



ITG Fourth Quarter 2010 Earnings

FEBRUARY 3, 2011



PRESENTED BY

Bob Gasser, CEO and President

Steve Vigliotti, CFO



Safe Harbor Statement

This document may contain "forward-looking" statements that reflect management's expectations for the future. A variety of important factors could cause results to differ materially from such statements. These factors are noted throughout ITG's 2009 Annual Report, on its Form 10-K, and on its Form 10-Qs and include, but are not limited to, the actions of both current and potential new competitors, fluctuations in market trading volumes, financial market volatility, changes in commission pricing, potential impairment charges related to goodwill and other long-lived assets, evolving industry regulations, errors or malfunctions in our systems or technology, rapid changes in technology, cash flows into or redemptions from equity funds, effects of inflation, ability to meet liquidity requirements related to the clearing of our customers' trades, customer trading patterns, the success of our products and service offerings, our ability to continue to innovate and meet the demands of our customers for new or enhanced products, our ability to successfully integrate companies we have acquired, changes in tax policy or accounting rules, fluctuations in foreign exchange rates, adverse changes or volatility in interest rates, our ability to attract and retain talented employees, as well as general economic, business, credit and financial market conditions, internationally or nationally. The forward-looking statements included herein represent ITG's views as of the date of this release. ITG undertakes no obligation to revise or update publicly any forward-looking statement for any reason unless required by law.

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Agenda

Industry Conditions

- Fund Flows

ITG Performance

International Performance

- Canada
- Europe
- Asia Pacific

ITG Research

ITG Positioning

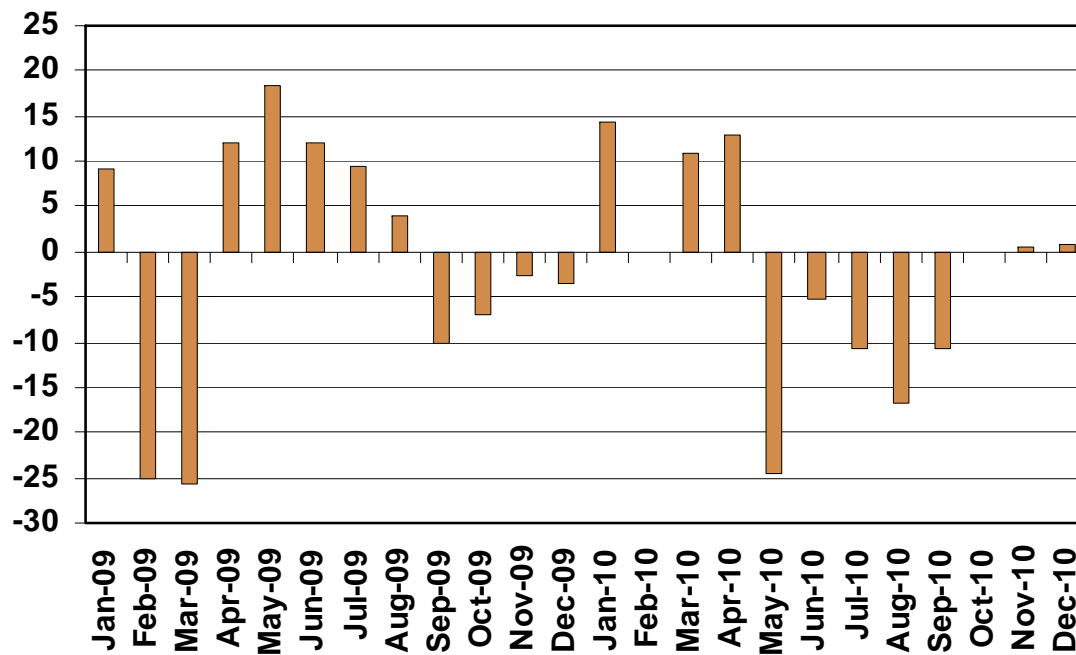
- Operating Efficiency
- Capital Management

Financial Overview

Q&A

Equity Mutual Funds - Net Monthly Cash Flows

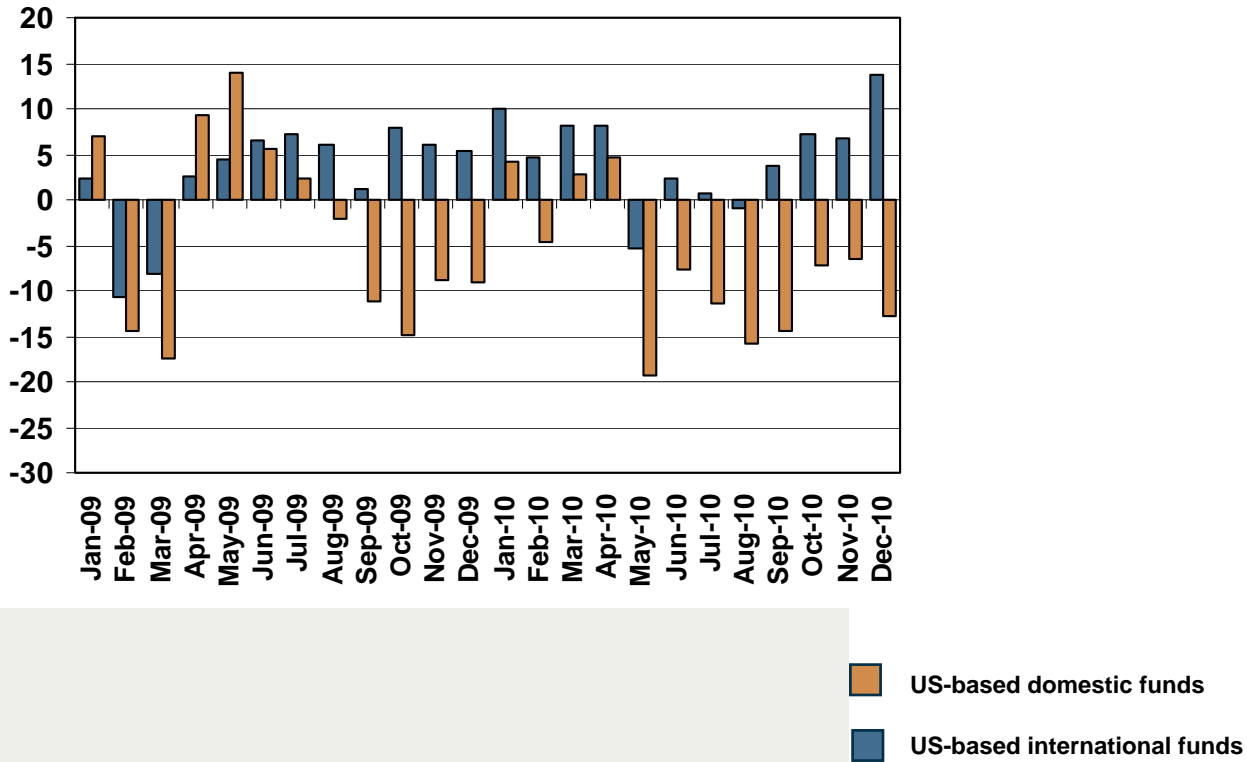
All Equity Mutual Funds (in billions)



Source: Investment Company Institute. Data are subject to revision.

Domestic vs. International Equity Mutual Funds

(in billions)

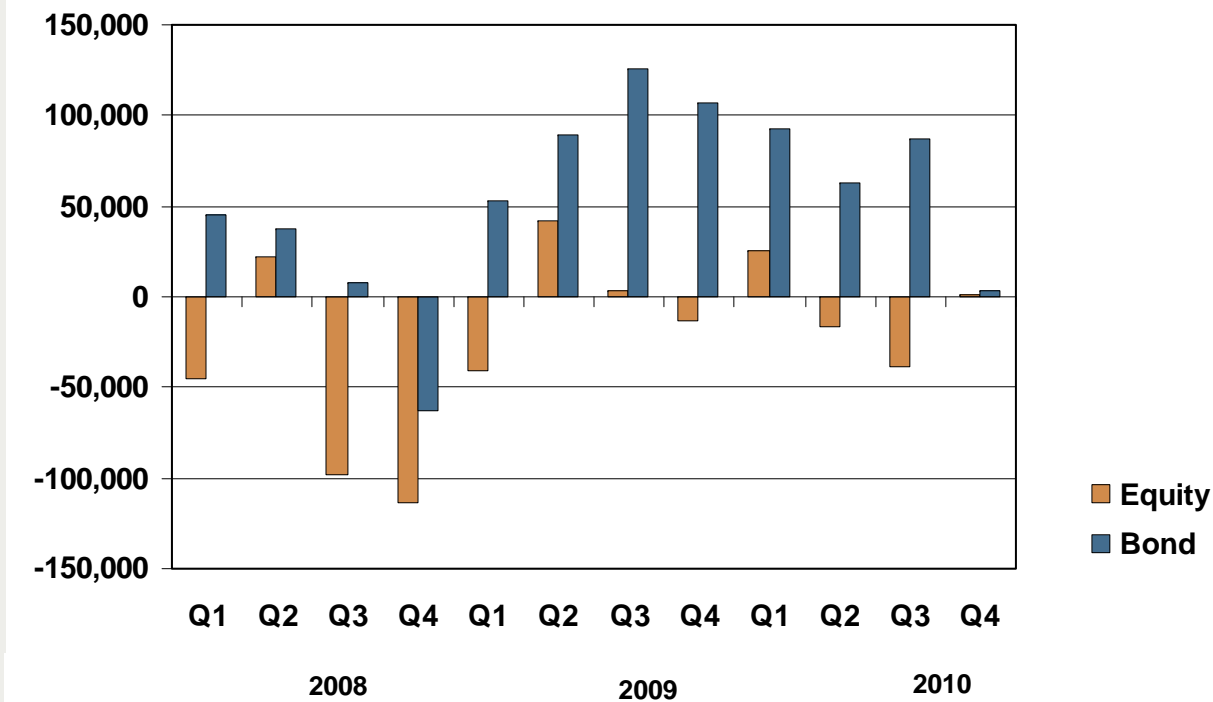


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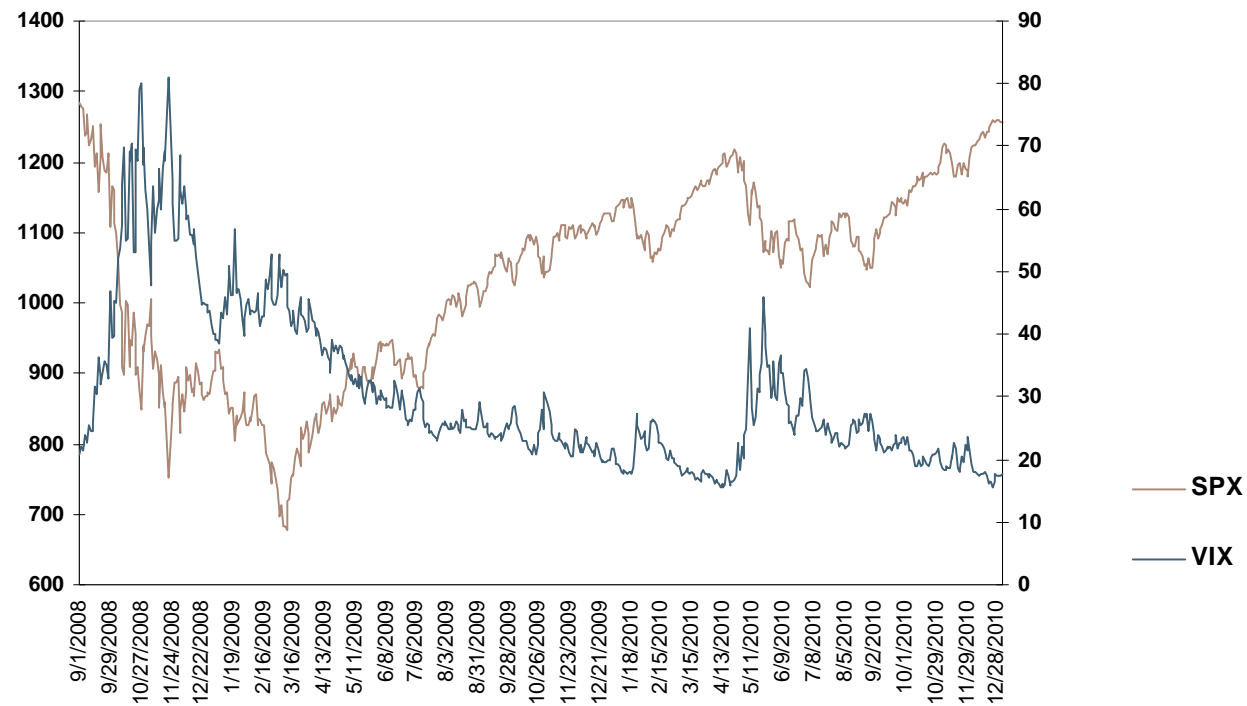
US Equity and Bond Mutual Funds

Net Quarterly Cash Flows (\$MM)



Source: ICI. Data are subject to revision.

Equity Returns and Risk



Source: Thomson Reuters

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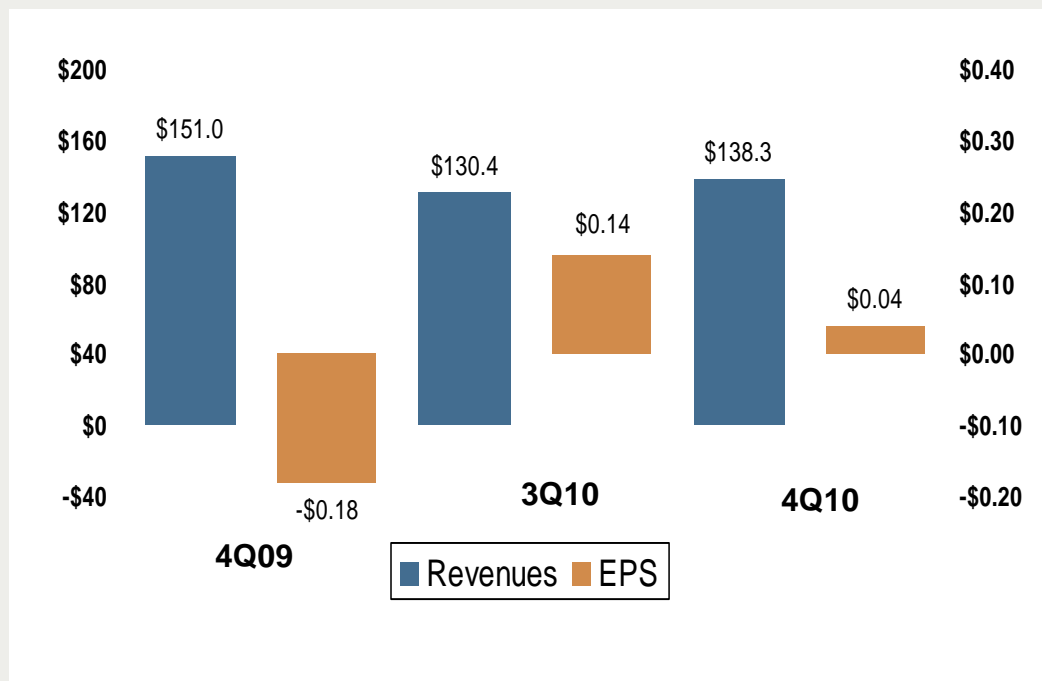
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Fourth Quarter 2010 GAAP Results

(\$ in millions except EPS)

	vs. 3Q10	vs. 4Q09
Revenues	6%	(8)%
Revenues per day	6%	(8)%
Net Income	(71)%	123%
EPS	(71)%	122%



Reconciliation of Adjusted Results

4Q10 vs. 4Q09

(\$ in millions except EPS)

	4Q10			4Q09		
	Pre-Tax	Post-Tax	EPS	Pre-Tax	Post-Tax	EPS
GAAP Earnings	\$ 3.1	\$ 1.8	\$ 0.04	\$ 9.1	\$ (7.8)	\$ (0.18)
Non-Operating Expense (Income)						
Acquisition Related Costs						
Professional and Other	0.9	0.7	0.02	---	---	---
Acceleration of Stock Awards	0.8	0.8	0.02	---	---	---
Employee Termination	0.7	0.4	0.01	---	---	---
	2.4	1.9	0.05	---	---	---
Restructuring						
Lease Abandonment	2.1	1.3	0.03	1.5	0.9	0.02
Employee Termination	0.1	0.1	0.00	20.2	13.1	0.30
FX Gain on Liquidation of Subsidiary	(0.4)	(0.4)	(0.1)	---	---	---
Software / Intangible Writedown	---	---	---	3.7	2.3	0.05
	1.8	1.0	0.02	25.4	16.3	\$0.37
Adjusted Earnings	\$7.3	\$4.7	\$0.11	\$16.3	\$8.6	\$0.19

Adjusted Results

4Q10 vs. 4Q09

(\$ in millions except EPS)	US Operations		Non-US Operations		Total	
	4Q10	4Q09	4Q10	4Q09	4Q10	4Q09
Revenues:						
Commissions	\$ 69.0	\$ 84.5	\$ 41.6	\$ 40.4	\$ 110.6	\$ 124.9
Recurring	21.0	17.1	5.5	5.1	26.5	22.2
Other	(0.5)	1.8	1.7	2.1	1.2	3.9
Total Revenues	\$ 89.5	\$ 103.4	\$ 48.8	\$ 47.6	\$ 138.3	\$ 151.0
Expenses	87.4	89.6	43.6	45.0	131.0	134.6
Pre-tax Income	2.1	13.8	5.2	2.6	7.3	16.4
<i>Pre-tax Margin</i>	2.4%	13.4%	10.7%	5.4%	5.3%	10.9%
Tax Expense	(0.2)	2.3	2.8	5.5	2.6	7.8
Net Income	\$ 2.3	\$ 11.5	\$ 2.4	\$ (2.9)	\$ 4.7	\$ 8.6
EPS	\$ 0.05	\$ 0.26	\$0.06	\$(0.07)	\$ 0.11	\$ 0.19

Summary of US Adjusted Expenses

4Q10 vs. 4Q09 & 3Q10

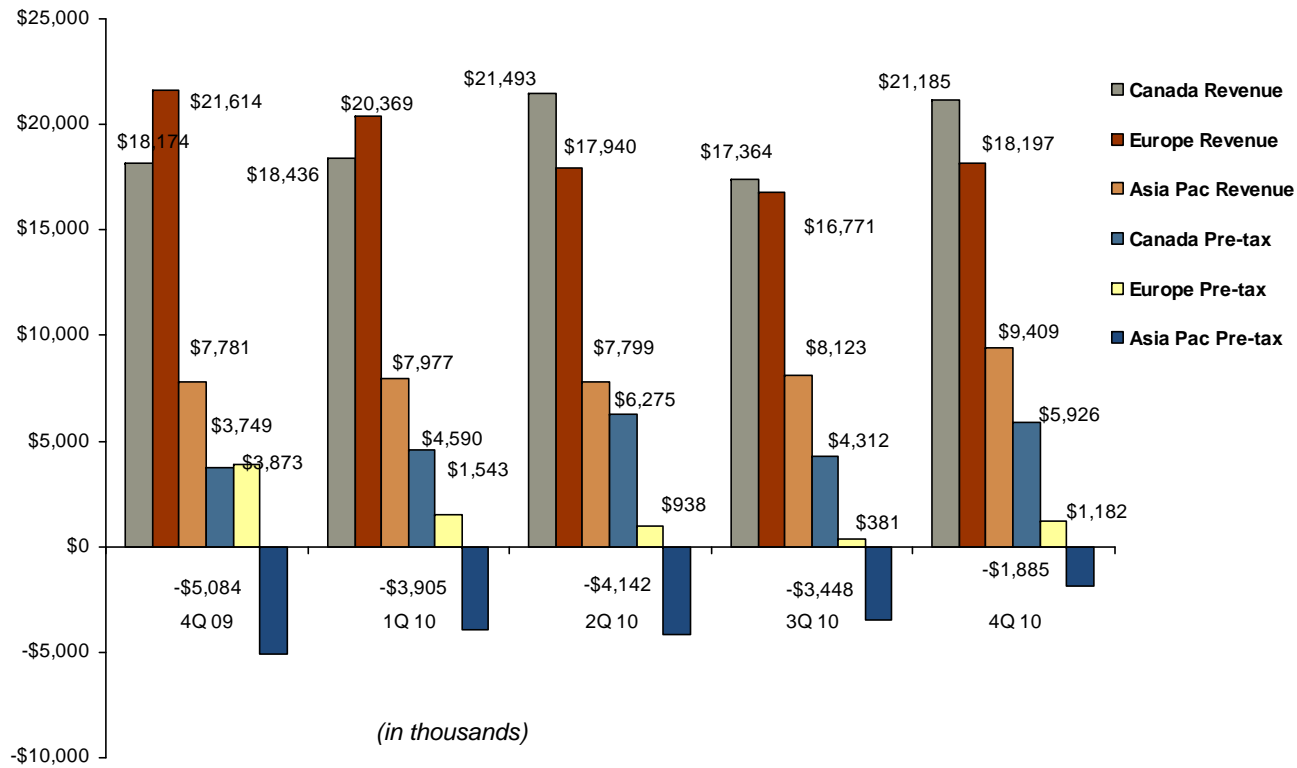
<i>(\$ in millions)</i>	4Q10	4Q09	3Q10
Comp & Benefits	\$ 38.3	\$ 40.3	\$ 32.6
<i>% of Revenue</i>	<i>42.7%</i>	<i>39.0%</i>	<i>37.0%</i>
Transaction Processing	12.0	12.2	11.0
<i>% of Revenue</i>	<i>13.4%</i>	<i>11.8%</i>	<i>12.4%</i>
Occupancy & Equipment	11.3	11.6	10.6
Telecom & Data Processing	8.9	8.7	7.7
Other G&A	16.8	16.5	16.0
Interest Expense	0.1	0.3	0.1
Total	\$87.4	\$89.6	\$78.0

Non-U.S. Financial Summary

Adjusted Results

<i>(\$ in millions)</i>	4Q10	3Q10	2Q10	1Q10	4Q09
Revenues					
Asia Pacific	\$9.4	\$8.1	\$7.8	\$8.0	\$7.8
Canada	21.2	17.4	21.5	18.4	18.2
Europe	18.2	16.8	17.9	20.4	21.6
Total Revenues	\$48.8	\$42.3	\$47.2	\$46.8	\$47.6
Expenses					
Compensation and Benefits	\$18.9	\$18.0	\$18.9	\$19.2	\$19.4
<i>% of Revenue</i>	<i>38.8%</i>	<i>42.6%</i>	<i>40.0%</i>	<i>41.0%</i>	<i>40.8%</i>
Transaction Processing	9.7	8.4	10.6	10.4	11.4
<i>% of Revenue</i>	<i>20.0%</i>	<i>20.0%</i>	<i>22.5%</i>	<i>22.2%</i>	<i>23.9%</i>
Occupancy	4.0	3.9	3.8	3.9	3.7
Telecommunications	5.2	5.0	4.9	5.0	4.8
Other G&A	5.8	5.7	5.9	6.1	5.8
Total Expenses	\$43.6	\$41.0	\$44.1	\$44.6	\$45.1
Pre-Tax Income	\$5.2	\$1.3	\$3.1	\$2.2	\$2.5

Non-US: Adjusted Results Summary



U.S. Trading Volumes and Revenues Per Share

<i>(\$ in millions except cents per share and trading days)</i>	4Q10	3Q10	2Q10	1Q10	4Q09
Trading Volumes	10,989	10,334	12,597	10,874	11,204
Trading Days	64	64	63	61	64
Trading Volumes Per Day	171.7	161.5	199.9	178.3	175.1
Revenue Per Share (Includes commissions and net executions)	\$0.00536	\$0.00584	\$0.00614		
Broker Dealer Commissions and Fees	\$58.9	\$60.3	\$77.4		
Other Commissions and Fees (Includes ITG Net [®] commission sharing & ITG Derivatives SM)	\$10.1	\$10.1	\$12.4		
Total Commissions and Fees	\$69.0	\$70.4	\$89.8		



Q&A

