

# 1Q 2018 Financial Review



# Disclaimer



## Cautionary Statement Regarding Forward Looking Statements

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## GAAP and Non-GAAP Results

This presentation includes certain non-GAAP financial measures, including Adjusted Net Trading Income, Normalized Adjusted Net Income, Normalized Adjusted Pre-Tax Net Income, Adjusted EBITDA, Trading Capital, Adjusted Operating Expense and Adjusted Compensation Expense. 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. 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 at the end of the following presentation.

# Revenue Synergies and Integration Progress Enable Record Quarter in Positive Environment



## Revenue and operating leverage drive profitability

- Generated \$340.3 million of Adjusted Net Trading Income (“Adjusted NTI”)<sup>1</sup>
  - Average daily Adjusted NTI is \$5.58 million for the quarter
- Adjusted EPS<sup>1</sup> of \$0.76
- Market making opportunity boosted by higher volumes and volatility beginning in February
  - Average VIX and realized volatility were 17.4 and 19.8 in Q1, respectively (10.3 and 5.7 in Q4, respectively)

## Continued progress on integration and expense synergies

- Expense guidance remains unchanged
- Current headcount: 536, inclusive of 30 new hires
- Forecasted: Gross synergies ~\$300 million, realized on a full year run rate in 2019
  - Realized: \$233 million using the 1Q 2018 run rate

## Capital management progress

- Repaid additional \$100 million of Term Loan on April 19
  - Repaid \$626 million since closing, resulting in about \$35 million pre-tax interest expense savings
  - Current total debt at \$1,057 million
- Initiated a \$50 million share repurchase program as a result of excess capital relative to target debt
  - To date 375,000 shares have been repurchased at an average cost of \$29.27, totaling \$11 million
- \$1.49 billion of Trading Capital at March 31, 2018

<sup>1</sup> This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.

# Adjusted NTI Highlights – 1Q 2018



Adjusted Net Trading Income (NTI) <sup>1</sup> (\$mm)	3Q 2017 <sup>2</sup>	4Q 2017	1Q 2018	1Q 2018 v 4Q 2017
<b>Market Making</b>				
Adjusted NTI	\$134.4	\$204.1	\$313.5	
<i>Average Daily Adjusted NTI</i>	\$2.13	\$3.24	\$5.14	+ 53.6%
<b>Execution Services</b>				
Adjusted NTI	\$37.9	\$33.2	\$26.7	
<i>Average Daily Adjusted NTI</i>	\$0.60	\$0.53	\$0.44	- 19.7%
<b>Execution Services (ex-BondPoint)</b>				
Adjusted NTI	\$29.6	\$24.9	\$26.7	
<i>Average Daily Adjusted NTI</i>	\$0.47	\$0.40	\$0.44	+ 7.1%
<b>Grand Total</b>				
<b>Total Adjusted NTI</b>	<b>\$173.1</b>	<b>\$237.3</b>	<b>\$340.3</b>	
<b><i>Total Average Daily Adjusted NTI</i></b>	<b>\$2.75</b>	<b>\$3.77</b>	<b>\$5.58</b>	<b>+ 43.4%</b>
<b>Grand Total (ex-BondPoint)</b>				
<b>Total Adjusted NTI</b>	<b>\$164.8</b>	<b>\$229.0</b>	<b>\$340.3</b>	
<b><i>Total Average Daily Adjusted NTI</i></b>	<b>\$2.62</b>	<b>\$3.63</b>	<b>\$5.58</b>	<b>+ 48.6%</b>
<b>Market Metrics (Average Daily)</b>				
US Equity Consolidated Volume ( <i>mm shares</i> )	6,057	6,330	7,568	
Realized Volatility of S&P 500 Index	7.14	5.71	19.82	
Implied Volatility of S&P 500 Index (VIX)	10.94	10.31	17.35	
Number of Trading Days	63	63	61	

<sup>1</sup> This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.

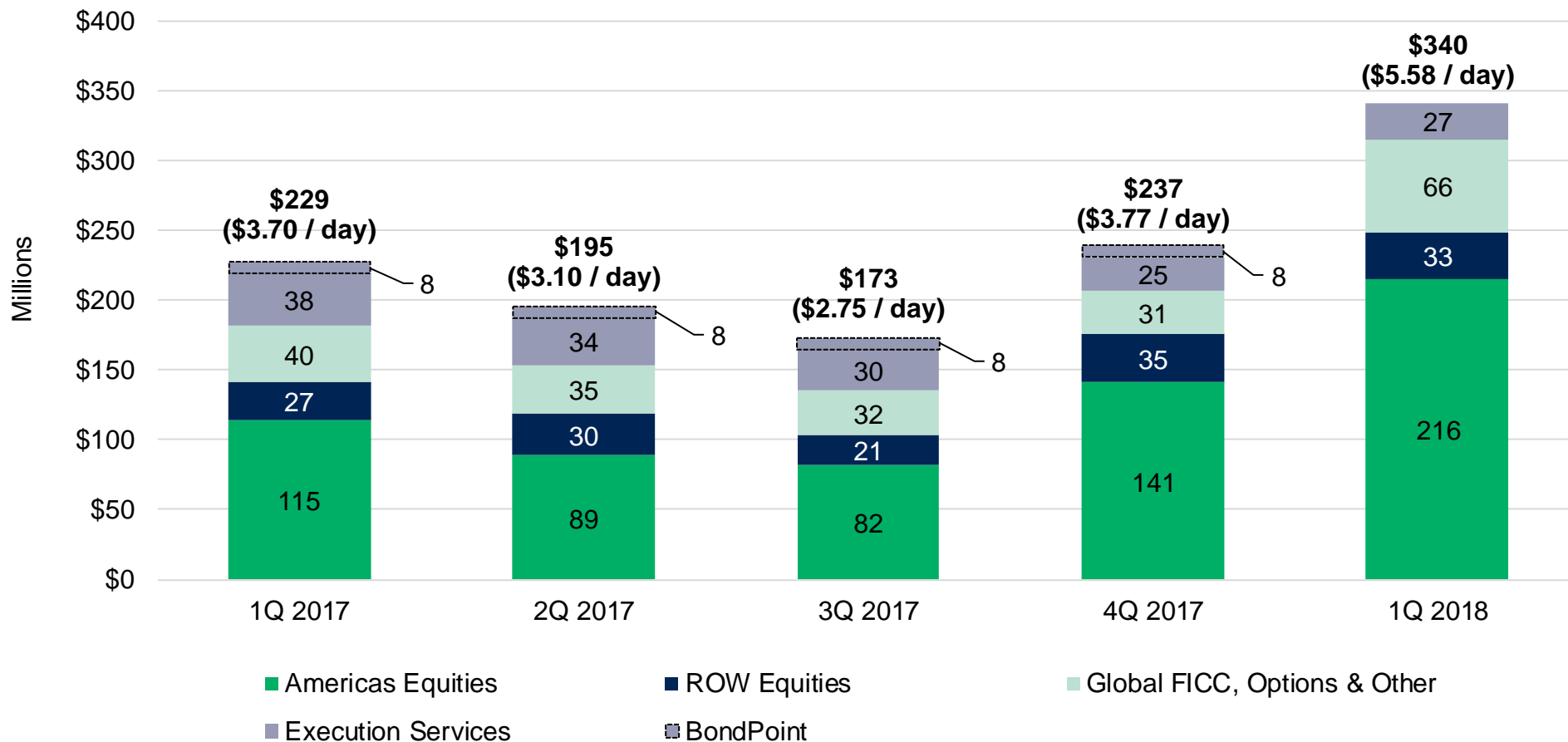
<sup>2</sup> Includes \$13mm of Legacy KCG Adjusted NTI from July 1 through July 19, 2017.

Note: Numbers may not foot due to rounding. Adjusted Net Trading Income from Corporate reflected in the total sums, but not explicitly reflected as a component of the table.

# Adjusted Net Trading Income



## Reporting Categories Adjusted Net Trading Income<sup>1</sup>



<sup>1</sup> This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.

Note: Numbers may not foot due to rounding. Adjusted Net Trading Income from Unallocated and Corporate reflected in the total sums, but not explicitly reflected as components of the chart.

# Expense Synergies on Target



Expense Synergies (\$mm)	4Q 2017 Actual	1Q 2018 Actual	1H 2018 Guidance	FY 2018 Guidance
Occupancy, Overhead and Compensation <sup>1</sup>	\$81	\$71	\$144	\$260 - \$275
Communications and Data Processing	48	47	90	168 - 172
Depreciation & Amortization	18	15	35	62 - 68
<b>Total Adjusted Operating Expenses<sup>1, 2</sup></b>	<b>\$147</b>	<b>\$133</b>	<b>\$269</b>	<b>\$490 - \$515</b>
Annualized Adjusted Operating Expenses <sup>1, 2</sup>	588	532		
2016 Total Adjusted Operating Expenses <sup>1, 2</sup>	765	765		765
<b>Annual Expense Synergies</b>	<b>\$177</b>	<b>\$233</b>		<b>\$250 - \$275</b>

Even in a robust environment, our compensation ratio is in line with historical Virtu ratios:

Compensation Ratio Analysis (\$mm)	2015	2016	1Q 2018
Adjusted Net Trading Income <sup>2</sup>	\$511.3	\$424.5	\$340.3
Adjusted GAAP Compensation Expense <sup>1, 2</sup>	\$82.3	\$78.4	\$59.5
<i>Adjusted GAAP Compensation / Adjusted NTI</i>	16.1%	18.5%	17.5%

**Synergy progress  
on track towards  
original  
1H 2018 guidance**

<sup>1</sup> Excludes stock-based compensation, non-recurring expenses, and severance

<sup>2</sup> This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.

# Focused on Optimal Capitalization to Create Long-Term Value for Shareholders



## We have de-levered significantly while preserving balance sheet flexibility

- Reduced term loan by another \$100 million in April
- Debt repayments since closing total \$626 million
- Re-priced term loan
- Continue to evaluate share repurchase
- Long-Term Debt to LTM Adjusted EBITDA<sup>1</sup> ratio at 2.6x, pro forma to include KCG

Long-Term Debt Outstanding	Rate	Maturity	30 Apr 2018
Term Loan	5.56% <sup>2</sup>	2022	\$524
Bonds	6.75%	2022	500
Japannext	5.00%	2020	33 <sup>3</sup>
<b>Total Debt (Gross)</b>	<b>6.10%<sup>4</sup></b>		<b>\$1,057</b>

## Share Repurchase Update:

Shares Repurchased To Date	375,000
Average Price	\$29.27
Total Amount Repurchased	\$11 million

<sup>1</sup> This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.

<sup>2</sup> Current rate of 3-month LIBOR + 325 bps

<sup>3</sup> 3.5B JPY

<sup>4</sup> Blended rate

# Virtu Capital Return since IPO



## Adjusted EPS<sup>1</sup> & Dividend Payouts since IPO:

	2Q15 - 4Q15 <sup>2</sup>	FY 2016	FY 2017	1Q18
Normalized Adjusted EPS <sup>1</sup>	0.93	0.97	0.57	0.76
Dividends Declared	0.72	0.96	0.96	0.24
<i>Cumulative Payout Ratio</i>	<i>77%</i>	<i>88%</i>	<i>107%</i>	<i>89%</i>

## Cumulative Capital Return since IPO:

Cumulative Adjusted EPS since IPO	\$ 3.24
Cumulative Dividends per Share since IPO	\$ 2.88
<b><i>Cumulative % Payout since IPO</i></b>	<b><i>89%</i></b>
Share Buyback Amount per Share <sup>3</sup>	\$ 0.06
<b><i>Cumulative % Payout after Buyback</i></b>	<b><i>91%</i></b>

## Capital Return Priorities

- Optimize 2x to 2.5x Debt/EBITDA
- Consider opportunistic share repurchases
- Remain committed to long-term payout ratio of 70% of earnings

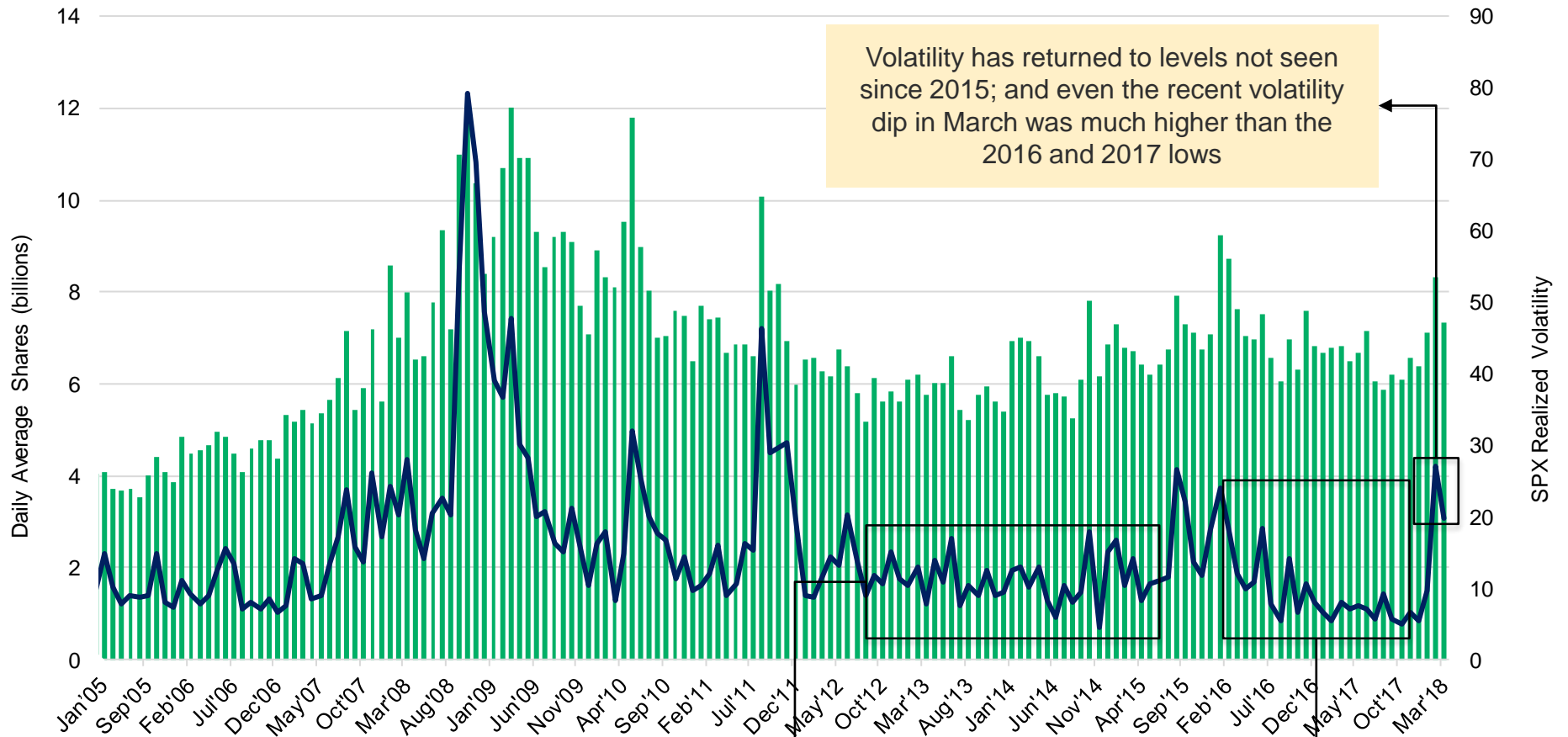
<sup>1</sup> This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.

<sup>2</sup> Virtu Financial, Inc. went public in 2Q 2015.

<sup>3</sup> Calculated as total dollar amount of shares repurchased to date divided by weighted average fully diluted shares outstanding.



# Perspective on Realized Volatility



	SPX Realized Volatility	US Equity TCV (mm shares)
Oct'17	4.99	6.08
Nov'17	6.51	6.55
Dec'17	5.54	6.37
Jan'18	9.62	7.12
Feb'18	26.96	8.33
Mar'18	19.76	7.32
Apr'18	16.89	6.59

■ US Equity Market Volume     
 — SPX Realized Volatility

**Jul'12 to Jun'15**  
 Avg. Realized Volatility: 11.55

**Jan'16 to Dec'17**  
 Avg. Realized Volatility: 10.43

# Balance Sheet and Trading Capital



Assets (\$mm)	3/31/2018
Cash and equivalents	\$637.3
Securities borrowed	1,232.0
Securities purchased under agreements to resell	0.6
Receivables from broker dealers and clearing organizations	1,434.0
Trading assets, at fair value	2,907.6
Property, equipment and capitalized software, net	128.7
Goodwill	836.6
Intangibles, net of accumulated amortization	104.4
Deferred taxes	123.3
Other assets	353.4
<b>Total Assets</b>	<b>\$7,757.9</b>

Liabilities and Equity (\$mm)	3/31/2018
Short term borrowings, net	\$20.9
Securities loaned	936.1
Securities sold under agreements to repurchase	265.4
Payables to broker dealers and clearing organizations	648.8
Trading liabilities, at fair value	2,846.5
Tax receivable agreement obligations	147.0
Accounts payable and accrued expenses and other liabilities	313.3
Long-term borrowings, net	1,121.5
<b>Total Liabilities</b>	<b>\$6,299.5</b>
Equity	1,458.5
<b>Total Liabilities and Equity</b>	<b>\$7,757.9</b>

Trading Capital (\$mm)	3/31/2018
Sum of Trading Assets	\$6,211.6
Sum of Trading Liabilities	\$4,717.6
<b>Total Trading Capital</b>	<b>\$1,494.0</b>

# Appendix



# Market Metrics and Volumes



Americas Equities			Type	Units	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	1Q 2018 vs. 4Q 2017	1Q 2018 vs. 1Q 2017
<b>Volume Benchmarks (ADV)</b>															
U.S. Equity Consolidated ADV	Shares	M			8,552	7,251	6,585	7,125	6,843	6,852	6,093	6,372	7,621	+ 19.6%	+ 11.4%
U.S. Notional Value ADV	\$USD	B			305	264	250	277	270	276	260	273	382	+ 39.7%	+ 41.6%
<i>Blended Average Price per Share</i>	\$USD	#			35.72	36.37	37.90	38.86	39.41	40.22	42.63	42.91	50.09	+ 16.8%	+ 27.1%
<b>Volatility Benchmarks (ADV)</b>															
SPX Implied Volatility - QTD	#	#			20.49	15.68	13.23	14.10	11.69	11.43	10.94	10.31	17.36	+ 68.4%	+ 48.4%
SPX Realized Volatility - QTD	#	#			18.38	13.62	9.80	8.54	6.78	7.33	7.14	5.71	19.82	+ 247.3%	+ 192.3%
<i>Ratio: Realized Volatility / VIX</i>	Ratio	%			89.7%	86.9%	74.1%	60.6%	58.0%	64.2%	65.2%	55.4%	114.2%	+ 106.3%	+ 96.9%
SPX Intraday Volatility	#	%			1.52%	0.93%	0.69%	0.69%	0.57%	0.55%	0.48%	0.45%	1.38%	+ 203.5%	+ 143.9%
EMEA Equities			Type	Units	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	1Q 2018 vs. 4Q 2017	1Q 2018 vs. 1Q 2017
<b>Volume Benchmarks (ADV)</b>															
Pan-EU Equity Shares (incl auction)	Shares	M			6,658	6,145	5,127	5,339	4,978	5,340	4,052	4,419	5,503	+ 24.5%	+ 10.6%
Pan-EU € Notional Value (incl auction)	Euro	B			53.67	46.62	39.77	44.45	45.51	48.58	41.10	44.68	50.83	+ 13.8%	+ 11.7%
<b>Volatility Benchmarks (ADV)</b>															
SX5E Implied Volatility - QTD	#	#			28.61	25.78	20.73	19.43	15.50	16.27	14.32	12.87	17.00	+ 32.2%	+ 9.7%
SX5E Realized Volatility - QTD	#	#			27.06	28.12	15.71	11.98	9.71	12.07	10.16	8.49	14.88	+ 75.3%	+ 53.3%
<i>Ratio: Realized Volatility / Implied</i>	Ratio	%			95%	109%	76%	62%	63%	74%	71%	66%	88%	+ 32.6%	+ 39.8%
SX5E Intraday Volatility	#	%			2.32%	1.80%	1.35%	1.11%	0.86%	0.91%	0.85%	0.80%	1.16%	+ 44.1%	+ 33.9%
APAC Equities			Type	Units	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	1Q 2018 vs. 4Q 2017	1Q 2018 vs. 1Q 2017
<b>Volume Benchmarks (ADV)</b>															
TSE ADV	Shares	M			2,901	2,452	2,229	2,533	2,259	2,234	2,101	2,078	1,934	- 7.0%	- 14.4%
TSE Notional ADV	¥	B			2,914	2,458	2,450	2,783	2,600	2,759	2,550	3,252	3,406	+ 4.7%	+ 31.0%
OSE Nikkei 225 Futures (Total)	Contracts	#			267,575	196,978	163,930	191,117	185,310	176,683	156,692	210,212	261,965	+ 24.6%	+ 41.4%
<b>Volatility Benchmarks (ADV)</b>															
NKY Implied Volatility - QTD	#	#			31.83	28.85	24.37	19.81	18.13	16.07	14.65	16.29	21.70	+ 33.2%	+ 19.7%
NKY Realized Volatility - QTD	#	#			34.71	31.00	18.85	20.77	14.89	10.91	9.38	11.82	23.36	+ 97.6%	+ 56.9%
<i>Ratio: Realized Volatility / VNKY</i>	Ratio	%			109%	107%	77%	105%	82%	68%	64%	73%	108%	+ 48.3%	+ 31.0%
NKY Intraday Volatility	#	%			2.15%	1.82%	1.14%	0.96%	0.81%	0.69%	0.57%	0.87%	1.30%	+ 49.3%	+ 60.3%

# Market Metrics (continued)



Global Commodities			Type	Units	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	1Q 2018 vs. 4Q 2017	1Q 2018 vs. 1Q 2017
<b>Futures Contract Volume (ADV)</b>															
CME Energy ADV	Contracts	M	2.536	2.322	2.294	2.585	2.497	2.632	2.693	2.489	2.754	2.754	2.754	+ 10.7%	+ 10.3%
ICE Energy ADV	Contracts	M	2.801	2.418	2.318	2.725	2.847	2.892	2.616	2.627	2.893	2.893	2.893	+ 10.1%	+ 1.6%
Total Energy	Contracts	M	5.337	4.740	4.612	5.311	5.344	5.524	5.309	5.116	5.647	5.647	5.647	+ 10.4%	+ 5.7%
<b>Volatility Benchmarks (ADV)</b>															
GS Comm Implied Volatility - QTD	#	#	234.38	239.91	240.45	244.15	254.84	260.66	263.67	272.17	273.50	273.50	273.50	+ 0.5%	+ 7.3%
GS Comm Realized Volatility - QTD	#	#	9.41	7.20	7.97	8.15	6.80	5.64	4.60	3.57	3.67	3.67	3.67	+ 2.8%	- 46.0%
<i>Ratio: Realized Volatility/Implied</i>	<i>Ratio</i>	%	4.01%	3.00%	3.31%	3.34%	2.67%	2.16%	1.74%	1.31%	1.34%	1.34%	1.34%	+ 2.3%	- 49.7%
OVX Implied Volatility - QTD	#	#	58.78	42.38	39.96	38.25	29.34	30.93	29.19	25.21	25.18	25.18	25.18	- 0.1%	- 14.2%
OVX Realized Volatility - QTD	#	#	72.02	72.31	70.88	76.98	71.97	71.94	63.89	64.10	72.89	72.89	72.89	+ 13.7%	+ 1.3%
<i>Ratio: Realized Volatility / Implied</i>	<i>Ratio</i>	%	123%	171%	177%	201%	245%	233%	219%	254%	289%	289%	289%	+ 13.8%	+ 18.0%
CBOE Energy Sector Vol	#	#	34.73	24.78	21.49	22.34	18.13	18.38	16.80	15.08	21.77	21.77	21.77	+ 44.4%	+ 20.1%
CBOE/COMEX Gold Vol Index	#	#	18.87	18.03	16.18	16.60	14.38	12.19	12.00	10.92	11.68	11.68	11.68	+ 6.9%	- 18.7%
Global Currencies			Type	Units	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	1Q 2018 vs. 4Q 2017	1Q 2018 vs. 1Q 2017
<b>Spot and Futures Volume (ADV)</b>															
Hotspot ADV FX	\$USD	M	29,449	25,924	25,657	26,705	28,811	27,927	29,036	32,431	42,224	42,224	42,224	+ 30.2%	+ 46.6%
Reuters ADV FX	\$USD	M	112,234	102,415	91,121	92,631	89,908	88,323	90,723	91,094	108,206	108,206	108,206	+ 18.8%	+ 20.4%
EBS ADV FX	\$USD	M	96,183	85,177	75,818	89,280	86,984	80,392	87,188	76,297	101,769	101,769	101,769	+ 33.4%	+ 17.0%
FastMatch FX	\$USD	M	10,983	12,850	12,246	14,863	17,661	20,494	18,313	17,183	20,192	20,192	20,192	+ 17.5%	+ 14.3%
CME FX ADV	Contracts	K	944	838	771	883	894	879	971	941	1,100	1,100	1,100	+ 16.9%	+ 23.1%
<b>Volatility Benchmarks (ADV)</b>															
CVIX Implied Volatility - QTD	#	#	10.67	11.10	9.87	10.15	10.04	7.91	8.09	7.36	7.77	7.77	7.77	+ 5.5%	- 22.6%
CVIX Realized Volatility - QTD	#	#	45.03	60.11	36.04	50.26	50.00	59.74	29.22	24.39	36.20	36.20	36.20	+ 48.5%	- 27.6%
<i>Ratio: Realized Volatility / Implied</i>	<i>Ratio</i>	%	4.22	5.42	3.65	4.95	4.98	7.55	3.61	3.31	4.66	4.66	4.66	+ 40.7%	- 6.4%
JPMVXYG7 Implied Volatility - QTD	#	#	10.60	11.12	10.19	10.24	10.10	7.98	8.17	7.41	7.83	7.83	7.83	+ 5.6%	- 22.4%
JPMVXYG7 Realized Volatility - QTD	#	#	42.27	72.83	31.58	40.16	35.16	39.53	27.67	22.76	39.44	39.44	39.44	+ 73.3%	+ 12.2%
<i>Ratio: Realized Volatility / Implied</i>	<i>Ratio</i>	%	3.99	6.55	3.10	3.92	3.48	4.95	3.39	3.07	5.04	5.04	5.04	+ 64.1%	+ 44.6%
JPMorgan Emerging Market Volatility	#	#	12.00	10.81	10.06	10.64	10.08	8.34	7.64	7.97	8.11	8.11	8.11	+ 1.7%	+ 19.5%
CBOE/CME FX € Vol Index	#	#	10.60	10.33	8.25	9.52	8.49	8.29	8.22	6.70	7.97	7.97	7.97	+ 18.9%	- 6.1%
CBOE/CME FX ¥ Vol Index	#	#	12.26	12.94	13.65	12.32	11.72	9.28	9.47	8.33	8.97	8.97	8.97	+ 7.8%	- 23.4%
CBOE/CME FX £ Vol Index	#	#	10.23	16.21	11.24	10.28	10.06	8.38	8.04	8.07	8.85	8.85	8.85	+ 9.7%	- 12.0%
Options, Fixed Income, & Other Securities			Type	Units	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	1Q 2018 vs. 4Q 2017	1Q 2018 vs. 1Q 2017
<b>Futures and Options Contract Volume (ADV)</b>															
OCC ADV	Contracts	M	17.11	15.79	15.45	16.20	16.56	16.68	16.18	17.35	22.41	22.41	22.41	+ 29.2%	+ 35.3%
VIX Futures Volume	Contracts	#	216,404	258,126	243,561	235,906	255,161	306,381	330,864	284,008	382,685	382,685	382,685	+ 34.7%	+ 50.0%

# Virtu GAAP Income Statement



Income Statement (\$mm)	3Q 2017	4Q 2017	1Q 2018
Trading income, net	\$203.9	\$286.4	\$406.2
Commissions, net and technology services	43.4	62.2	53.8
Interest and dividends	20.4	22.1	17.9
Other	3.6	89.7	337.1
<b>Total Revenues</b>	<b>\$271.3</b>	<b>\$460.4</b>	<b>\$815.1</b>
Brokerage, exchange and clearance fees	64.6	81.7	87.8
Communications and data processing	46.0	48.3	49.5
Employee compensation and payroll taxes	72.3	66.4	64.7
Payment for order flow	12.1	15.7	16.3
Interest and dividends expense	31.2	36.1	33.6
Operations and administrative	22.4	28.1	19.9
Office lease termination	1.8	1.9	20.0
Depreciation and amortization	15.6	18.2	15.3
Amortization of purchased intangibles and acquired capitalized software	6.4	8.9	6.9
Debt issue cost related to debt refinancing	4.9	1.1	6.0
Transaction fees and expenses	15.7	1.0	7.5
Share based compensation at IPO	0.2	0.2	-
Financing interest expense	24.6	24.0	19.0
<b>Total Operating Expenses</b>	<b>\$317.8</b>	<b>\$331.5</b>	<b>\$346.5</b>
<b>Income (Loss) before income taxes</b>	<b>(\$46.5)</b>	<b>\$128.9</b>	<b>\$468.5</b>
Provision for income taxes (benefit)	(6.5)	81.1	58.5
<b>Net Income (Loss)</b>	<b>(\$40.0)</b>	<b>\$47.8</b>	<b>\$410.0</b>

# Adjusted Net Trading Income Reconciliation

## Consolidated Business



Adjusted Net Trading Income Reconciliation (\$mm)	Pro Forma Virtu + KCG				
	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
<b>Trading income, net</b>	<b>\$293.9</b>	<b>\$252.4</b>	<b>\$217.6</b>	<b>\$286.4</b>	<b>\$406.2</b>
Commissions, net and technology services	96.4	100.3	59.6	62.2	53.8
Brokerage, exchange and clearance fees, net	(125.6)	(121.7)	(76.0)	(81.7)	(87.8)
Payments for order flow	(17.1)	(15.1)	(15.0)	(15.7)	(16.3)
Interest and dividends, net	(18.3)	(20.5)	(13.0)	(14.1)	(15.7)
<b>Adjusted Net Trading Income</b>	<b>\$229.2</b>	<b>\$195.3</b>	<b>\$173.1</b>	<b>\$237.3</b>	<b>\$340.3</b>

Adjusted Net Trading Income Reconciliation (\$mm)	Legacy Virtu Total	
	FY 2015	FY 2016
<b>Trading income, net</b>	<b>\$757.5</b>	<b>\$665.5</b>
Commissions, net and technology services	10.6	10.4
Brokerage, exchange and clearance fees, net	(232.5)	(221.2)
Interest and dividends, net	(24.3)	(30.1)
<b>Adjusted Net Trading Income</b>	<b>\$511.3</b>	<b>\$424.5</b>

# Adjusted Net Trading Income Reconciliation

## Pro Forma Virtu + KCG: Operating Segments



Adjusted Net Trading Income Reconciliation (\$mm)	Market Making				
	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
<b>Trading income, net</b>	<b>\$292.4</b>	<b>\$251.2</b>	<b>\$215.3</b>	<b>\$287.3</b>	<b>\$405.7</b>
Commissions, net and technology services	32.0	40.0	6.2	7.1	8.5
Brokerage, exchange and clearance fees, net	(106.0)	(102.8)	(59.7)	(61.7)	(69.1)
Payments for order flow	(17.0)	(15.0)	(14.9)	(15.6)	(16.2)
Interest and dividends, net	(21.3)	(22.1)	(12.5)	(13.0)	(15.4)
<b>Adjusted Net Trading Income</b>	<b>\$180.1</b>	<b>\$151.3</b>	<b>\$134.4</b>	<b>\$204.1</b>	<b>\$313.5</b>

Adjusted Net Trading Income Reconciliation (\$mm)	Execution Services				
	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
<b>Trading income, net</b>	<b>\$1.2</b>	<b>\$0.4</b>	<b>\$0.7</b>	<b>(\$2.1)</b>	<b>\$0.5</b>
Commissions, net and technology services	64.4	60.3	53.4	55.1	45.3
Brokerage, exchange and clearance fees, net	(19.6)	(18.9)	(16.3)	(20.0)	(18.8)
Payments for order flow	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)
Interest and dividends, net	0.2	0.1	0.2	0.2	(0.3)
<b>Adjusted Net Trading Income</b>	<b>\$46.1</b>	<b>\$41.8</b>	<b>\$37.9</b>	<b>\$33.2</b>	<b>\$26.7</b>

Adjusted Net Trading Income Reconciliation (\$mm)	Corporate				
	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
<b>Trading income, net</b>	<b>\$0.1</b>	<b>\$0.2</b>	<b>\$1.6</b>	<b>\$1.2</b>	<b>-</b>
Commissions, net and technology services	-	-	-	-	-
Brokerage, exchange and clearance fees, net	-	-	-	-	-
Payments for order flow	-	-	-	-	-
Interest and dividends, net	2.9	2.1	(0.7)	(1.2)	0.04
<b>Adjusted Net Trading Income</b>	<b>\$3.0</b>	<b>\$2.2</b>	<b>\$0.9</b>	<b>(\$0.05)</b>	<b>\$0.04</b>



# Adjusted Net Trading Income Reconciliation

## Pro Forma Virtu + KCG: Market Making Segments



Adjusted Net Trading Income Reconciliation (\$mm)	Americas Equities				
	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
<b>Trading income, net</b>	<b>\$180.0</b>	<b>\$144.0</b>	<b>\$128.2</b>	<b>\$186.7</b>	<b>\$273.2</b>
Commissions, net and technology services	29.6	37.8	5.6	7.1	8.5
Brokerage, exchange and clearance fees, net	(64.6)	(64.1)	(30.4)	(31.2)	(41.1)
Payments for order flow	(17.0)	(15.0)	(14.9)	(15.6)	(16.2)
Interest and dividends, net	(13.4)	(13.8)	(6.1)	(5.9)	(8.7)
<b>Adjusted Net Trading Income</b>	<b>\$114.6</b>	<b>\$88.9</b>	<b>\$82.4</b>	<b>\$141.1</b>	<b>\$215.7</b>

Adjusted Net Trading Income Reconciliation (\$mm)	ROW Equities				
	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
<b>Trading income, net</b>	<b>\$52.3</b>	<b>\$55.4</b>	<b>\$40.0</b>	<b>\$57.6</b>	<b>\$51.7</b>
Commissions, net and technology services	2.1	2.2	0.7	-	-
Brokerage, exchange and clearance fees, net	(22.5)	(22.0)	(16.1)	(19.3)	(15.9)
Payments for order flow	-	-	-	-	-
Interest and dividends, net	(4.9)	(5.7)	(3.6)	(3.5)	(2.4)
<b>Adjusted Net Trading Income</b>	<b>\$26.9</b>	<b>\$29.9</b>	<b>\$20.9</b>	<b>\$34.8</b>	<b>\$33.4</b>

Adjusted Net Trading Income Reconciliation (\$mm)	Global FICC, Options, Other				
	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
<b>Trading income, net</b>	<b>\$60.7</b>	<b>\$53.2</b>	<b>\$48.2</b>	<b>\$45.0</b>	<b>\$82.1</b>
Commissions, net and technology services	0.3	0.02	(0.1)	0.01	(0.02)
Brokerage, exchange and clearance fees, net	(18.4)	(16.3)	(13.5)	(12.0)	(12.5)
Payments for order flow	-	-	-	-	-
Interest and dividends, net	(2.5)	(1.9)	(2.2)	(2.4)	(3.3)
<b>Adjusted Net Trading Income</b>	<b>\$40.1</b>	<b>\$35.0</b>	<b>\$32.3</b>	<b>\$30.6</b>	<b>\$66.3</b>

Adjusted Net Trading Income Reconciliation (\$mm)	Unallocated				
	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
<b>Trading income, net</b>	<b>(\$0.6)</b>	<b>(\$1.4)</b>	<b>(\$1.1)</b>	<b>(\$2.0)</b>	<b>(\$1.2)</b>
Commissions, net and technology services	-	-	-	-	-
Brokerage, exchange and clearance fees, net	(0.4)	(0.5)	0.4	0.8	0.5
Payments for order flow	-	-	-	-	-
Interest and dividends, net	(0.6)	(0.7)	(0.6)	(1.2)	(1.1)
<b>Adjusted Net Trading Income</b>	<b>(\$1.5)</b>	<b>(\$2.5)</b>	<b>(\$1.3)</b>	<b>(\$2.4)</b>	<b>(\$1.8)</b>

# Adjusted EPS Reconciliation



Adjusted EPS Reconciliation (\$mm)	2Q 2015	3Q 2015	4Q 2015	FY 2016	FY 2017	1Q 2018
<b>Pre-Tax Income (Loss)</b>	<b>\$9.6</b>	<b>\$78.9</b>	<b>\$47.3</b>	<b>\$179.6</b>	<b>\$113.2</b>	<b>\$468.5</b>
Intangible amortization	0.1	0.1	0.1	0.2	15.4	6.9
Debt issue costs related to financing	-	0.3	-	5.6	10.5	6.0
Severance <sup>1</sup>	-	-	0.4	1.3	14.9	3.7
Reserve for legal matter	-	-	5.4	-	0.7	-
Transaction fees and expenses	-	-	-	1.0	25.3	7.5
Trading related settlement income	-	-	-	(3.0)	(0.6)	-
Office lease termination	-	-	-	(0.3)	3.7	20.0
Write-down of assets	-	0.3	-	0.4	2.8	0.9
Shared based compensation	48.3	6.0	3.9	25.6	27.8	9.3
Connectivity early termination	-	-	-	-	-	2.5
Gain on sale of business	-	-	-	-	-	(337.5)
Acquisition related compensation	-	-	-	-	23.1	-
Financing interest expense related to KCG transaction	-	-	-	-	4.6	-
Other	-	-	-	(0.0)	(95.0)	0.5
<b>Normalized Adjusted Pre-Tax Income</b>	<b>\$57.9</b>	<b>\$85.6</b>	<b>\$57.1</b>	<b>\$210.3</b>	<b>\$146.2</b>	<b>\$188.3</b>
Taxes (2018: 23%; 2017: 37%; 2015-2016: 35.5%)	20.5	30.4	20.3	74.7	54.1	43.3
<b>Normalized Adjusted Net Income</b>	<b>\$37.3</b>	<b>\$55.2</b>	<b>\$36.8</b>	<b>\$135.6</b>	<b>\$92.1</b>	<b>\$145.0</b>
Weighted average fully diluted shares outstanding	138.7	138.9	138.9	139.7	161.5	190.1
<b>Normalized Adjusted EPS</b>	<b>\$0.27</b>	<b>\$0.40</b>	<b>\$0.27</b>	<b>\$0.97</b>	<b>\$0.57</b>	<b>\$0.76</b>

<sup>1</sup> Includes \$1.4 million of contractually obligated success bonus to BondPoint employees upon closing of BondPoint sale in 1Q 2018

# Adjusted Operating Expenses Reconciliation



Adjusted Operating Expenses Reconciliation (\$mm)	3Q 2017	4Q 2017	1Q 2018
Employee compensation and payroll taxes	\$72.3	\$66.4	\$64.7
Operations and administrative	22.4	28.1	19.9
Communications and data processing	46.0	48.3	49.5
Depreciation and amortization	15.6	18.2	15.3
Less:			
Severance <sup>1</sup>	(9.3)	(4.7)	(3.7)
Share based compensation	(3.8)	(5.8)	(9.3)
Reserve for legal matters	-	(2.8)	-
Connectivity early termination	-	-	(2.5)
Write-down of assets	(0.5)	(0.7)	(0.9)
Amortization of purchased intangibles	-	-	-
<b>Adjusted Operating Expenses</b>	<b>\$142.8</b>	<b>\$147.0</b>	<b>\$132.9</b>

<sup>1</sup> Includes \$1.4 million of contractually obligated success bonus to BondPoint employees upon closing of BondPoint sale in 1Q 2018

# Adjusted GAAP Compensation Reconciliation

*Legacy Virtu*



Adjusted Compensation Expense Reconciliation (\$mm)	FY 2015	FY 2016	1Q 2018
Employee compensation and payroll taxes	\$88.0	\$85.3	\$64.7
Less:			
Severance <sup>1</sup>	(1.1)	(1.3)	(3.7)
Share based compensation at IPO, 2015 Management Incentive Plan	(4.7)	(5.6)	(1.4)
<b>Adjusted Compensation Expense</b>	<b>\$82.3</b>	<b>\$78.4</b>	<b>\$59.5</b>

<sup>1</sup> Includes \$1.4 million of contractually obligated success bonus to BondPoint employees upon closing of BondPoint sale in 1Q 2018

# Adjusted EBITDA Reconciliation



Adjusted EBITDA Reconciliation (\$mm)	3Q 2017	4Q 2017	1Q 2018
<b>Pre-Tax Income (Loss)</b>	<b>(\$46.5)</b>	<b>\$128.9</b>	<b>\$468.5</b>
Interest expense	29.5	25.1	25.1
Depreciation and amortization	22.0	27.1	22.2
Severance <sup>1</sup>	9.3	4.7	3.7
Reserve for legal matter	-	2.8	-
Transaction fees and expenses	15.7	1.0	7.5
Trading related settlement income	-	(0.6)	-
Office lease termination	1.8	1.9	20.0
Write-down of assets	0.5	0.7	0.9
Shared based compensation	3.8	6.0	9.3
Connectivity early termination	-	-	2.5
Gain on sale of business	-	-	(337.5)
Acquisition related compensation	23.0	-	-
Other	(0.3)	(89.7)	0.5
<b>Adjusted EBITDA</b>	<b>\$58.8</b>	<b>\$107.9</b>	<b>\$222.7</b>
<i>Adjusted EBITDA Margin</i>	<i>36.8%</i>	<i>45.4%</i>	<i>65.4%</i>

<sup>1</sup> Includes \$1.4 million of contractually obligated success bonus to BondPoint employees upon closing of BondPoint sale in 1Q 2018