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FOR IMMEDIATE RELEASE

ITG Ranks Number One For Transaction Cost Analysis In Waters Magazine Annual Readers' Choice Awards

NEW YORK, NY, June 30, 2005 – Investment Technology Group, Inc. (“ITG”) (NYSE: ITG), a leading provider of technology-based equity trading services and transaction research, today announced that it had won first place in the category for Best Transaction Cost Analysis in the readers’ choice awards of Waters Magazine.

The Third Annual Waters Magazine Rankings recognizes technological excellence provided by vendors to end users at banks, brokerages and investment management firms worldwide. The voters included buy and sell side end users who voted in the thirteen categories for which they have responsibility. The geographic location of the voters was split between 55% in the United States, 30% from Europe, 10% from the Asia/Pacific region and the remaining 5% coming from other global locations.

“We’re pleased to receive top honors in the Transaction Cost Analysis category which we believe is a testimony to our culture of partnering with clients to achieve the best possible results,” stated Ian Domowitz, ITG’s Managing Director, Global Head of Research. “This honor is the result of our continuous innovations and dedication to providing excellent customer service.”

About Waters

Each month, Waters reports and analyzes the practical implementation of financial technology in the wholesale banking and securities industry. Since its launch in 1993, financial IT professionals worldwide have relied on the magazine for its focused, in-depth coverage of financial market data and technology as well as the human issues of talent management, staff retention and compensation within the financial services community. With more than 10,000 subscribers, Waters readers enjoy the insights of CIOs and CTOs from the global capital markets. Waters is published by Incisive Media Plc. For more information, please visit our web site at www.watsonline.com and www.incisivemedia.com.

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About ITG

ITG is headquartered in New York with offices in Boston, Los Angeles, Dublin, Hong Kong, London, Melbourne, Sydney, Tel Aviv and Toronto. As a leading provider of technology-based equity trading services and transaction research to institutional investors and brokers, ITG helps clients to access liquidity, execute trades more efficiently and make better trading decisions. ITG generates superior trading results for its clients through three lines of business. POSIT®, the world's largest equity matching system, allows clients to trade confidentially. The Electronic Trading Desk is recognized as one of the leading program trading operations in the U.S. ITG's leading-edge Client-Site Trading Products allow users to implement their own trading strategies by providing direct electronic access to most sources of market liquidity. For additional information, visit <http://www.itginc.com>.

In addition to historical information, this press release may contain "forward-looking" statements, as defined in the Private Securities Litigation Reform Act of 1995, that reflect management's expectations for the future. A variety of important factors could cause results to differ materially from such statements. These factors include the company's ability to achieve expected future levels of sales; the actions of both current and potential new competitors; rapid changes in technology; financial market volatility; general economic conditions in the United States and elsewhere; evolving industry regulation; cash flows into or redemption from equity funds; effects of inflation; customer trading patterns; and new products and services. These and other risks are described in greater detail in the company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004, and other documents filed with the Securities and Exchange Commission and available on the company's web site.

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