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1st Quarter 2010 – Earnings Presentation

BUILDING THE NEW BUYSIDE®



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ITG First Quarter Earnings Call

Industry Conditions

- **Fund Flows**
- **Volatility and Spreads**

Impact on ITG

- Clients
- Performance

ITG Positioning

- Asia Roadmap
- Research
- OMS/EMS

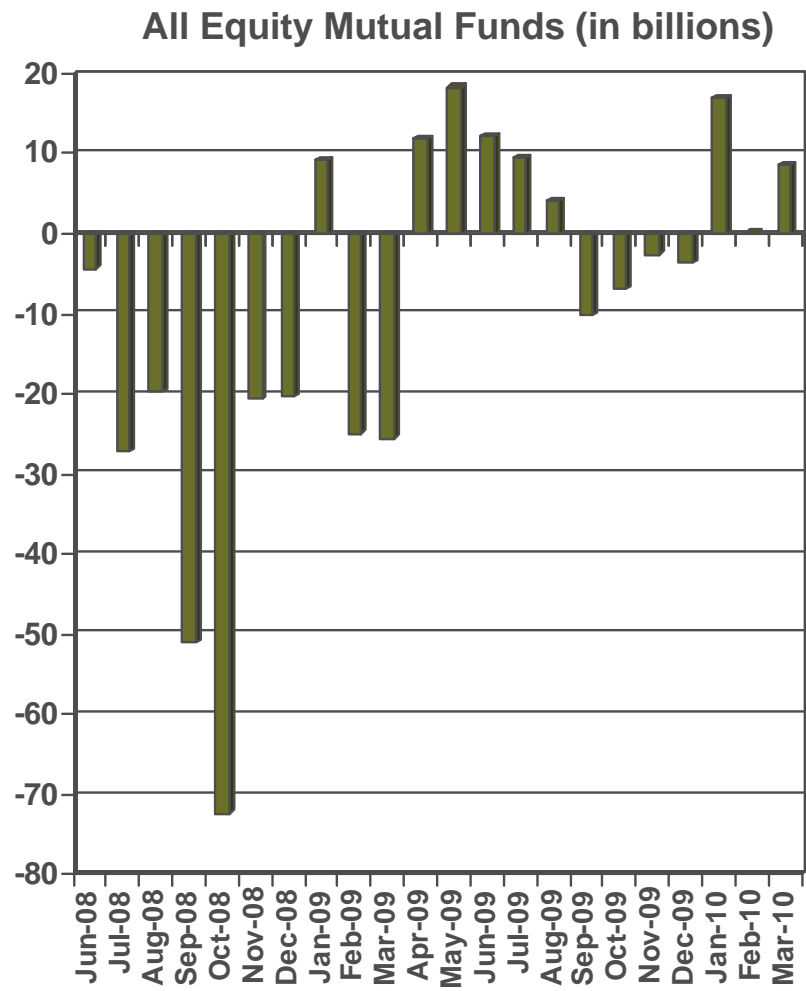
Client Profitability

Financial Overview

Q&A

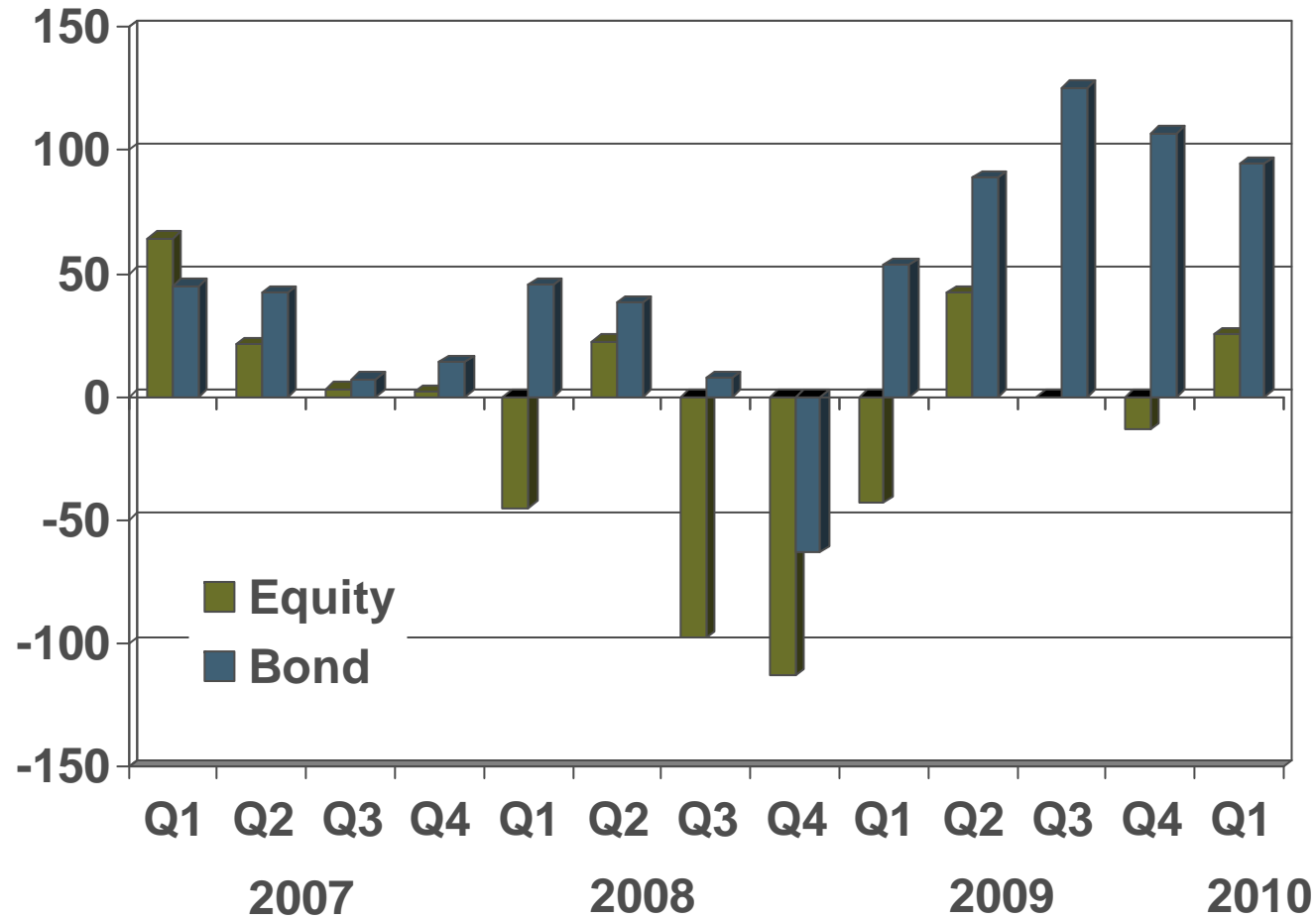


Equity Mutual Funds Net Monthly Cash Flows



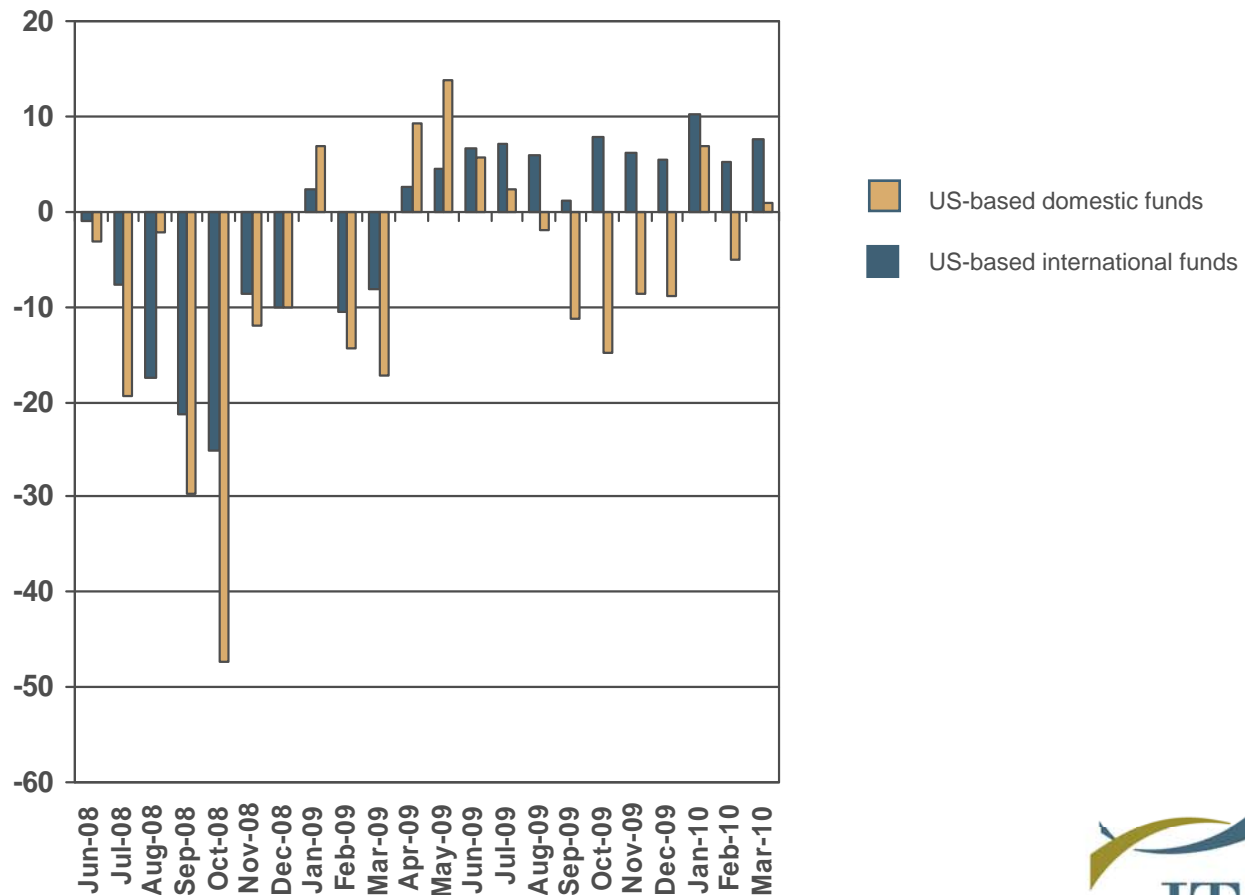
Source: Investment Company Institute. January-February 2010 data are preliminary and subject to revision.

US Equity and Bond Mutual Funds Net Quarterly Cash Flows



Domestic vs. International Equity Mutual Funds

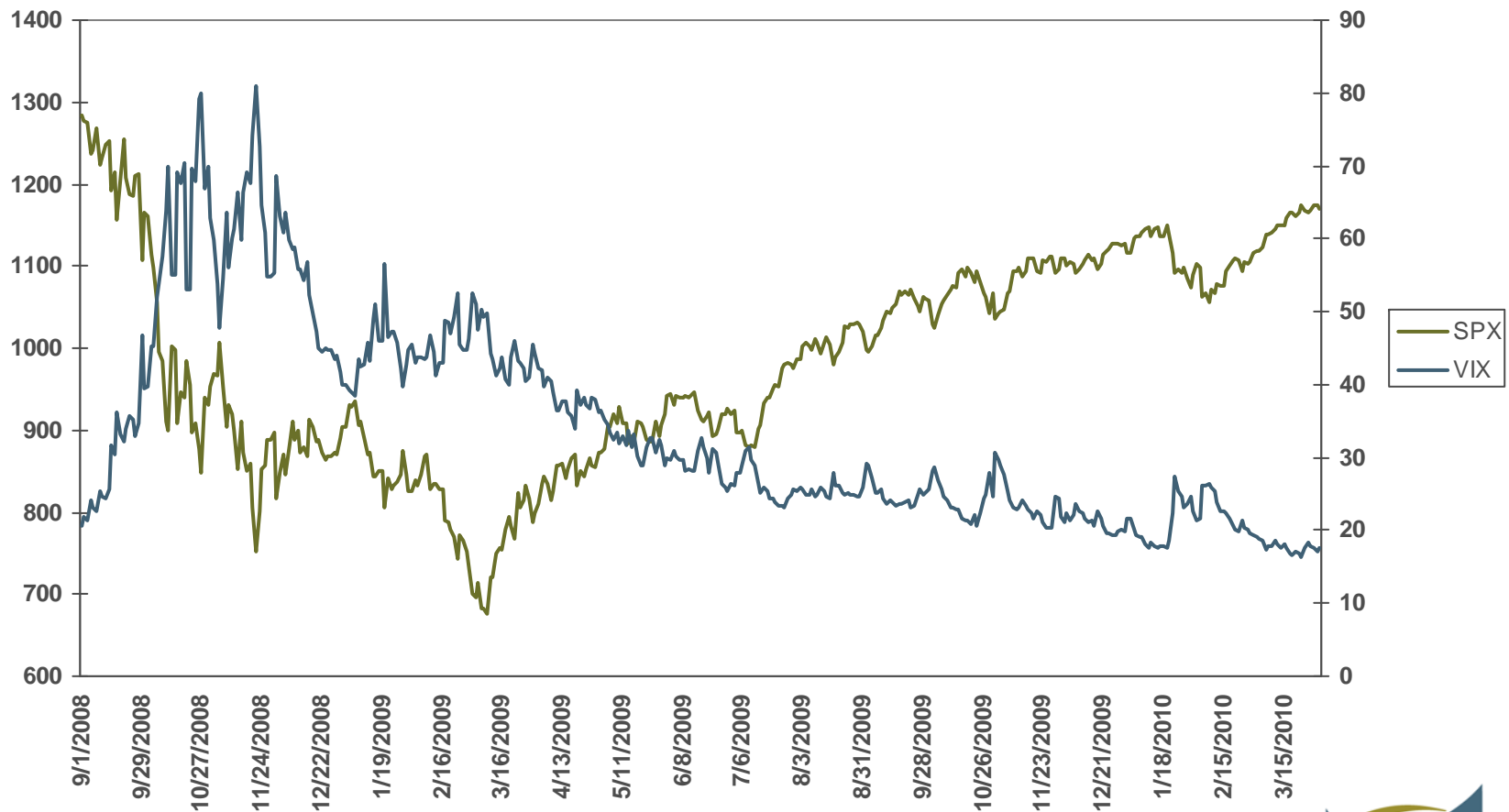
Domestic vs International Equity Mutual Funds (in billions)



Source: Investment Company Institute. January-February 2010 data are preliminary and subject to revision.

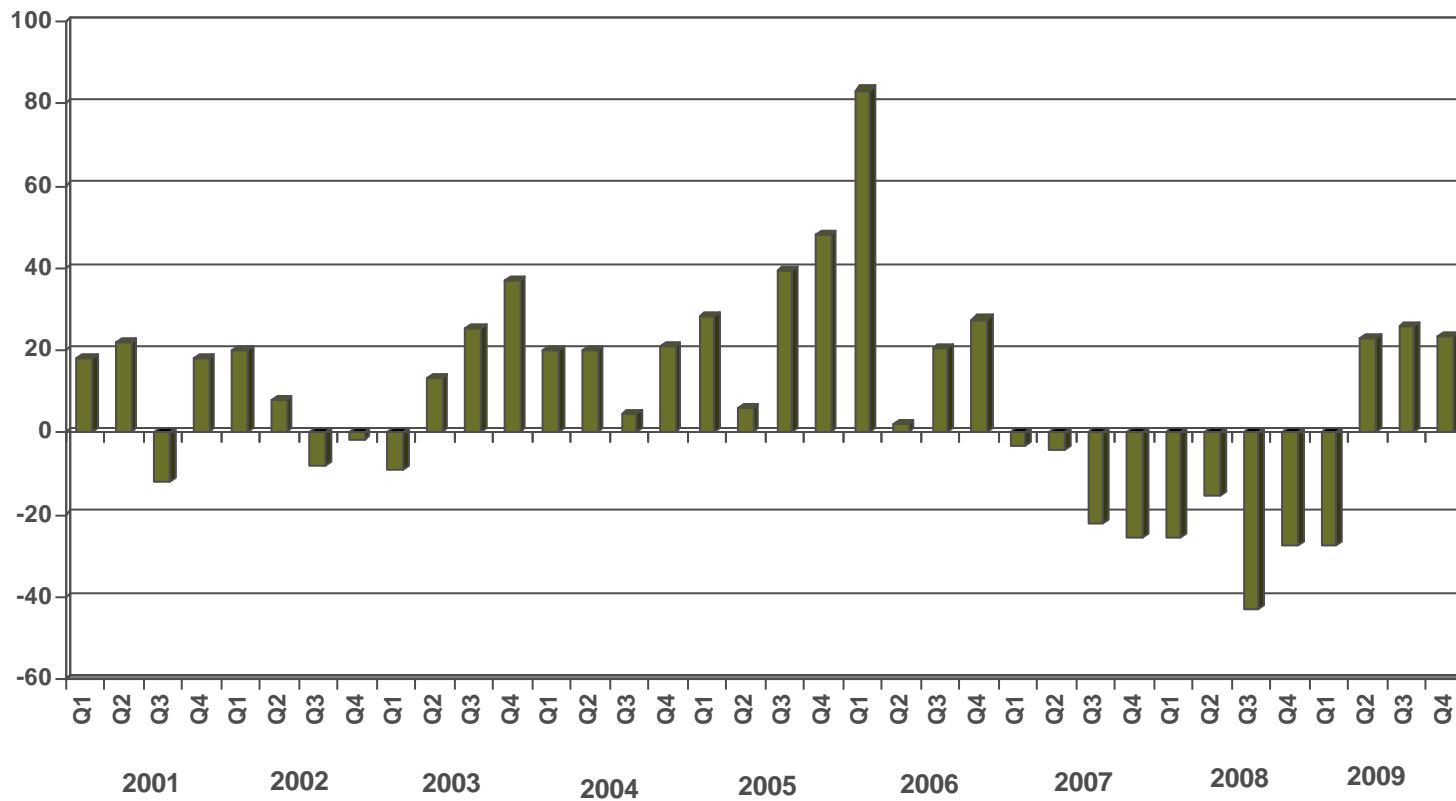


Equity Returns and Risk



European Equity Mutual Funds Net Quarterly Cash Flows

€ each quarter



Source: European Fund & Asset Manager Association, Q409 estimated from preliminary monthly flows

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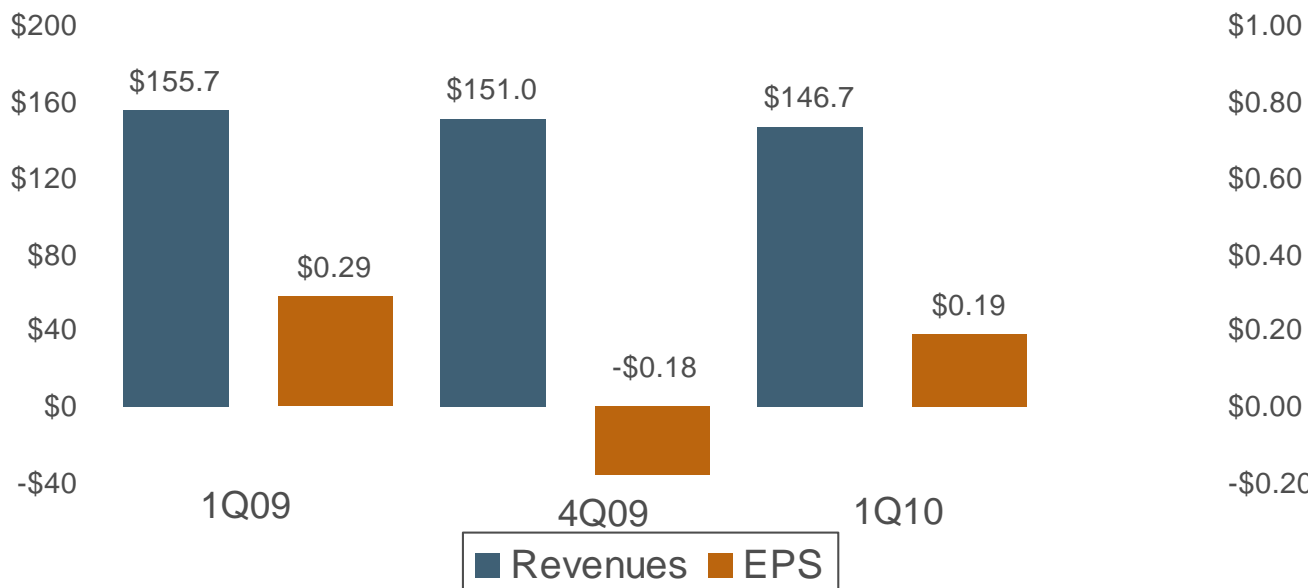
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1st Quarter 2010 GAAP Results

	vs. 4Q09	vs. 1Q09
Revenues	(3)%	(6)%
Revenues per day	2%	(6)%
Net Income (Loss)	208%	(34)%
EPS	206%	(34)%

(in millions
except EPS)



Pro Forma Operating Results

1Q10 vs. 1Q09

(\$ in millions except EPS)	U.S. Operations		Non-U.S. Operations		Total	
	1Q10	1Q09	1Q10	1Q09	1Q10	1Q09
Revenues:						
Commissions	\$ 81.7	\$ 99.4	\$ 40.2	\$ 31.5	\$ 121.9	\$ 130.9
Recurring	17.0	17.7	5.0	3.5	22.0	21.2
Other	1.2	0.2	1.6	3.4	2.8	3.6
Total Revenues	\$ 99.9	\$ 117.3	\$ 46.8	\$ 38.4	\$ 146.7	\$ 155.7
Expenses	80.6	92.9	44.6	39.3	125.2	132.2
Pre-tax Income	19.3	24.4	2.2	(0.9)	21.5	23.5
<i>Pre-tax Margin</i>	19.3%	20.8%	4.7%	(2.1)%	14.7%	15.1%
Tax Expense	8.0	9.5	1.6	1.2	9.6	10.7
Net Income	\$ 11.3	\$ 14.9	\$ 0.6	\$ (2.1)	\$ 11.9	\$ 12.8
EPS	\$0.25	\$0.34	\$0.02	\$(0.05)	\$0.27	\$0.29



Summary of U.S. Pro forma Operating Expenses

1Q10 vs. 1Q09 & 4Q09

(\$ in millions)

	1Q10	1Q09	4Q09
Comp & Benefits	\$ 34.3	\$ 41.6	\$ 40.3
<i>% of Revenue</i>	<i>34.3%</i>	<i>35.4%</i>	<i>39.0%</i>
Transaction Processing	10.3	13.3	12.2
<i>% of Revenue</i>	<i>10.3%</i>	<i>11.3%</i>	<i>11.8%</i>
Occupancy & Equipment	11.3	11.7	11.6
Telecom & Data Processing	8.7	10.1	8.7
Other G&A	15.8	15.0	16.5
Interest Expense	0.2	1.2	0.3
Total	\$80.6	\$92.9	\$89.6



Non-U.S. Financial Summary

Pro forma Operating Results

(\$ in millions)

	1Q10	4Q09	3Q09	2Q09	1Q09
Revenues					
Asia Pacific	\$8.0	\$7.8	\$8.8	\$8.0	\$4.9
Canada	18.4	18.2	15.7	19.3	17.6
Europe	20.4	21.6	19.3	18.7	15.8
Total Revenues	\$46.8	\$47.6	\$43.8	\$46.0	\$38.4
Expenses					
Compensation and Benefits	\$19.2	\$19.4	\$18.7	\$18.1	\$18.6
<i>% of Revenue</i>	41.0%	40.8%	42.7%	39.3%	48.6%
Transaction Processing	10.4	11.4	10.7	11.1	9.6
<i>% of Revenue</i>	22.2%	23.9%	24.4%	24.1%	25.1%
Occupancy	3.9	3.7	3.6	3.3	3.1
Telecommunications	5.0	4.8	4.6	4.0	3.9
Other G&A	6.1	5.8	5.0	5.7	4.1
Total Expenses	\$44.6	\$45.1	\$42.6	\$42.2	\$39.2
Pre-Tax Income (Loss)	\$2.2	\$2.5	\$1.2	\$3.8	(\$0.9)



Non-US: Pro forma Results Summary

(in thousands)



U.S. Trading Volumes and Revenues Per Share

(in millions except cents per share and trading days)

	1Q10	4Q09	3Q09	2Q09	1Q09
Trading Volumes	9,918	10,374	11,519	12,292	13,105
Trading Days	61	64	64	63	61
Trading Volumes Per Day	162.6	162.1	180.0	195.1	214.8
Revenue Per Share (Based on BD Commissions and Fees only)	\$0.0068	\$0.0069	\$0.0068	\$0.0070	\$0.0067
Broker Dealer Commissions and Fees	\$67.3	\$72.3	\$79.1	\$86.7	\$88.6
Other Commissions and Fees (Includes spread-based trading, OMS commission sharing & ITG Derivatives SM)	\$14.4	\$12.2	\$16.0	\$18.6	\$10.8
Total Commissions and Fees	\$81.7	\$84.5	\$95.1	\$105.3	\$99.4





Q&A