



VIRTU FINANCIAL



Supplemental Information

July 2015

Forward Looking Statements and Legends



CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This presentation may contain “forward-looking statements” made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements regarding Virtu Financial, Inc.’s (“Virtu’s” or “our”) business that are not historical facts are forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by which, such performance or results will be achieved. The Company assumes no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, and if the Company does update one or more forward-looking statements, no inference should be drawn that the Company will make additional updates with respect thereto or with respect to other forward-looking statements. Forward-looking statements are based on information available at the time and/or management’s good faith belief with respect to future events, and is subject to risks and uncertainties, some or all of which are not predictable or within Virtu’s control, that could cause actual performance or results to differ materially from those expressed in the statements. Those risks and uncertainties include, without limitation: fluctuations in trading volume and volatilities in the markets in which we operate; the ability of our trading counterparties and various clearing houses to perform their obligations to us; the performance and reliability of our customized trading platform; the risk of material trading losses from our market making activities; swings in valuations in securities or other instruments in which we hold positions; increasing competition and consolidation in our industry; our belief that cash flow from our operations and other available sources of liquidity will be sufficient to fund our various ongoing obligations, including operating expenses, capital expenditures, debt service and dividend payments; regulatory and legal uncertainties and potential changes associated with our industry, particularly in light of increased attention from media, regulators and lawmakers to market structure and related issues; potential adverse results from legal or regulatory proceedings; our ability to remain technologically competitive and to ensure that the technology we utilize is not vulnerable to security risks, hacking and cyber-attacks; risks associated with third party software and technology infrastructure. For a discussion of the risks and uncertainties which could cause actual results to differ from those contained in forward-looking statements, see Virtu’s Securities and Exchange Commission filings, including but not limited to Virtu’s Registration Statement filed on Form S-1.

GAAP AND NON-GAAP RESULTS

This presentation includes certain non-GAAP financial measures, including Adjusted Net Trading Income (“Adj. NTI”), Adjusted EBITDA, and Adjusted EBITDA Margin. Non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Other companies may use similarly titled non-GAAP financial measures that are calculated differently from the way we calculate such measures, including in respect of the Adj. NTI of other companies included herein. Accordingly, our non-GAAP financial measures may not be comparable to similar measures used by other companies. We caution investors not to place undue reliance on such non-GAAP measures, but instead to consider them with the most directly comparable GAAP measure. Non-GAAP financial measures have limitations as analytical tools, and should not be considered in isolation, or as a substitute for our results as reported under GAAP. A reconciliation of non-GAAP measures to the most directly comparable financial measure prepared in accordance with GAAP is included in Annex A hereto.



VIRTU FINANCIAL



Historical Quarterly Data

Non-GAAP Measures: Adjusted Net Trading Income by Category



Virtu Financial LLC and Subsidiaries

Adjusted Net Trading Income By Category: Category	Three Months Ended,									
	March 31, 2014	% of Total	June 30, 2014	% of Total	September 30, 2014	% of Total	December 31, 2014	% of Total	March 31, 2015	% of Total
	(in thousands, except percentages)									
Americas Equities	\$ 25,304	23.9%	\$ 26,836	28.4%	\$ 25,982	25.2%	\$ 35,280	26.8%	\$ 29,132	19.6%
EMEA Equities	15,220	14.4%	10,739	11.4%	12,324	11.9%	13,321	10.1%	17,399	11.7%
APAC Equities	6,125	5.8%	7,293	7.7%	7,032	6.8%	9,515	7.2%	10,923	7.4%
Global Commodities	30,013	28.4%	19,378	20.5%	18,457	17.9%	25,235	19.2%	34,654	23.4%
Global Currencies	20,730	19.6%	24,616	26.0%	25,211	24.4%	39,136	29.8%	42,167	28.4%
Options, Fixed Income and Other	10,031	9.5%	7,737	8.2%	10,063	9.8%	14,490	11.0%	9,198	6.2%
Unallocated ¹	(1,602)	-1.6%	(2,093)	-2.2%	4,120	4.0%	(5,468)	-4.1%	4,935	3.3%
Total Adjusted Net Trading Income²	\$ 105,821	100.0%	\$ 94,506	100.0%	\$ 103,189	100.0%	\$ 131,509	100.0%	\$ 148,408	100.0%

Average Daily Adjusted Net Trading Income: Category	Three Months Ended,									
	March 31, 2014	% of Total	June 30, 2014	% of Total	September 30, 2014	% of Total	December 31, 2014	% of Total	March 31, 2015	% of Total
	(in thousands, except percentages)									
Americas Equities	\$ 415	23.9%	\$ 426	28.4%	\$ 406	25.2%	\$ 551	26.8%	\$ 478	19.6%
EMEA Equities	250	14.4%	170	11.3%	193	12.0%	226	11.0%	285	11.7%
APAC Equities	100	5.8%	116	7.7%	110	6.8%	145	7.1%	179	7.4%
Global Commodities	492	28.5%	308	20.5%	288	17.9%	398	19.4%	568	23.4%
Global Currencies	340	19.6%	391	26.0%	394	24.4%	609	29.6%	691	28.4%
Options, Fixed Income and Other	164	9.5%	123	8.2%	157	9.7%	219	10.7%	151	6.2%
Unallocated ¹	(26)	-1.7%	(33)	-2.1%	64	4.0%	(93)	-4.6%	81	3.3%
Total Adjusted Net Trading Income²	\$ 1,735	100.0%	\$ 1,501	100.0%	\$ 1,612	100.0%	\$ 2,055	100.0%	\$ 2,433	100.0%

¹ Under our methodology for recording "trading income, net" in our condensed consolidated statements of comprehensive income, we recognize revenues based on the exit price of assets in accordance with applicable U.S. GAAP rules, and when we calculate Adjusted Net Trading Income for corresponding reporting periods, we start with trading income, net. By contrast, when we calculate Adjusted Net Trading Income by category, we recognize revenues on a daily basis, and as a result prices used in recognizing revenues may differ. Because we provide liquidity on a global basis, across asset classes and time zones, the timing of any particular daily Adjusted Net Trading Income calculation can effectively defer or accelerate revenue from one day to another or one reporting period to another, as the case may be. We do not allocate any resulting differences based on the timing of revenue recognition.

² Adjusted Net Trading Income is a non-GAAP financial measure. See page 7 for reconciliation to the most directly comparable financial measure prepared in accordance with GAAP.

Selected Market Metrics



Selected Market Metrics:	Three Months Ended,				
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015
US Equities Average Daily Volume, in millions ¹	6,944	6,053	5,678	7,004	6,916
EU Equities Average Daily Volume, in millions ¹	6,241	5,157	4,701	5,796	6,581
TSE Equities Average Daily Volume, in millions ²	2,982	2,356	2,411	2,919	2,707
CME Average Daily Energy Contracts ³	1,703,768	1,455,993	1,560,565	1,795,769	2,140,644
CME Average Daily FX Contracts ³	816,683	637,371	795,217	957,384	951,064
OCC Average Daily Volume, in millions ⁴	17.9	15.8	16.3	17.8	16.3
VIX (Average) ⁵	14.81	12.73	13.09	16.08	16.57
VIX (High) ⁵	21.44	17.03	17.03	26.25	22.39
VIX (Low) ⁵	12.14	10.61	10.32	11.82	13.02
Trading Days (US) ⁶	61	63	64	64	61

Sources:

¹ BATS

² Tokyo Stock Exchange

³ Chicago Mercantile Exchange Group

⁴ Options Clearing Corporation

⁵ Chicago Board Options Exchange

⁶ Based on NYSE/NASDAQ trading calendar

GAAP Financial Information: Quarterly Income Statement (Unaudited)



Virtu Financial LLC and Subsidiaries Condensed Consolidated Statements of Comprehensive Income

	Three Months Ended,				
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015
Revenues:	(in thousands, except share and per share data)				
Trading income, net	\$ 165,163	\$ 153,376	\$ 162,260	\$ 204,351	\$ 213,930
Interest and dividends income	5,555	7,214	8,518	6,636	5,182
Technology services	2,577	2,386	2,456	2,561	2,416
Total revenues	173,295	162,976	173,234	213,548	221,528
Expenses:					
Brokerage, exchange and clearance fees, net	54,434	53,837	55,861	66,833	61,138
Communication and data processing	15,807	17,505	17,256	18,279	17,943
Employee compensation and payroll taxes	21,613	17,255	24,768	20,895	26,900
Interest and dividends expense	10,463	12,247	11,728	12,645	9,566
Operations and administrative	5,771	6,354	4,392	4,557	5,762
Depreciation and amortization	6,482	7,480	8,552	7,927	8,195
Amortization of purchased intangibles and acquired capitalized software	53	53	53	52	53
Acquisition related retention bonus	1,266	1,221	152	-	-
IPO fees and expenses	-	8,901	60	-	-
Non-recurring transaction expenses	-	-	-	3,000	-
Termination of office leases	-	849	-	-	2,729
Equipment write-off	-	-	-	-	1,468
Financing interest expense on senior secured credit facility	7,551	7,748	7,815	7,780	7,602
Total operating expenses	123,440	133,450	130,637	141,968	141,356
Income before income taxes	49,855	29,526	42,597	71,580	80,172
Provision for income taxes	966	(1,316)	1,179	2,672	2,728
Net income	\$ 48,889	\$ 30,842	\$ 41,418	\$ 68,908	\$ 77,444
Other comprehensive income, net of taxes:					
Foreign exchange translation adjustment	48	186	(4,224)	(1,042)	(4,633)
Comprehensive net income	\$ 48,937	\$ 31,028	\$ 37,194	\$ 67,866	\$ 72,811

Non-GAAP Operating Data



Virtu Financial LLC and Subsidiaries

	Three Months Ended,				
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015
Reconciliation of Trading income, net to Adjusted Net Trading Income	(in thousands, except percentages)				
Trading income, net	\$ 165,163	\$ 153,376	\$ 162,260	\$ 204,351	\$ 213,930
Interest and dividends income	5,555	7,214	8,518	6,636	5,182
Brokerage, exchange and clearance fees, net	(54,434)	(53,837)	(55,861)	(66,833)	(61,138)
Interest and dividends expense	(10,463)	(12,247)	(11,728)	(12,645)	(9,566)
Adjusted Net Trading Income	\$ 105,821	\$ 94,506	\$ 103,189	\$ 131,509	\$ 148,408
Reconciliation of Net Income to Adjusted Net Income					
Net Income	\$ 48,889	\$ 30,842	\$ 41,418	\$ 68,908	\$ 77,444
Amortization of purchased intangibles and acquired capitalized software	53	53	53	52	53
Severance	365	29	2,742	1,650	303
IPO fees and expenses	-	8,901	60	-	-
Non-recurring transaction expenses	-	-	-	3,000	-
Termination of office leases	-	849	-	-	2,729
Equipment write-off	-	-	-	-	1,468
Acquisition related retention bonus	1,266	1,221	152	-	-
Stock-based compensation	5,267	1,862	4,170	4,734	5,853
Adjusted Net Income	\$ 55,840	\$ 43,757	\$ 48,595	\$ 78,344	\$ 87,850

Non-GAAP Operating Data (Continued)



Virtu Financial LLC and Subsidiaries

	Three Months Ended,				
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015
Reconciliation of Net Income to EBITDA and Adjusted EBITDA	(in thousands, except percentages)				
Net Income	\$ 48,889	\$ 30,842	\$ 41,418	\$ 68,908	\$ 77,444
Financing interest expense on senior secured credit facility	7,551	7,748	7,815	7,780	7,602
Depreciation and amortization	6,482	7,480	8,552	7,927	8,195
Amortization of purchased intangibles and acquired capitalized software	53	53	53	52	53
Equipment write-off	-	-	-	-	1,468
Provision for Income Taxes	966	(1,316)	1,179	2,672	2,728
EBITDA	\$ 63,941	\$ 44,807	\$ 59,017	\$ 87,339	\$ 97,490
Severance	365	29	2,742	1,650	303
IPO fees and expenses	-	8,901	60	-	-
Non-recurring transaction expenses	-	-	-	3,000	-
Termination of office leases	-	849	-	-	2,729
Acquisition related retention bonus	1,266	1,221	152	-	-
Stock-based compensation	5,267	1,862	4,170	4,734	5,853
Adjusted EBITDA	\$ 70,839	\$ 57,669	\$ 66,141	\$ 96,723	\$ 106,375
Selected Operating Margins					
Net Income Margin ¹	45.1%	31.8%	39.2%	51.4%	51.3%
Adjusted Net Income Margin ²	51.5%	45.2%	46.0%	58.4%	58.2%
EBITDA Margin ³	59.0%	46.2%	55.9%	65.1%	64.6%
Adjusted EBITDA Margin ⁴	65.4%	59.5%	62.6%	72.1%	70.5%

¹ Calculated by dividing net income by the sum of Adjusted Net Trading Income and technology services revenue.

² Calculated by dividing Adjusted Net Income by the sum of Adjusted Net Trading Income and technology services revenue.

³ Calculated by dividing EBITDA by the sum of Adjusted Net Trading Income and technology services revenue.

⁴ Calculated by dividing Adjusted EBITDA by the sum of Adjusted Net Trading Income and technology services revenue.

Non-GAAP Operating Data (Continued)



Virtu Financial LLC and Subsidiaries

	Three Months Ended,				
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015
Reconciliation of Net Income to pro forma Adjusted Net Income	(in thousands, except percentages)				
Net income	\$ 48,889	\$ 30,842	\$ 41,418	\$ 68,908	\$ 77,444
GAAP provision for income taxes	966	(1,316)	1,179	2,672	2,728
Income before income taxes	\$ 49,855	\$ 29,526	\$ 42,597	\$ 71,580	\$ 80,172
Amortization of purchased intangibles and acquired capitalized software	53	53	53	52	53
Severance	365	29	2,742	1,650	303
IPO fees and expenses	-	8,901	60	-	-
Non-recurring transaction expenses	-	-	-	3,000	-
Termination of office leases	-	849	-	-	2,729
Equipment write-off	-	-	-	-	1,468
Acquisition related retention bonus	1,266	1,221	152	-	-
Stock-based compensation	5,267	1,862	4,170	4,734	5,853
Pro forma Adjusted Net Income before income taxes	\$ 56,806	\$ 42,441	\$ 49,774	\$ 81,016	\$ 90,578
Normalized provision for income taxes ¹	20,166	15,067	17,670	28,761	32,155
Pro forma Normalized Adjusted Net Income	\$ 36,640	\$ 27,374	\$ 32,104	\$ 52,255	\$ 58,423

¹ Reflects U.S. federal, state, and local income tax rate applicable to corporations of approximately 35.5%.