

Interactive Brokers Group, Inc.  
Form 424B5  
July 28, 2017

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	1,214,860	\$37.93	\$46,079,640	\$5,341

(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. 333-219552  
PROSPECTUS SUPPLEMENT

(To prospectus dated July 28, 2017)

1,214,860 Shares

Interactive Brokers Group, Inc.

Common Stock

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This is an offering of 1,214,860 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 for sale for the benefit of certain of its members 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 July 26, 2017, the last reported sale price for our common stock was \$39.09.

Investing in our securities involves a high degree of risk. See "Risk Factors" beginning on Page S-8 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 July 28, 2017.

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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 “we,” “our,” “Company,” “issuer” or “us” refer to Interactive Brokers Group, Inc. (“IBG, Inc.”) and its subsidiaries.

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## 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-8 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, 2016. See “Incorporation of Certain Documents by Reference” below.

## ABOUT INTERACTIVE BROKERS GROUP, INC.

IBG, Inc. is an automated global electronic broker and market maker. We custody and service accounts for hedge and mutual funds, registered investment advisors, proprietary trading groups, introducing brokers and individual investors. We specialize in routing orders while striving to achieve best executions and processing trades in securities, futures, foreign exchange instruments, bonds and mutual funds on more than 120 electronic exchanges and market centers around the world. In the United States (“U.S.”), we conduct our business primarily from our headquarters in Greenwich, Connecticut and from Chicago, Illinois. Abroad, we conduct our business through offices located in Canada, England, Switzerland, India, China (Hong Kong and Shanghai), Japan, and Australia.

IBG, Inc. is a holding company and our primary asset is our ownership of approximately 17.1% (approximately 17.4% after completion of this offering) of the membership interests of IBG LLC, the current holding company for our businesses. The remaining approximately 82.9% (approximately 82.6% 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 proliferation of electronic exchanges in the last 26 years has provided us with the opportunity to integrate our software with an increasing number of exchanges and market centers into one automatically functioning, computerized platform that requires minimal human intervention. Over three decades of developing our automated trading platforms and our automation of many middle and back office functions have 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 23 different currencies, on one screen, from a single account based in any major currency. Our large financial advisor and broker-dealer customers may “white brand” 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 market centers provided us with the opportunity of building and continuously adapting our order routing software to secure excellent execution prices for our customers.

· As a market maker on many of the world's leading exchanges, we provide liquidity by offering competitively tight bid/offer spreads over a broad base of over 650 thousand tradable, exchange-listed products. As principal, we commit our own capital and derive revenues or incur losses from the difference between the price paid when securities are bought and the price received when those securities are sold. Because we provide continuous bid and offer quotations and we are continuously both buying and selling quoted securities, we may have either a long or a short position in a particular product at a given point in time. Our entire portfolio is evaluated many times per second and continuously rebalanced throughout the trading day, thus minimizing the risk of our portfolio at all times. This real-time rebalancing of our portfolio, together with our real-time proprietary risk management system, enables us to curtail risk in both up-market and down-market scenarios. In the past several years our market making business has suffered from competitive pressures and, along with the rapid increase of our electronic brokerage business, its significance has diminished. As a result, on March 8, 2017 we announced our intention to discontinue our options market making activities globally. Additionally, as we previously announced, we entered into a definitive transaction to transfer our US options market making operations to Two Sigma Securities. This transaction is subject to usual and customary closing conditions. After discontinuing our options market making operations, we intend to continue conducting certain trading activities in stocks and related instruments to facilitate our electronic brokerage customers' trading in products such as ETFs, ADRs and CFDs. However, we do not expect this activity to be of sufficient size as to require reporting market making as a separate segment after we discontinue our options market making activities.

Since launching this business in 1993, we have grown to approximately 428 thousand institutional and individual brokerage customers. 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, we publish monthly brokerage metrics including our customers’ average net trade cost for Reg.-NMS stocks. In 2016, 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 0.5 basis points 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 transact in 23 currencies, across multiple classes of tradable, primarily exchange-listed products, including stocks, options, futures, bonds, forex and mutual funds traded on more than 120 exchanges and market centers 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. We also offer Transaction Cost Analysis reporting to allow customers to track execution performance by criteria including trade date, trade price, underlying security 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 WebTrader<sup>SM</sup> or MobileTrader<sup>SM</sup> interfaces.
- **Interactive Analytics<sup>SM</sup> and IB Option 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. We also provide 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>®</sup> (Patent Pending)**—The Probability Lab provides customers with an intuitive, visual method to analyze market participants’ future stock price forecasts based on current option prices. This tool compares a customer’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 customer’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 customers 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 our depth of availability, transparent rates, global reach and dedicated service representatives. Our Stock Yield Enhancement Program allows our customers to lend their fully-paid stock shares to us in exchange for cash collateral. In turn, we lend these stocks in exchange for collateral and earn stock lending fees. We pay our customers a rebate on the cash collateral generally equal to 50% of the income we earn from lending the shares. 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**—We offer 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.
- **Model Portfolios**—Model Portfolios offer advisors an efficient and time-saving approach to investing customer assets. They allow advisors to create groupings of financial instruments based on specific investment themes, and then invest customer funds into these models.
- **Portfolio Builder**—Portfolio Builder allows our customers to set up an investment strategy based on research and rankings from top buy-side providers and fundamental data; use filters to define the universe of equities that will comprise their strategy and back-test their strategy using up to three years of historical performance; work in hypothetical mode to adjust the strategy until the historical performance meets their standards; and with the click of a button let the system create the orders to invest in a strategy and track its performance in their portfolio.
- **Greenwich Compliance**—Greenwich Advisor Compliance Services offers direct expert registration and start-up compliance services, as well as answers to basic day-to-day compliance questions for experienced investors and traders looking to start their own investment advisor firm.