

Bob Gasser, Chief Executive Officer and President
Howard Naphtali, Chief Financial Officer

4th Quarter 2009 – Earnings Presentation

BUILDING THE NEW BUYSIDE®



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ITG Fourth Quarter Earnings Call

Industry Conditions

- Fund Flows
- Volatility and Spreads

Volume and Pricing Trends

- US Volumes
- US Mix and Pricing

International Performance

- Europe
- Canada
- Asia Pacific

Restructuring

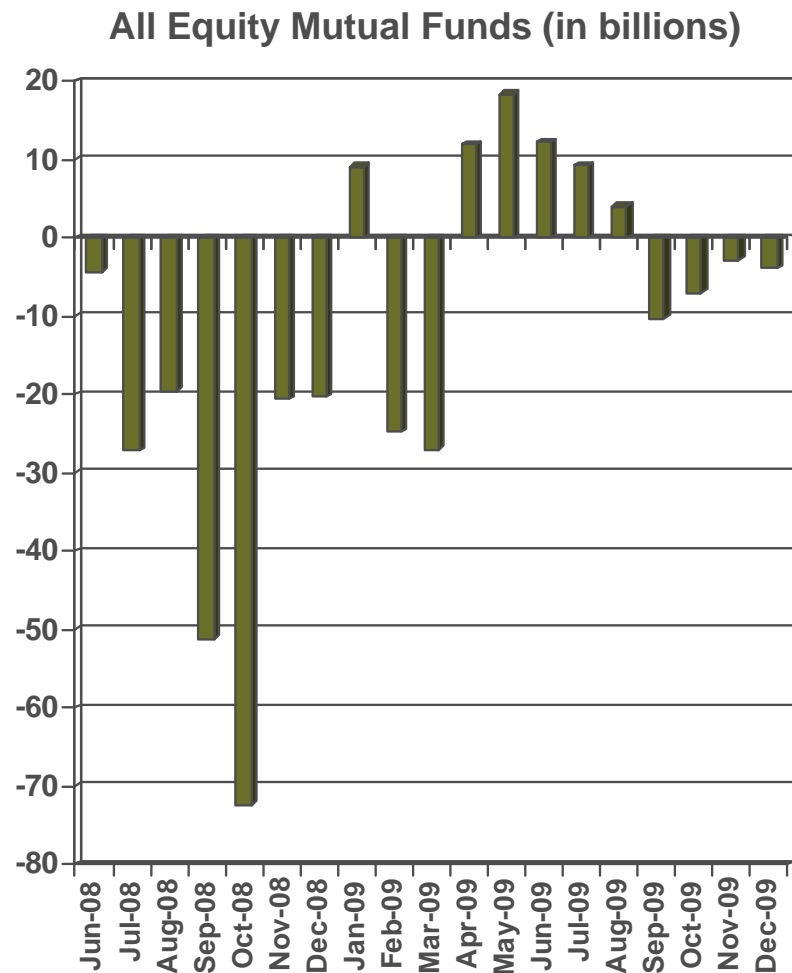
Regulatory Outlook

Financial Overview

Q&A



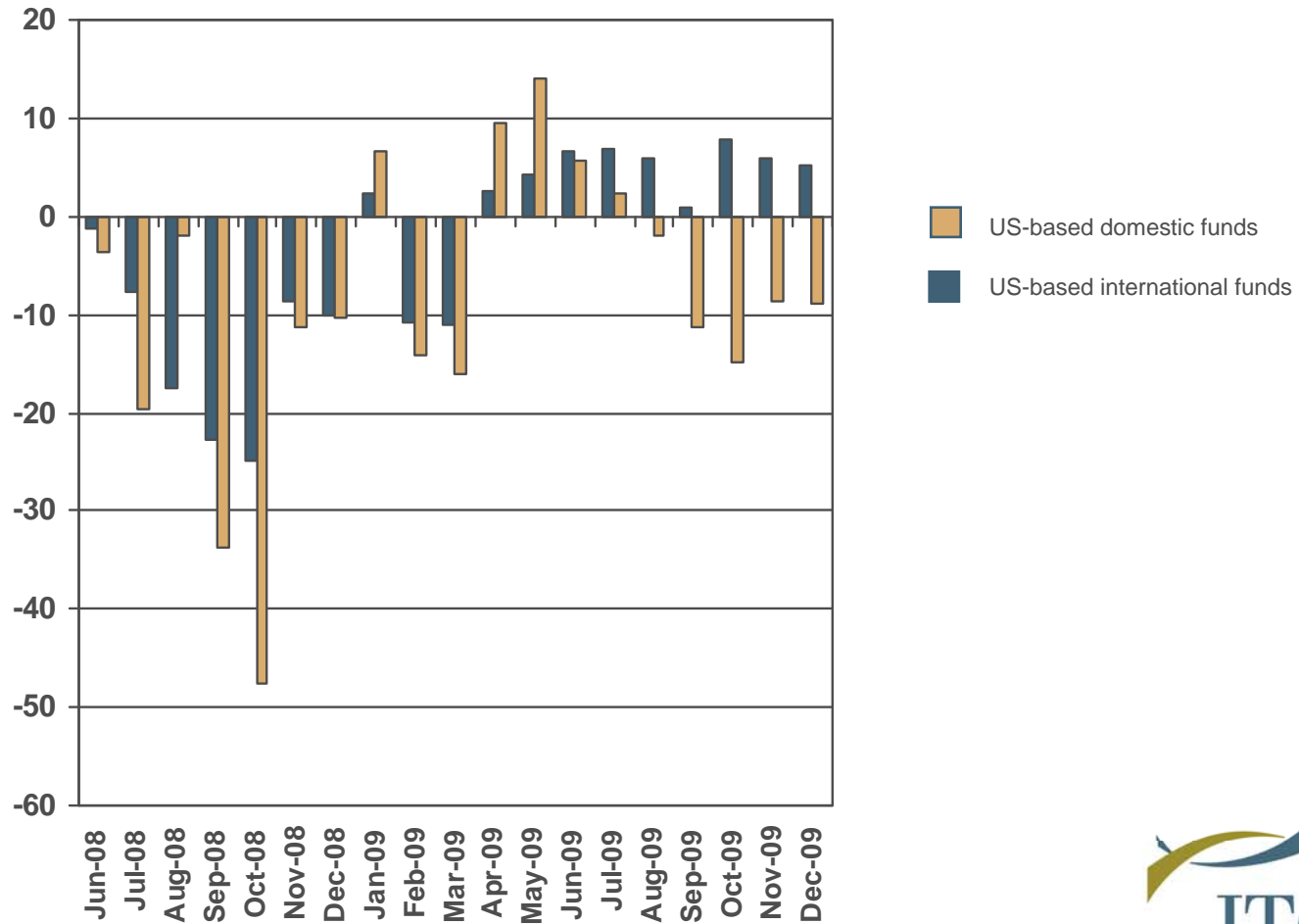
Equity Mutual Funds Net Monthly Cash Flows



Source: Investment Company Institute. December 2009 data is preliminary and subject to revision.

Domestic vs. International Equity Mutual Funds

Domestic vs International Equity Mutual Funds (in billions)



Source: Investment Company Institute. December 2009 data is preliminary and subject to revision.



ITG Fourth Quarter Highlights

Volume and Pricing Trends

- **US Volumes**
- **US Mix and Pricing**

International Performance

- Europe
- Canada
- Asia Pacific

Restructuring

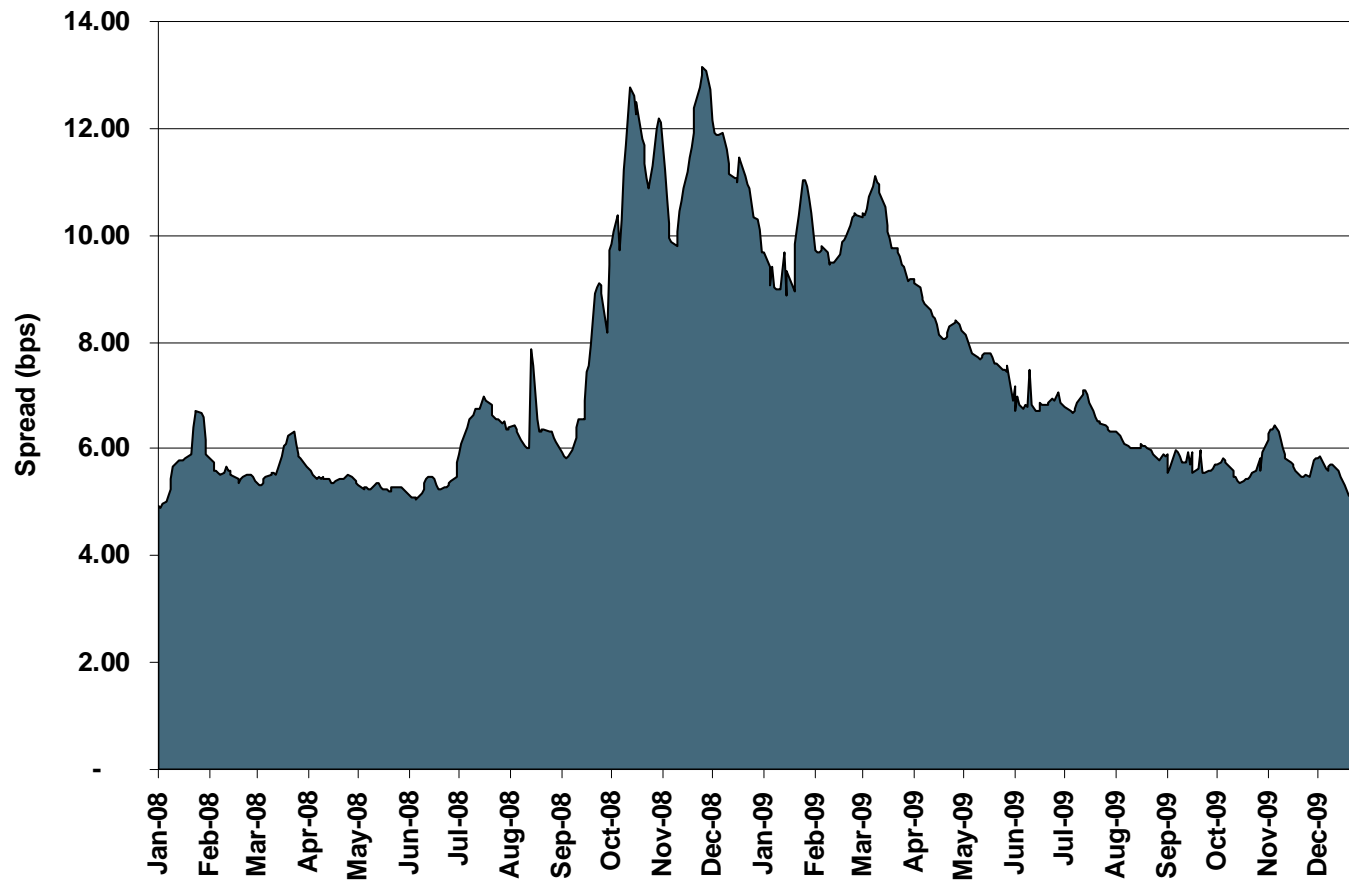
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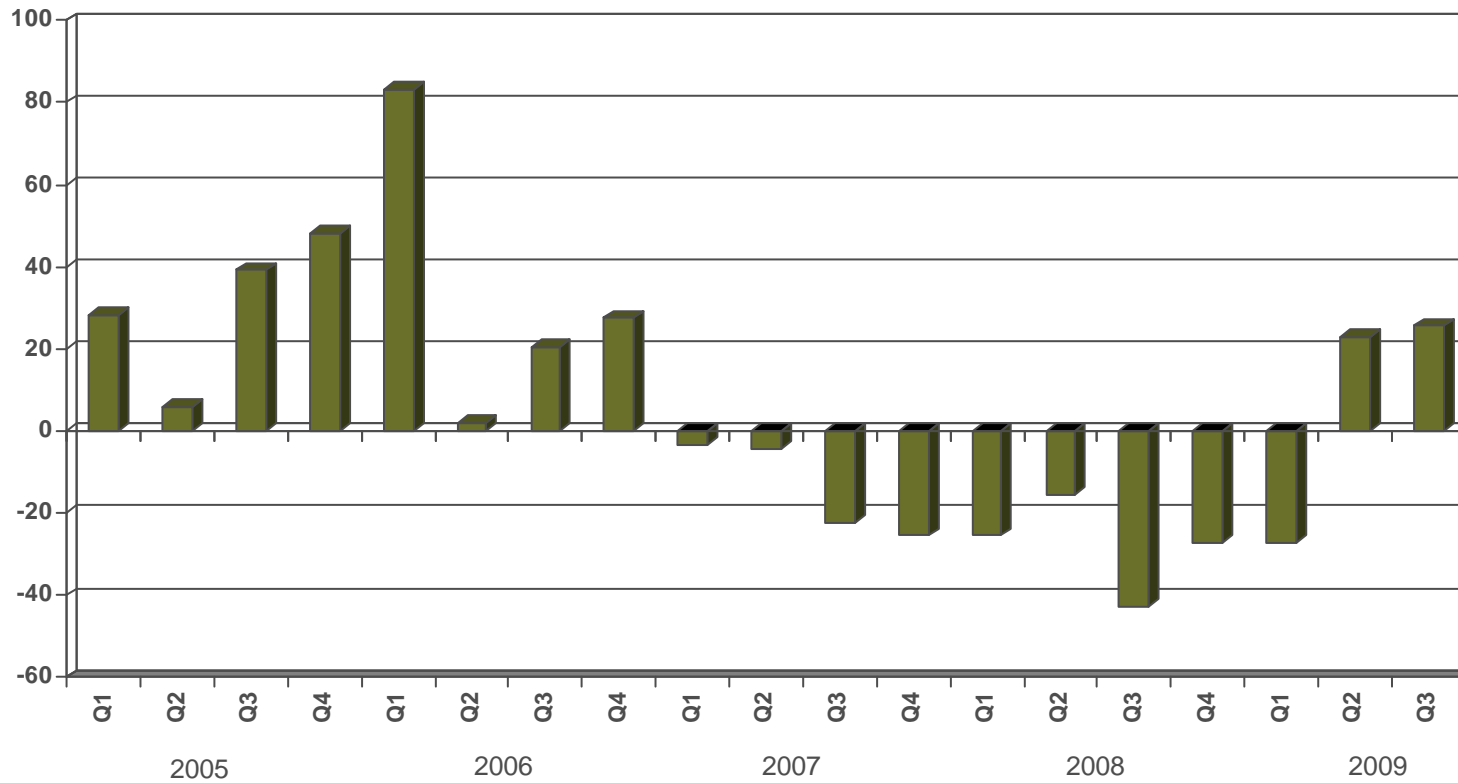
S&P 500 Bid/Ask Spreads



Source: ITG, WSJ Market Data Group

European Equity Mutual Funds Net Quarterly Cash Flows

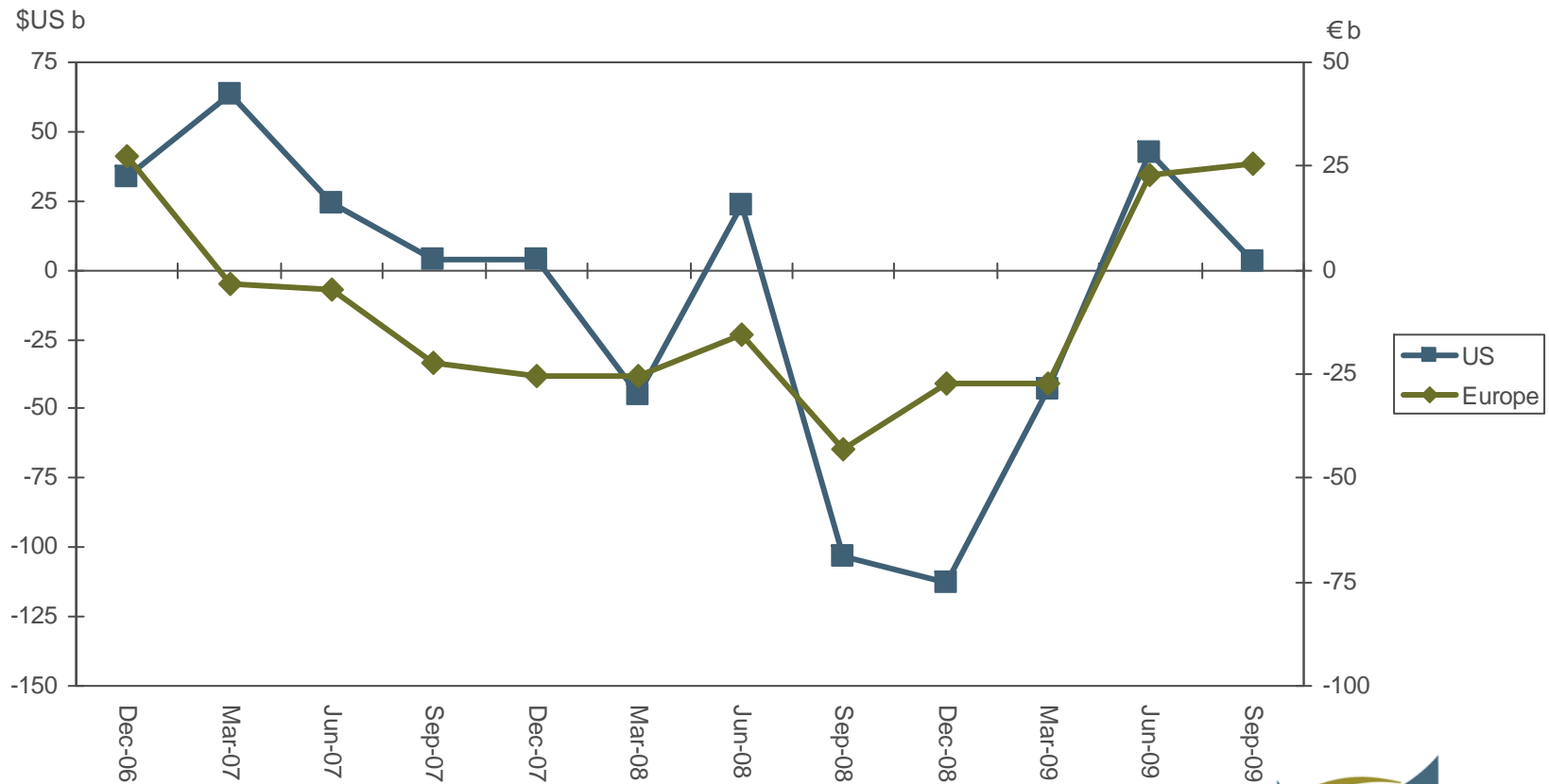
€ each quarter



Source: European Fund & Asset Manager Association



US & European Equity Mutual Funds Net Quarterly Cash Flows



Source: ICI and European Fund & Asset Manager Association



ITG Fourth Quarter Highlights

Volume and Pricing Trends

- US Volumes
- US Mix and Pricing

International Performance

- **Europe**
- **Canada**
- **Asia Pacific**

Restructuring

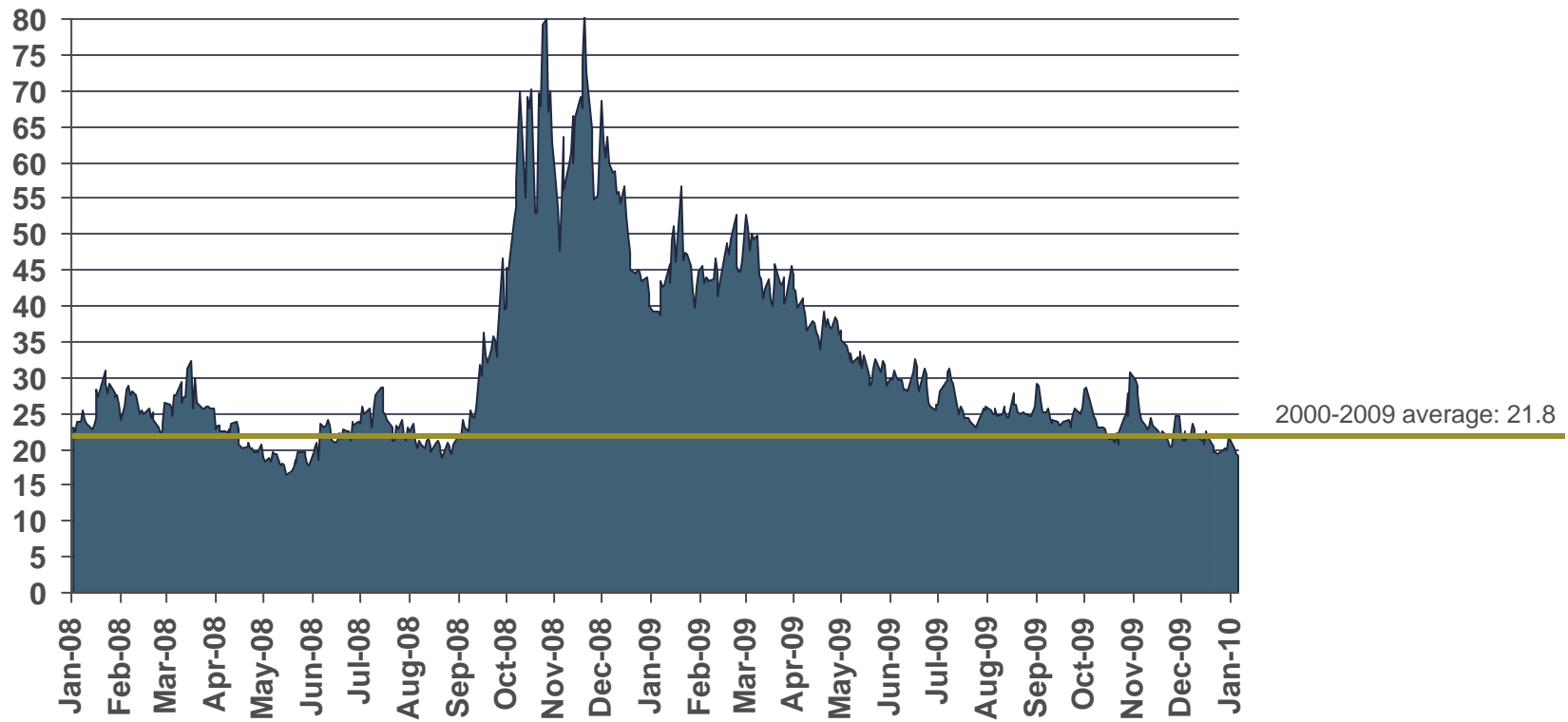
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VIX Volatility Index



ITG Fourth Quarter Highlights

Volume and Pricing Trends

- US Volumes
- US Mix and Pricing

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- Canada
- Asia Pacific
- Europe

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ITG Fourth Quarter Highlights

Volume and Pricing Trends

- US Volumes
- US Mix and Pricing

International Performance

- Europe
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Volume and Pricing Trends

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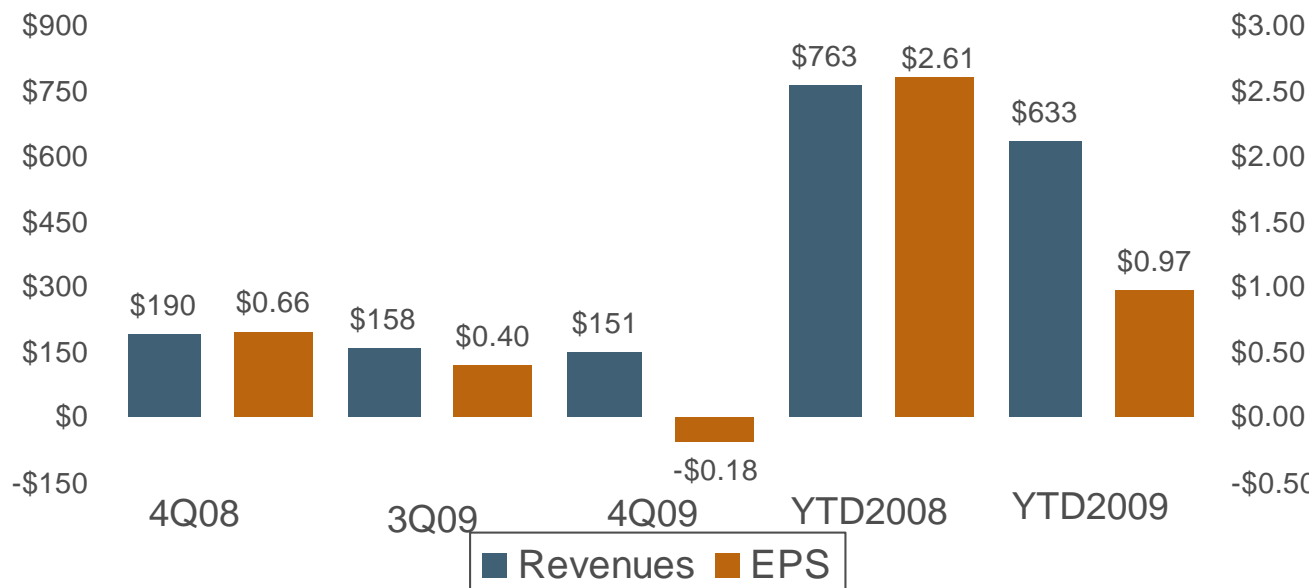
Q&A



4th Quarter 2009 GAAP Results

	vs. 3Q09	vs. 4Q08	YTD 2009 vs. 2008
Revenues	(5)%	(21)%	(17)%
Revenues per day	(5)%	(21)%	(17)%
Net (Loss) Income	(145)%	(127)%	(63)%
EPS	(145)%	(127)%	(63)%

(in millions
except EPS)



Restructuring Charges

<i>(\$ in millions)</i>	U.S. Operations	Asia Pacific Operations	Canadian Operations	European Operations	Total
Employees Affected	122	20	2	-	144
Employee Termination Benefits	\$16.2	\$1.4	\$2.6	-	\$20.2
Lease Abandonment	1.5	-	-	-	1.5
Software & Intangibles	3.6	-	-	0.1	3.7
Total Charges	\$21.3	\$1.4	\$2.6	\$0.1	\$25.4

Pro forma Operating Results

4Q09 vs. 4Q08

<i>(in millions except EPS)</i>	U.S. Operations		Non-U.S. Operations		Total	
	4Q09	4Q08	4Q09	4Q08	4Q09	4Q08
Revenues:						
Commissions & Fees	\$ 84	\$ 126	\$ 41	\$ 37	\$ 125	\$ 163
Recurring	17	18	5	4	22	22
Other	2	-	2	5	4	5
Total Revenues	\$ 103	\$ 144	\$ 48	\$ 46	\$ 151	\$ 190
Expenses	89	99	45	43	134	142
Pre-tax Income	14	45	3	3	17	48
Tax Expense	2	16	6	2	8	18
Net Income (Loss)	\$ 12	\$ 29	\$ (3)	\$ 1	\$ 9	\$ 30
EPS	\$0.26	\$0.66	\$(0.07)	\$0.02	\$0.19	\$0.68



Pro forma Operating Results

YTD 2009 vs. YTD 2008

<i>(in millions except EPS)</i>	U.S. Operations		Non-U.S. Operations		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Commissions & Fees	\$ 384	\$ 488	\$ 148	\$ 167	\$ 532	\$ 655
Recurring	70	80	17	8	87	88
Other	3	3	11	17	14	20
Total Revenues	\$ 457	\$ 571	\$ 176	\$ 192	\$ 633	\$ 763
Expenses	362	389	169	177	531	566
Pre-tax Income	95	182	7	15	102	197
Tax Expense	34	71	9	10	43	81
Net Income (Loss)	\$ 61	\$ 111	\$ (2)	\$ 5	\$ 59	\$ 116
EPS	\$1.40	\$2.52	\$(0.06)	\$0.11	\$1.34	\$2.63



Summary of Pro forma Operating Expenses

4Q09 vs. 3Q09

<i>(in millions)</i>	U.S. Operations		Non-U.S. Operations		Total	
	4Q09	3Q09	4Q09	3Q09	4Q09	3Q09
Comp & Benefits	\$40.3	\$38.1	\$19.4	\$18.7	\$ 59.7	\$ 56.8
Transaction Processing	12.2	13.5	11.4	10.7	23.6	24.2
Occupancy & Equipment	11.6	11.4	3.7	3.6	15.3	15.0
Telecom & Data Processing	8.7	9.1	4.8	4.6	13.5	13.7
Other G&A and Interest Costs	16.8	15.7	5.8	5.0	22.6	20.7
Total	\$89.6	\$87.8	\$45.1	\$42.6	\$134.7	\$130.4

Non-U.S. Financial Summary

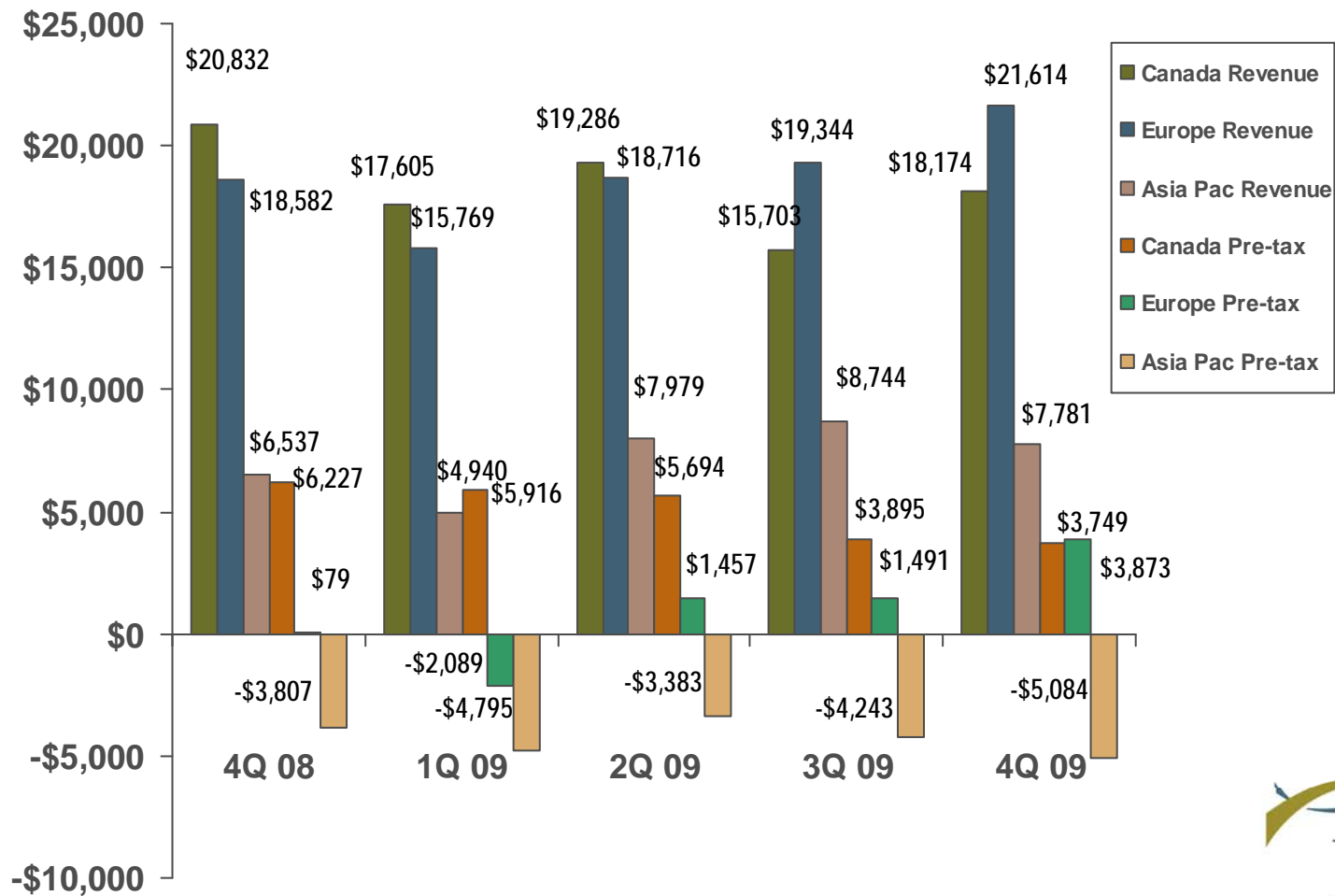
Pro forma Operating Results

<i>(in millions)</i>	4Q09	3Q09	2Q09	1Q09	4Q08
Revenues					
Asia	\$4.0	\$5.2	\$5.3	\$3.4	\$4.2
Australia	3.8	3.6	2.7	1.5	2.4
Canada	18.2	15.7	19.3	17.6	20.8
Europe	21.6	19.3	18.7	15.8	18.6
Total Revenues	\$47.6	\$43.8	\$46.0	\$38.3	\$46.0
Expenses					
Compensation & Benefits	\$19.4	\$18.7	\$18.1	\$18.6	\$19.4
Transaction Processing	11.4	10.7	11.1	9.6	10.8
Occupancy	3.7	3.6	3.3	3.1	3.2
Telecommunications	4.8	4.6	4.0	3.9	4.0
Other G&A	5.8	5.0	5.7	4.0	6.0
Total Expenses	\$45.1	\$42.6	\$42.2	\$39.2	\$43.4
Pre-Tax Income (Loss)	\$2.5	\$1.2	\$3.8	(\$0.9)	\$2.6



Non-US: Pro forma Results Summary

(in thousands)



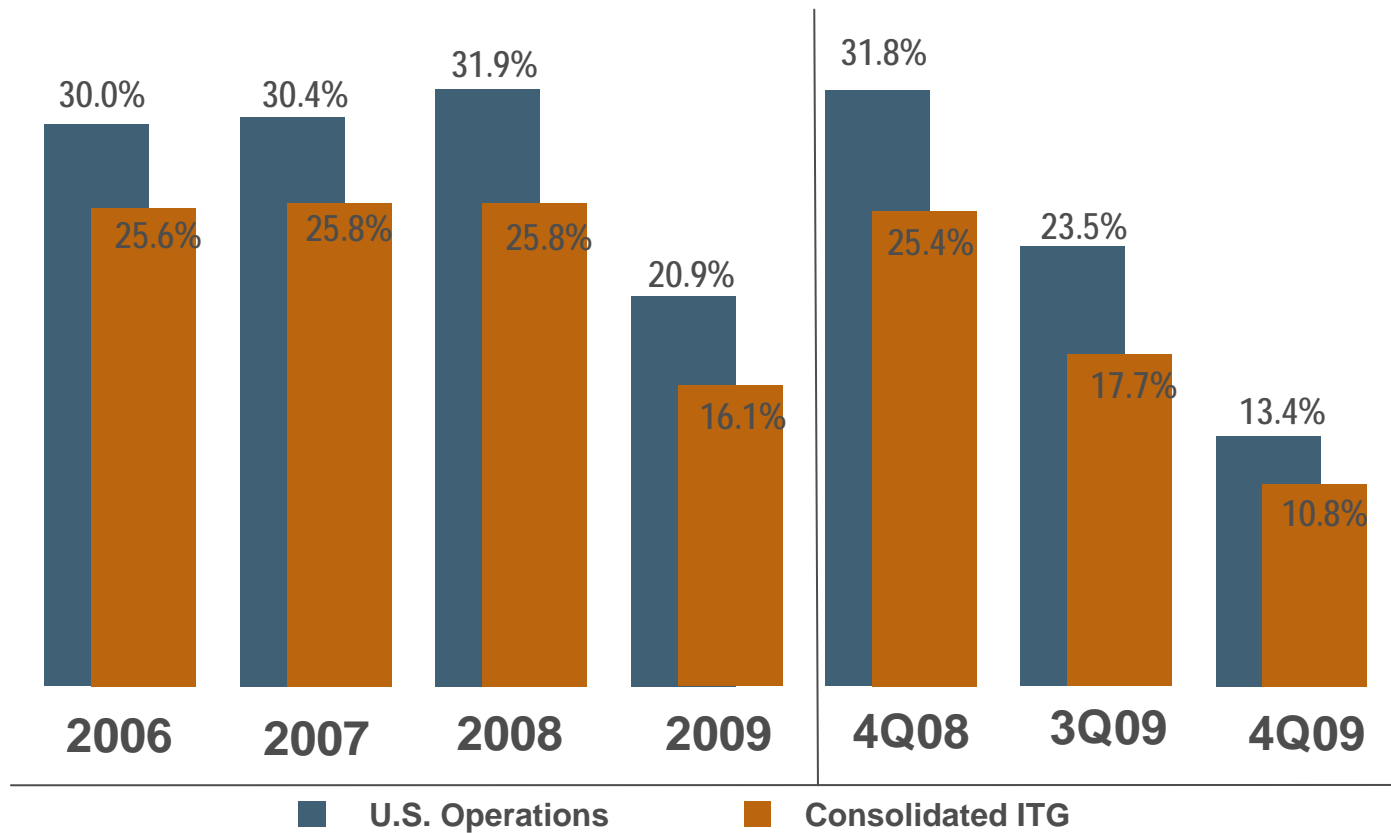
U.S. Trading Volumes and Revenues Per Share

(in millions except cents per share and trading days)

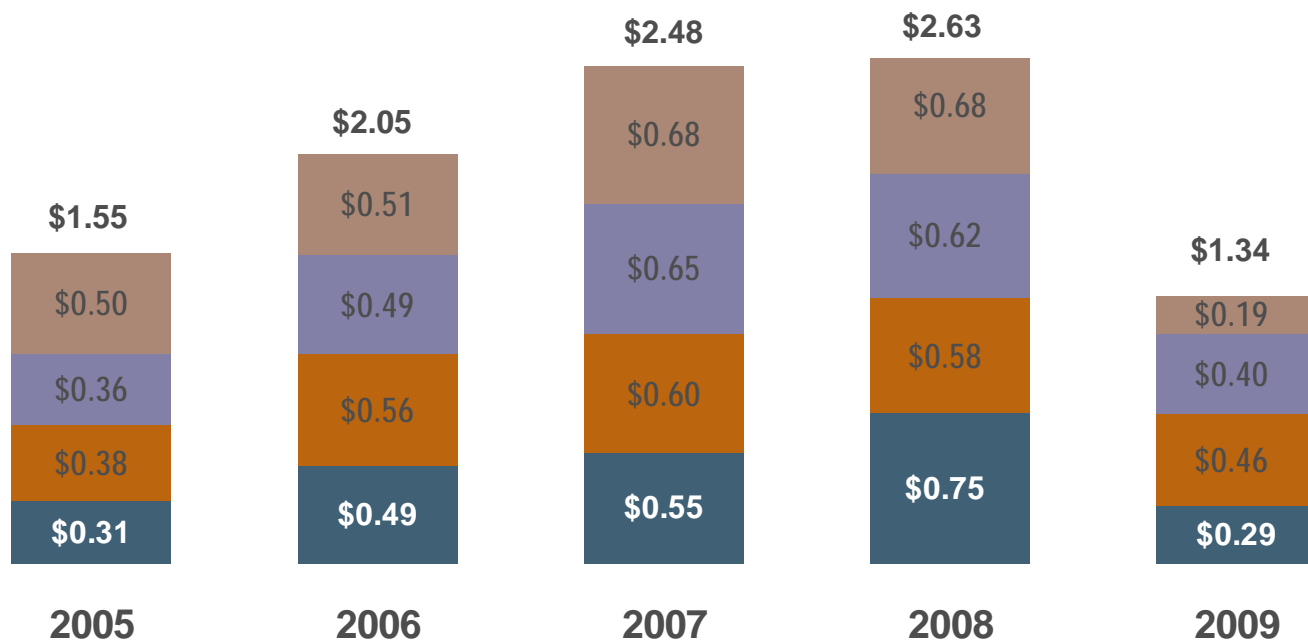
	4Q09	3Q09	2Q09	1Q09	4Q08
Trading Volumes	10,374	11,519	12,292	13,105	14,232
Trading Days	64	64	63	61	64
Trading Volumes Per Day	162.1	180.0	195.1	214.8	222.4
Revenue Per Share (Based on BD Commissions and Fees only)	\$0.0069	\$0.0068	\$0.0070	\$0.0067	\$0.0081
Broker Dealer Commissions and Fees	\$72.3	\$79.1	\$86.7	\$88.6	\$115.9
Other Commissions and Fees (Includes spread-based trading, OMS commission sharing & ITG Derivatives SM)	\$12.2	\$16.0	\$18.6	\$10.8	\$10.2
Total Commissions and Fees	\$84.5	\$95.1	\$105.3	\$99.4	\$126.1



Pre-Tax Pro forma Operating Margin



Pro forma Operating Earnings Per Share



1st Quarter
 2nd Quarter
 3rd Quarter
 4th Quarter





Q&A