

Investment Technology Group 3rd Quarter 2008 - Earnings Presentation

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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 the Company's 2007 Annual Report on Form 10-K and include but are not limited to: the actions of both current and potential new competitors, rapid changes in technology, fluctuations in market trading volumes, market volatility, changes in the regulatory environment, risk of errors or malfunctions in our systems or technology, cash flows into or redemptions from equity funds, effects of inflation, customer trading patterns, general economic and business conditions, securities, credit and financial market conditions, as well as adverse changes or volatility in interest rates.

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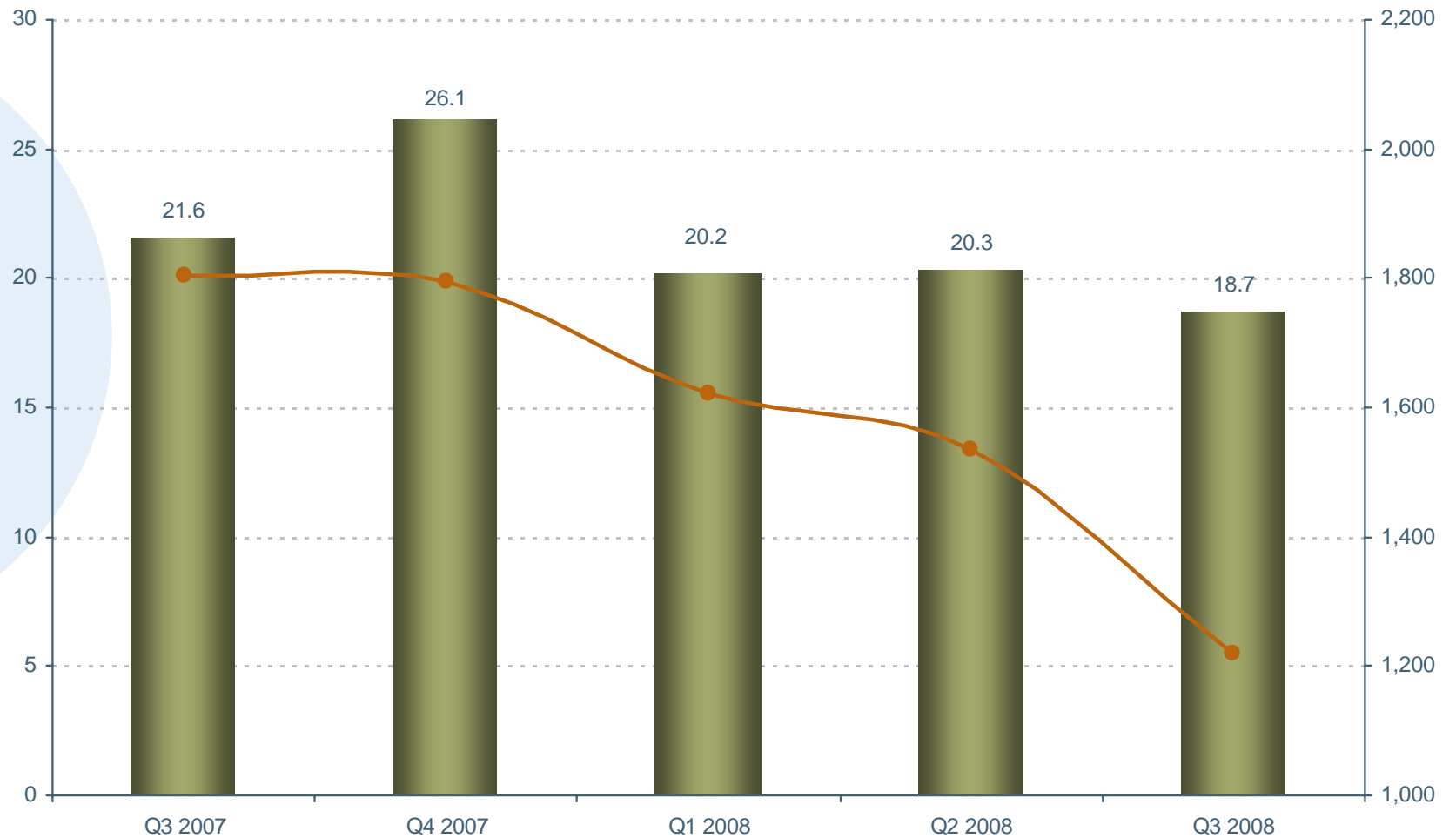
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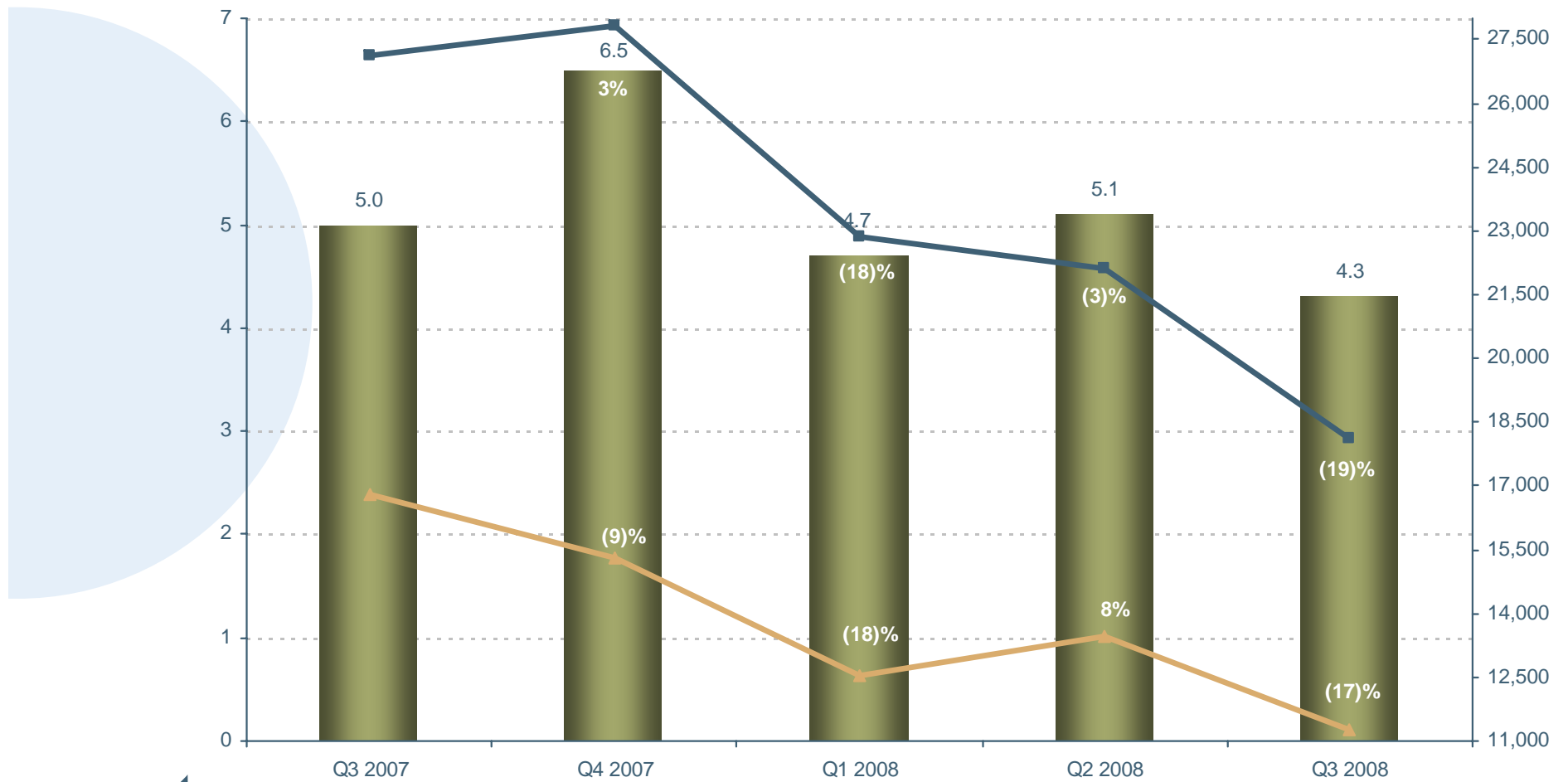
ITG Third Quarter Highlights

- US Overview
 - Institutional Outlook
 - Agency Broker Advantage
- International Overview
 - Europe
 - Asia
 - Canada

ITG Europe to MSCI Pan Euro Index



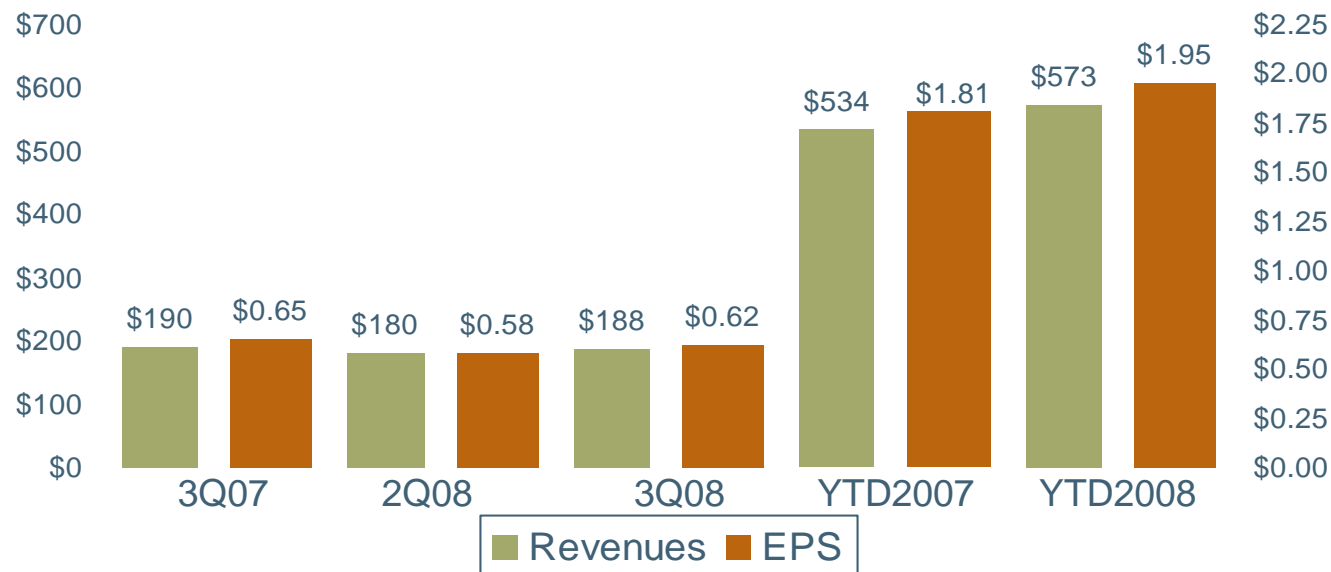
ITG Asia to Hang Seng, Nikkei 225



3rd Quarter 2008 GAAP Results

	vs. 2Q08	vs. 3Q07	YTD 2008 vs. 2007
● Revenues	4%	(1%)	7%
● Net Income	6%	(7%)	6%
● EPS	7%	(5%)	8%

(in millions
except EPS)



Operating Results – 3Q08 vs. 3Q07

<i>(in millions)</i>	U.S. Operations		Non-U.S. Operations		Total	
	3Q08	3Q07	3Q08	3Q07	3Q08	3Q07
Revenues:						
Commissions	\$ 121	\$ 118	\$ 41	\$ 44	\$ 162	\$ 162
Recurring	20	20	2	1	22	21
Other	-	4	4	3	4	7
Total Revenues	\$ 141	\$ 142	\$ 47	\$ 48	\$ 188	\$ 190
Expenses	99	98	44	43	143	141
Pre-tax Income	42	44	3	5	45	49
Tax Expense	16	18	2	2	18	20
Net Income	\$ 26	\$ 26	\$ 1	\$ 3	\$ 27	\$ 29
EPS	\$0.61	\$0.58	\$0.01	\$0.07	\$0.62	\$0.65

Operating Results – YTD 2008 vs. YTD 2007

<i>(in millions)</i>	U.S. Operations		Non-U.S. Operations		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Commissions	\$ 362	\$ 338	\$ 130	\$ 116	\$ 492	\$ 454
Recurring	62	58	4	3	66	61
Other	3	10	12	9	15	19
Total Revenues	\$ 427	\$ 406	\$ 146	\$ 128	\$ 573	\$ 534
Expenses	290	284	134	112	424	396
Pre-tax Income	137	122	12	16	149	138
Tax Expense	55	50	8	7	63	57
Net Income	\$ 82	\$ 72	\$ 4	\$ 9	\$ 86	\$ 81
EPS	\$1.86	\$1.61	\$0.09	\$0.20	\$1.95	\$1.81

Summary of Operating Expenses – 3Q08 vs. 2Q08

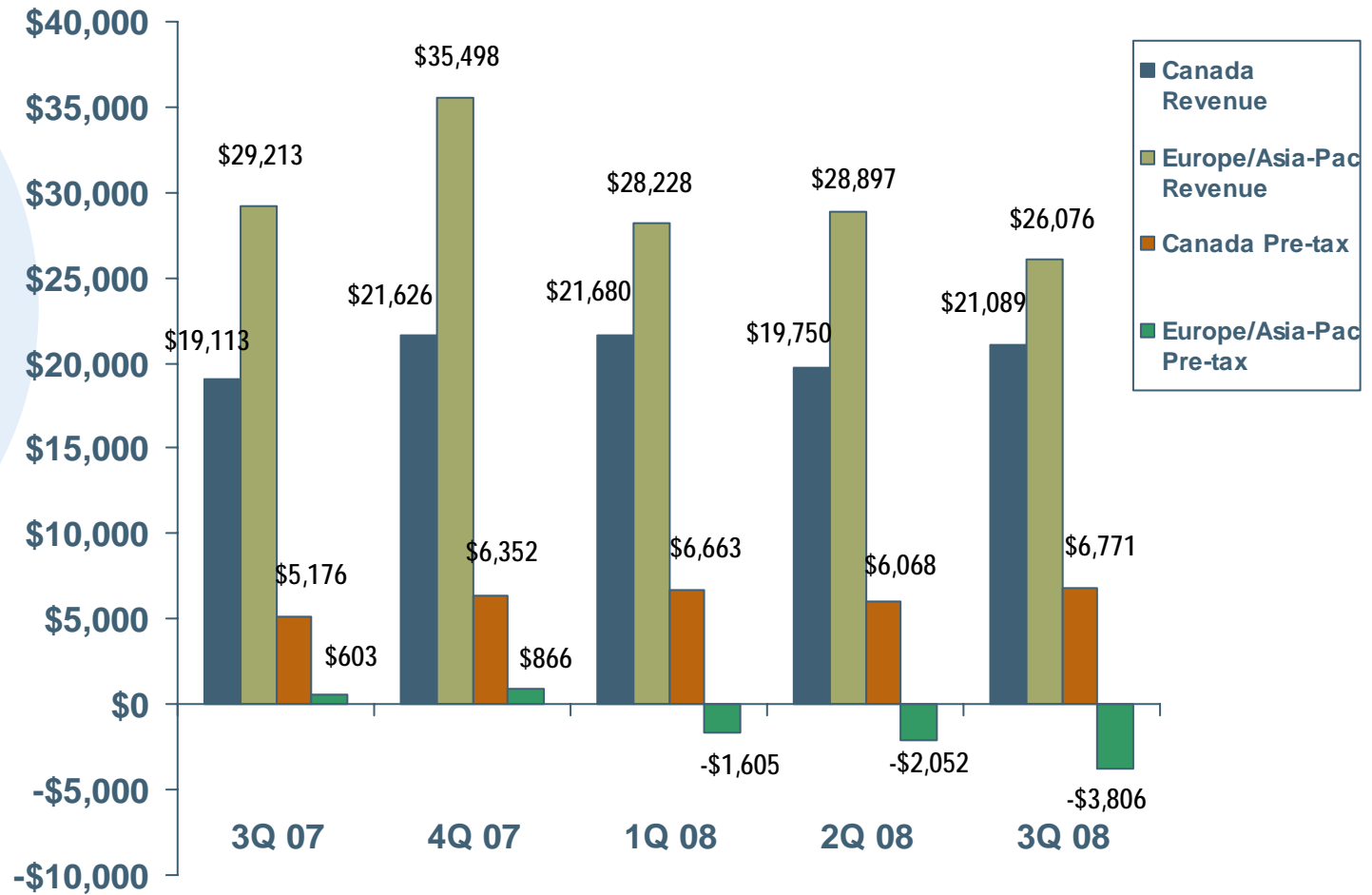
<i>(in millions)</i>	U.S. Operations		Non-U.S. Operations		Total	
	3Q08	2Q08	3Q08	2Q08	3Q08	2Q08
Comp & Benefits	\$ 46.6	\$ 43.8	\$18.0	\$ 16.4	\$ 64.6	\$ 60.2
Transaction Processing	11.7	10.4	12.7	13.9	24.4	24.3
Occupancy & Equipment	11.5	11.2	3.5	3.5	15.0	14.7
Telecom & Data Processing	9.8	8.1	4.2	4.3	14.0	12.4
Other G&A and Interest Costs	18.9	18.1	5.8	6.6	24.7	24.7
Total	\$98.5	\$91.6	\$44.2	\$44.7	\$142.7	\$136.3

Non-U.S. Financial Summary – Operating Results

<i>(in millions)</i>	3Q08	2Q08	1Q08	4Q07	3Q07
Revenues					
Asia	\$4.3	\$5.1	\$4.7	\$6.5	\$5.0
Australia	3.1	3.5	3.3	2.9	2.6
Canada	21.1	19.8	21.7	21.6	19.1
Europe	18.7	20.3	20.2	26.1	21.6
Total Revenues	\$47.2	\$48.7	\$49.9	\$57.1	\$48.3
Expenses					
Compensation & Benefits	\$18.0	\$16.4	\$17.9	\$16.9	\$16.3
Transaction Proc.	12.7	13.9	12.8	20.3	15.3
Occupancy	3.5	3.5	3.3	3.0	2.9
Telecommunications	4.2	4.3	3.9	3.5	2.9
Other G&A	5.8	6.6	6.9	6.2	5.1
Total Expenses	\$44.2	\$44.7	44.8	\$49.9	\$42.5
Pre-Tax Income	\$3.0	\$4.0	\$5.1	\$7.2	\$5.8

Non-US: Results Summary

(in thousands)

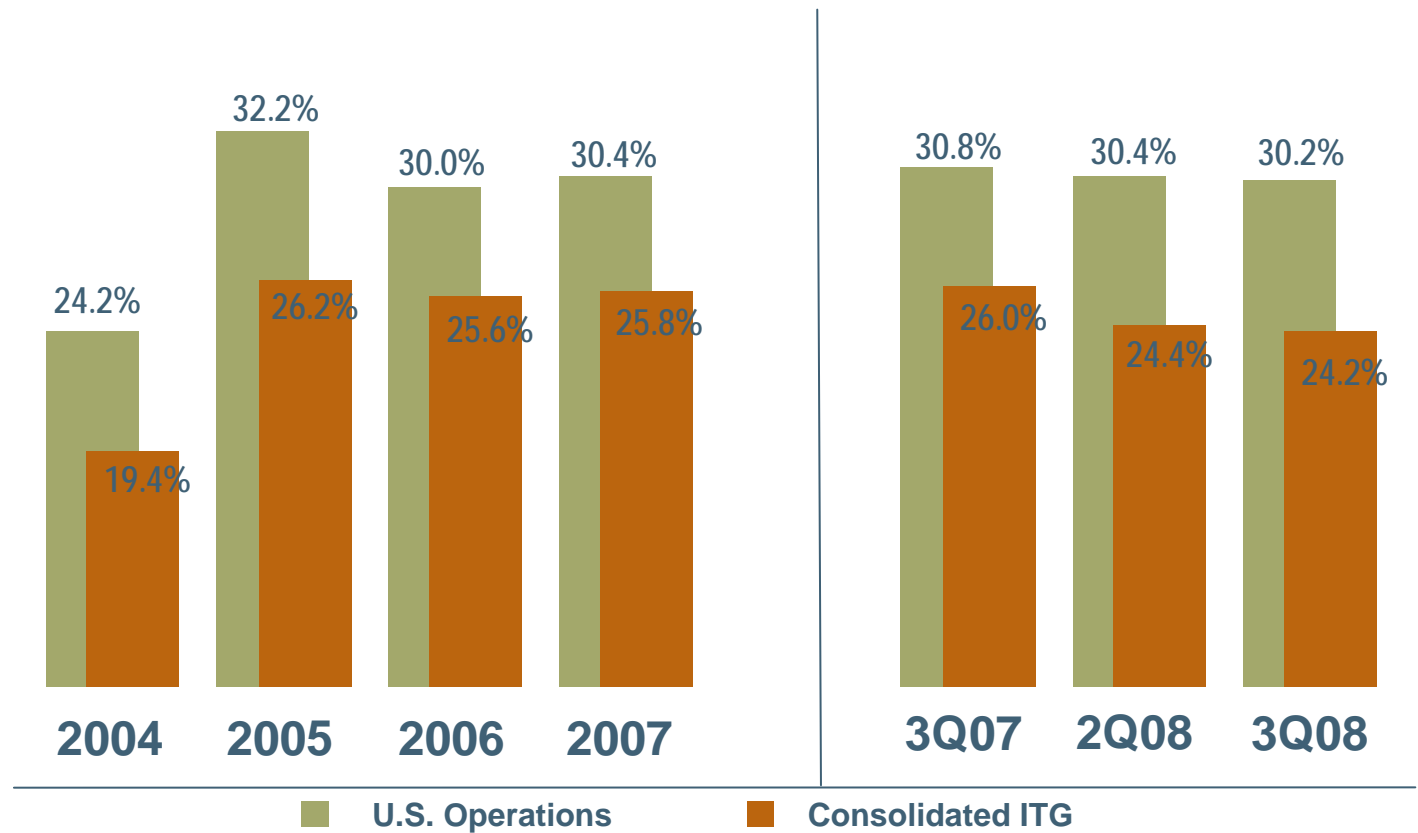


U.S. Trading Volumes and Revenues Per Share

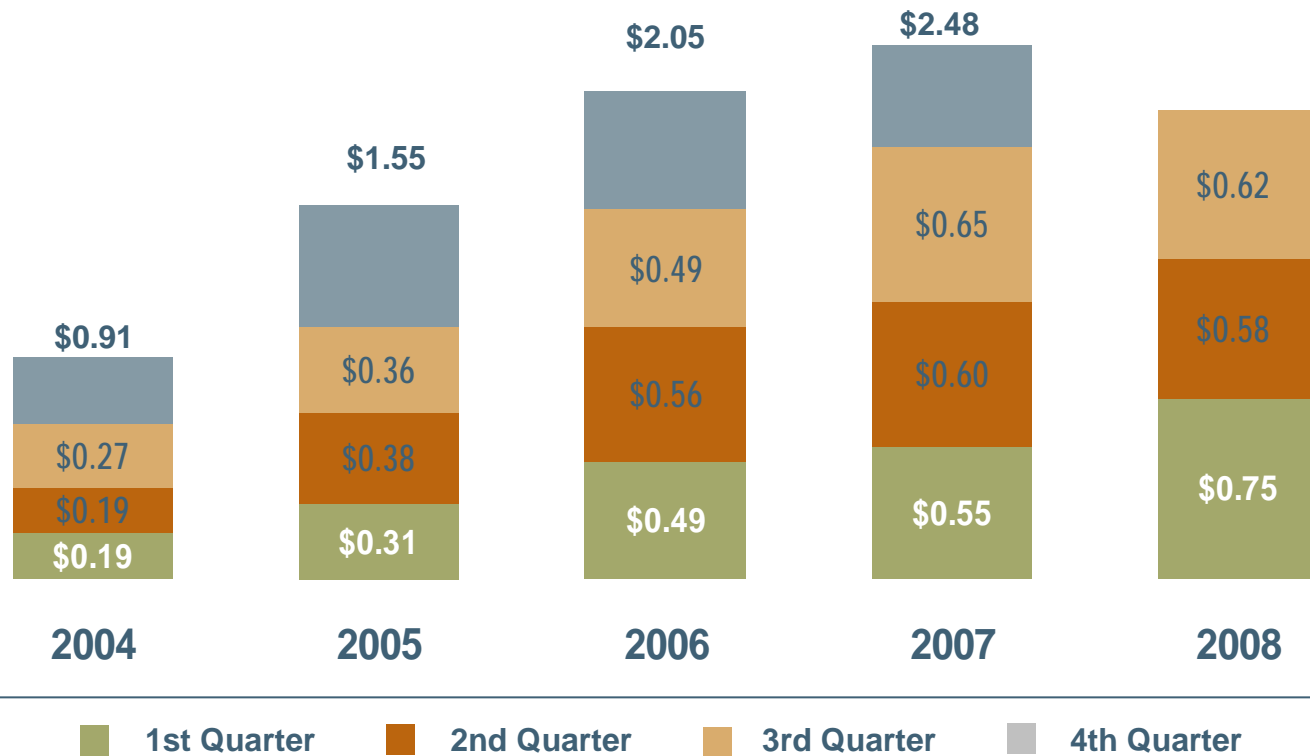
(in millions except cents per share and trading days)

	3Q08	2Q08	1Q08	4Q07	3Q07
Trading Volumes	13,928	11,979	13,749	12,390	12,837
Trading Days	64	64	61	64	63
Trading Volumes Per Day	217.6	187.2	225.4	193.6	203.8
Revenue Per Share (Based on BD Revenue excl. ITG Derivatives)	\$0.0079	\$0.0083	\$0.0088	\$0.0085	\$0.0086
Broker Dealer Commission Revenues	\$110.2	\$99.9	\$120.9	\$105.7	\$110.4
OMS Commission Revenues	\$6.2	\$4.7	\$4.8	\$4.0	\$3.7
ITG Derivatives	\$4.8	\$5.0	\$5.9	\$4.9	\$3.0
Total Commission Revenues	\$121.2	\$109.6	\$131.6	\$114.6	\$117.1

Pre-Tax Operating Margin



Operating Earnings Per Share





Q&A