position quantity measures for the different portfolio views. The system also offers the customer the ability to modify positions through "what-if" scenarios that show hypothetical changes to the risk summary.
- White Branding—Our large financial advisor and broker-dealer customers may "white brand" our trading interface, account management and reports with their firm's identity. Broker-dealer clients can also select from among our modular functionalities, such as order routing, trade reporting or clearing, on specific products or exchanges where they may not have up-to-date technology, in order to offer to their customers a complete global range of services and products.
- Securities Financing Services—We offer a suite of automated Stock Borrow and Lending tools, including IB's depth of availability, transparent rates, global reach and dedicated service representatives. IB's Stock Yield Enhancement Program allows our customers to lend their fully-paid stock shares to IB in exchange for cash collateral. In turn, IB lends these stocks in exchange for collateral and earns stock lending fees. Customers receive generally 50% of the fees collected from lending their stocks. This allows customers holding fully-paid, long stock positions to enhance their returns.
- Investors' Marketplace—The Investors' Marketplace is an expansion of our Money Manager Marketplace and our Hedge Fund Capital Introduction program. This program is the first electronic meeting place that brings together individual investors, financial advisors, money managers, fund managers, research analysts, technology providers, business developers and administrators, allowing them to interact to form connections and conduct business.
- Trade Desk—IB offers broker-assisted trading through our block trade desk, which is ideal when customers are away from their computer, or if they just want another set of eyes watching their orders and updating them on market changes.

## ORGANIZATIONAL STRUCTURE

### Holding Company Structure

We are a holding company. Our primary asset is our ownership of approximately 15.7% (which will remain approximately 15.7% after completion of this offering) of the membership interests of IBG LLC, the holding company for our businesses. The remaining approximately 84.3% (which will remain approximately 84.3% after completion of this offering) of IBG LLC membership interests are held by IBG Holdings LLC (“Holdings”), a holding company that is owned by our founder, Chairman and Chief Executive Officer, Mr. Thomas Peterffy, his affiliates, management and other employees of IBG LLC, and certain other members. Mr. Thomas Peterffy and his affiliates own approximately 88.7% (which will remain approximately 88.7% after completion of this offering) of the membership interests in Holdings. Our holding company structure is designed to allow both public stockholders (through IBG, Inc.) and existing members (through Holdings) to have economic interests in our businesses.

Our only business is to act as the sole managing member of IBG LLC. As sole managing member of IBG LLC, we operate and control all of the business and affairs of IBG LLC.

Concurrently with our IPO, we entered into an exchange agreement with Holdings, IBG LLC and the historical members of IBG LLC (“Exchange Agreement”), a copy of which was filed as Exhibit 10.3 to the Quarterly Report on Form 10-Q for the Quarterly Period Ended September 30, 2009 filed by the Company on November 9, 2009. Pursuant to this agreement, the historical members of IBG LLC contributed their IBG LLC membership interests to Holdings and received Holdings membership interests in return. The membership interests in Holdings are not directly exchangeable for shares of common stock. Instead, the membership interests were redeemable over an eight year period following our IPO in 2007 at the option of the member of Holdings. The eight year period in the original Exchange Agreement was amended on July 23, 2015 to allow for annual redemptions on a going forward basis without any expiration period. A copy of the amendment to the Exchange Agreement was filed on Exhibit 10.1 to the Quarterly Report on Form 10-Q for the Quarterly Period Ended September 30, 2015 filed by the Company on November 9, 2015.

Under the Exchange Agreement on an annual basis, each holder of a Holdings membership interest may request that the liquefiable portion of that holder’s interest be redeemed by Holdings. The manner in which the redemption price will be paid is by our sale of shares of common stock to the public and using the gross proceeds from such sales, less underwriting discounts or placement agency fees, to acquire IBG LLC membership interests from Holdings. Alternatively, we may issue our common stock to Holdings in exchange for a corresponding number of membership interests in IBG LLC.

The Exchange Agreement was amended on June 6, 2012 to eliminate an alternative funding method, which provided that upon approval by the board of directors and by agreement of the Company, IBG LLC and Holdings, redemptions could be made in cash. The annual registration and sale of shares of our common stock to satisfy redemption requests is described in greater detail in our Exchange Agreement. A copy of the amendment to the Exchange Agreement was filed as Exhibit 10.1 to Form 8-K filed by the Company on June 12, 2012.

Holdings, with the consent of Mr. Thomas Peterffy and our board of directors, has the right to cause the holders of Holdings membership interests to have all or a portion of their interests redeemed at any time. Such redemptions would be financed in the same manner as the scheduled redemptions described above.

On December 23, 2015, we agreed to exchange, in accordance with the terms of the Exchange Agreement, 250,000 shares of our common stock for a corresponding number of membership interests in IBG LLC. Holdings intends to distribute these 250,000 shares to Mr. Thomas Peterffy in partial redemption of his Holdings interest. It is our understanding that Mr. Peterffy intends to donate these 250,000 shares to a newly created private foundation and that this foundation will sell approximately 50% of the shares pursuant to a trading plan established in conformity with Rule 10b5-1 of the Exchange Act and transfer the remaining shares to a public charity. Pursuant to the tax receivable agreement with Holdings described under “Allocation of Tax Benefits” below, we will make a cash payment to Holdings equal to the 85% of the tax benefits we realize by reason of the Exchange.

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The graphic below illustrates our current ownership structure and reflects both current ownership percentages and anticipated ownership percentages immediately following the completion of this offering and the redemption of additional IBG LLC membership interests. The graphic below does not display the subsidiaries of IBG LLC.

#### Allocation of Tax Benefits

As the result of our acquisition from Holdings of an IBG LLC membership interest by issuing shares of our common stock to Holdings, we will receive not only an additional interest in IBG LLC but also, for federal income tax purposes, an adjustment to the federal income tax basis of the assets of IBG LLC underlying such additional interest. This may lead to a savings in certain U.S. federal, state and local income taxes or franchise taxes. To the extent that we actually realize tax savings, we have agreed, under the terms of a tax receivable agreement with Holdings, to pay Holdings 85% of these cash savings and we will retain the remaining 15% of these cash savings. At the time of the closing of this offering, the increase in the tax basis attributable to our interest in IBG LLC, based on the offering price set forth on the cover of this prospectus and our redemption of an additional 0.06% of the outstanding interests of IBG LLC, is expected to be approximately \$6.7 million.

## THE OFFERING

Common stock we are offering	250,000 shares
Common stock issued and outstanding immediately after this offering	63,982,894 shares
NASDAQ symbol for our common stock	Our common stock is listed on the NASDAQ Global Select Market under the symbol "IBKR."
Use of proceeds	All of the shares of common stock offered pursuant to this prospectus supplement are to be issued to Holdings for distribution to Mr. Thomas Peterffy in exchange for membership interests in IBG LLC equal in number to such number of shares of common stock issued by us. As a result, we will not receive any cash proceeds from the issuance of such shares of common stock.
Risk Factors	Investing in our common stock involves a high degree of risk. Investors are urged to read and consider the risk factors relating to an investment in our common stock set forth under "Risk Factors" in this prospectus supplement as well as other information we include or incorporate by reference in this prospectus supplement and the accompanying prospectus.

The number of shares of our common stock to be outstanding after this offering is based on 63,732,894 shares of common stock outstanding as of November 30, 2015, which excludes 135,822 shares being held as Treasury Stock.

## RISK FACTORS

Any investment in our common stock involves a high degree of risk. You should carefully consider, among other things, the matters discussed under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2014 as well as the other information incorporated by reference in this prospectus supplement. The risks and uncertainties described in our Annual Report are not the only risks and uncertainties we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any of the following risks actually occur, our business, financial condition and results of operations could suffer. As a result, the trading price of our shares of common stock could decline, perhaps significantly, and you could lose all or part of your investment in the common stock. The risks discussed in our Annual Report also include forward-looking statements and our actual results may differ substantially from those discussed in these forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements."

### Certain Risks Related to Our Business

Our business may be harmed by global events beyond our control, including overall slowdowns in securities trading.

Like other brokerage and financial services firms, our business and profitability are directly affected by elements that are beyond our control, such as economic and political conditions, broad trends in business and finance, changes in volume of securities and futures transactions, changes in the markets in which such transactions occur and changes in how such transactions are processed. A weakness in equity markets, such as a slowdown causing reduction in trading volume in U.S. or foreign securities and derivatives, has historically resulted in reduced transaction revenues and would have a material adverse effect on our business, financial condition and results of operations.

Because our revenues and profitability depend on trading volume, they are prone to significant fluctuations and are difficult to predict.

Our revenues are dependent on the level of trading activity on securities and derivatives exchanges in the U.S. and abroad. In the past, our revenues and operating results have varied significantly from period to period due primarily to the willingness of competitors to trade more aggressively by decreasing their bid/offer spreads and thereby assuming more risk in order to acquire market share, to movements and trends in the underlying markets, and to fluctuations in trading levels. As a result, period to period comparisons of our revenues and operating results may not be meaningful, and future revenues and profitability may be subject to significant fluctuations or declines.

Our reliance on our computer software could cause us great financial harm in the event of any disruption or corruption of our computer software. We may experience technology failures while developing our software.

We rely on our computer software to receive and properly process internal and external data. Any disruption for any reason in the proper functioning or any corruption of our software or erroneous or corrupted data may cause us to make erroneous trades or suspend our services and could cause us great financial harm. To maintain our competitive advantage, our software is under continuous development. As we identify and enhance our software, there is risk that software failures may occur and result in service interruptions and have other unintended consequences.

Our business could be harmed by a systemic market event.

Some market participants could be overleveraged. In case of sudden, large price movements, such market participants may not be able to meet their obligations to brokers who, in turn, may not be able to meet their obligations to their

counterparties. As a result, the financial system or a portion thereof could collapse, and the impact of such an event could be catastrophic to our business.

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We may incur material trading losses from our market making activities.

A substantial portion of our revenues and operating profits is derived from our trading as principal in our role as a market maker and specialist. We may incur trading losses relating to these activities since each primarily involves the purchase or sale of securities for our own account. In any period, we may incur trading losses in a significant number of securities for a variety of reasons including:

- price changes in securities;
- lack of liquidity in securities in which we have positions; and
- the required performance of our market making and specialist obligations.

These risks may limit or restrict our ability to either resell securities we purchased or to repurchase securities we sold. In addition, we may experience difficulty borrowing securities to make delivery to purchasers to whom we sold short, or lenders from whom we have borrowed. From time to time, we have large position concentrations in securities of a single issuer or issuers engaged in a specific industry or traded in a particular market. Such a concentration could result in higher trading losses than would occur if our positions and activities were less concentrated.

In our role as a market maker, we attempt to derive a profit from the difference between the prices at which we buy and sell, or sell and buy, securities. However, competitive forces often require us to match the quotes other market makers display and to hold varying amounts of securities in inventory. By having to maintain inventory positions, we are subjected to a high degree of risk. We cannot assure you that we will be able to manage such risk successfully or that we will not experience significant losses from such activities, which could have a material adverse effect on our business, financial condition and operating results.

Reduced spreads in securities pricing, levels of trading activity and trading through market makers and/or specialists could harm our business.

Computer-generated buy/sell programs and other technological advances and regulatory changes in the marketplace may continue to tighten spreads on securities transactions. Tighter spreads and increased competition could make the execution of trades and market making activities less profitable. In addition, new and enhanced alternative trading systems such as ECNs have emerged as an alternative for individual and institutional investors, as well as broker-dealers, to avoid directing their trades through market makers, and could result in reduced revenues derived from our market making business.

We may incur losses in our market making activities in the event of failures of our proprietary pricing model.

The success of our market making business is substantially dependent on the accuracy of our proprietary pricing mathematical model, which continuously evaluates and monitors the risks inherent in our portfolio, assimilates market data and reevaluates our outstanding quotes each second. Our model is designed to automatically rebalance our positions throughout the trading day to manage risk exposures on our positions in options, futures and the underlying securities. In the event of a flaw in our pricing model and/or a failure in the related software, our pricing model may lead to unexpected and/or unprofitable trades, which may result in material trading losses.

The valuation of the financial instruments we hold may result in large and occasionally anomalous swings in the value of our positions and in our earnings in any period.



The market prices of our long and short positions are reflected on our books at closing prices which are typically the last trade price before the official close of the primary exchange on which each such security trades. Given that we manage a globally integrated portfolio, we may have large and substantially offsetting positions in securities that trade on different exchanges that close at different times of the trading day. As a result, there may be large and occasionally anomalous swings in the value of our positions daily and, accordingly, in our earnings in any period. This is especially true on the last business day of each calendar quarter.

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We are exposed to losses due to lack of perfect information.

As market makers, we provide liquidity by buying from sellers and selling to buyers. Quite often, we trade with others who have different information than we do, and as a result, we may accumulate unfavorable positions preceding large price movements in companies. Should the frequency or magnitude of these events increase, our losses will likely increase correspondingly.

Rules governing specialists and designated market makers may require us to make unprofitable trades or prevent us from making profitable trades.

Specialists and designated market makers are granted certain rights and have certain obligations to “make a market” in a particular security. They agree to specific obligations to maintain a fair and orderly market. In acting as a specialist or designated market maker, we are subjected to a high degree of risk by having to support an orderly market. In this role, we may at times be required to make trades that adversely affect our profitability. In addition, we may at times be unable to trade for our own account in circumstances in which it may be to our advantage to trade, and we may be obligated to act as a principal when buyers or sellers outnumber each other. In those instances, we may take a position counter to the market, buying or selling securities to support an orderly market. Additionally, the rules of the markets which govern our activities as a specialist or designated market maker are subject to change. If these rules are made more stringent, our trading revenues and profits as specialist or designated market maker could be adversely affected.

We are subject to potential losses as a result of our clearing and execution activities.

As a clearing member firm providing financing services to certain of our brokerage customers, we are ultimately responsible for their financial performance in connection with various stock, options and futures transactions. Our clearing operations require a commitment of our capital and, despite safeguards implemented by our software, involve risks of losses due to the potential failure of our customers to perform their obligations under these transactions. If our customers default on their obligations, we remain financially liable for such obligations, and although these obligations are collateralized, we are subject to market risk in the liquidation of customer collateral to satisfy those obligations. There can be no assurance that our risk management procedures will be adequate. Any liability arising from clearing operations could have a material adverse effect on our business, financial condition and/or operating results.

As a clearing member firm of securities and commodities clearing houses in the U.S. and abroad, we are also exposed to clearing member credit risk. Securities and commodities clearing houses require member firms to deposit cash and/or government securities to a clearing fund. If a clearing member defaults in its obligations to the clearing house in an amount larger than its own margin and clearing fund deposits, the shortfall is absorbed pro rata from the deposits of the other clearing members. Many clearing houses of which we are members also have the authority to assess their members for additional funds if the clearing fund is depleted. A large clearing member default could result in a substantial cost to us if we are required to pay such assessments.

We may not pay dividends on our common stock at any time in the foreseeable future.

As a holding company for our interest in IBG LLC, we will be dependent upon the ability of IBG LLC to generate earnings and cash flows and distribute them to us so that we may pay any dividends to our stockholders. To the extent (if any) that we have excess cash, any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, our results of operations, financial conditions, cash requirement, contractual restrictions and other factors that our board of directors may deem relevant. In December 2010 and December 2012, special cash dividends were paid to holders of our common stock. Since the second quarter of 2011, the Company has declared and paid a quarterly cash dividend of \$0.10 per share. Although

not required, we currently intend to pay quarterly dividends of \$0.10 per share to our common stockholders for the foreseeable future.

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Regulatory and legal uncertainties could harm our business.

The securities and derivatives businesses are heavily regulated. Firms in financial service industries have been subject to an increasingly regulated environment over recent years, and penalties and fines sought by regulatory authorities have increased accordingly. This regulatory and enforcement environment has created uncertainty with respect to various types of transactions that historically had been entered into by financial services firms and that were generally believed to be permissible and appropriate. Our broker-dealer subsidiaries are subject to regulations in the United States and abroad covering all aspects of their business. Regulatory bodies include, in the U.S., the Securities Exchange Commission (“SEC”), Financial Industry Regulatory Authority (“FINRA”), the Board of Governors of the Federal Reserve System, the Chicago Board Options Exchange, the Chicago Mercantile Exchange, the Commodity Futures Trading Commission, and the National Futures Association; in Switzerland, the Swiss Financial Market Supervisory Authority; in the United Kingdom, the Financial Conduct Authority; in Hong Kong, the Securities and Futures Commission; in Australia, the Australian Securities and Investment Commission; in India, the Securities and Exchange Board of India; in Canada, the Investment Industry Regulatory Organization of Canada and various Canadian securities commissions; and in Japan, the Financial Supervisory Agency and the Japan Securities Dealers Association. Our mode of operation and profitability may be directly affected by additional legislation changes in rules promulgated by various domestic and foreign government agencies and self-regulatory organizations that oversee our businesses, and changes in the interpretation or enforcement of existing laws and rules, including the potential imposition of transaction taxes. Noncompliance with applicable laws or regulations could result in sanctions being levied against us, including fines and censures, suspension or expulsion from a certain jurisdiction or market or the revocation or limitation of licenses. Noncompliance with applicable laws or regulations could adversely affect our reputation, prospects, revenues and earnings. In addition, changes in current laws or regulations or in governmental policies could adversely affect our operations, revenues and earnings.

Domestic and foreign stock exchanges, other self-regulatory organizations and state and foreign securities commissions can censure, fine, issue cease-and-desist orders, suspend or expel a broker-dealer or any of its officers or employees. Our ability to comply with all applicable laws and rules is largely dependent on our internal system to ensure compliance, as well as our ability to attract and retain qualified compliance personnel. We could be subject to disciplinary or other actions in the future due to claimed noncompliance, which could have a material adverse effect on our business, financial condition and results of operations. To continue to operate and to expand our services internationally, we may have to comply with the regulatory controls of each country in which we conduct, or intend to conduct business, the requirements of which may not be clearly defined. The varying compliance requirements of these different regulatory jurisdictions, which are often unclear, may limit our ability to continue existing international operations and further expand internationally.

Our future efforts to sell shares or raise additional capital may be delayed or prohibited by regulations.

As certain of our subsidiaries are members of FINRA, we are subject to certain regulations regarding changes in control of our ownership. FINRA Rule 1017 generally provides that FINRA approval must be obtained in connection with any transaction resulting in a change in control of a member firm. FINRA defines control as ownership of 25% or more of the firm’s equity by a single entity or person and would include a change in control of a parent company. Interactive Brokers (U.K.) Limited is subject to similar change in control regulations promulgated by the Financial Conduct Authority in the United Kingdom. As a result of these regulations, our future efforts to sell shares or raise additional capital may be delayed or prohibited. We may be subject to similar restrictions in other jurisdictions in which we operate.

We depend on our proprietary technology, and our future results may be impacted if we cannot maintain technological superiority in our industry.

Our success in the past has largely been attributable to our sophisticated proprietary technology that has taken many years to develop. We have benefited from the fact that the type of proprietary technology equivalent to that which we employ has not been widely available to our competitors. If our technology becomes more widely available to our current or future competitors for any reason, our operating results may be adversely affected. Additionally, adoption or development of similar or more advanced technologies by our competitors may require that we devote substantial resources to the development of more