

Investment Technology Group Investor Overview November 2008





Investor Overview Agenda

ITG at a glance
Growth drivers
Company financials
Outlook



Investor Overview ITG business description



**ITG is a pure play on the move toward
global, self-directed institutional execution
across multiple asset classes**

The ITG business – who we are

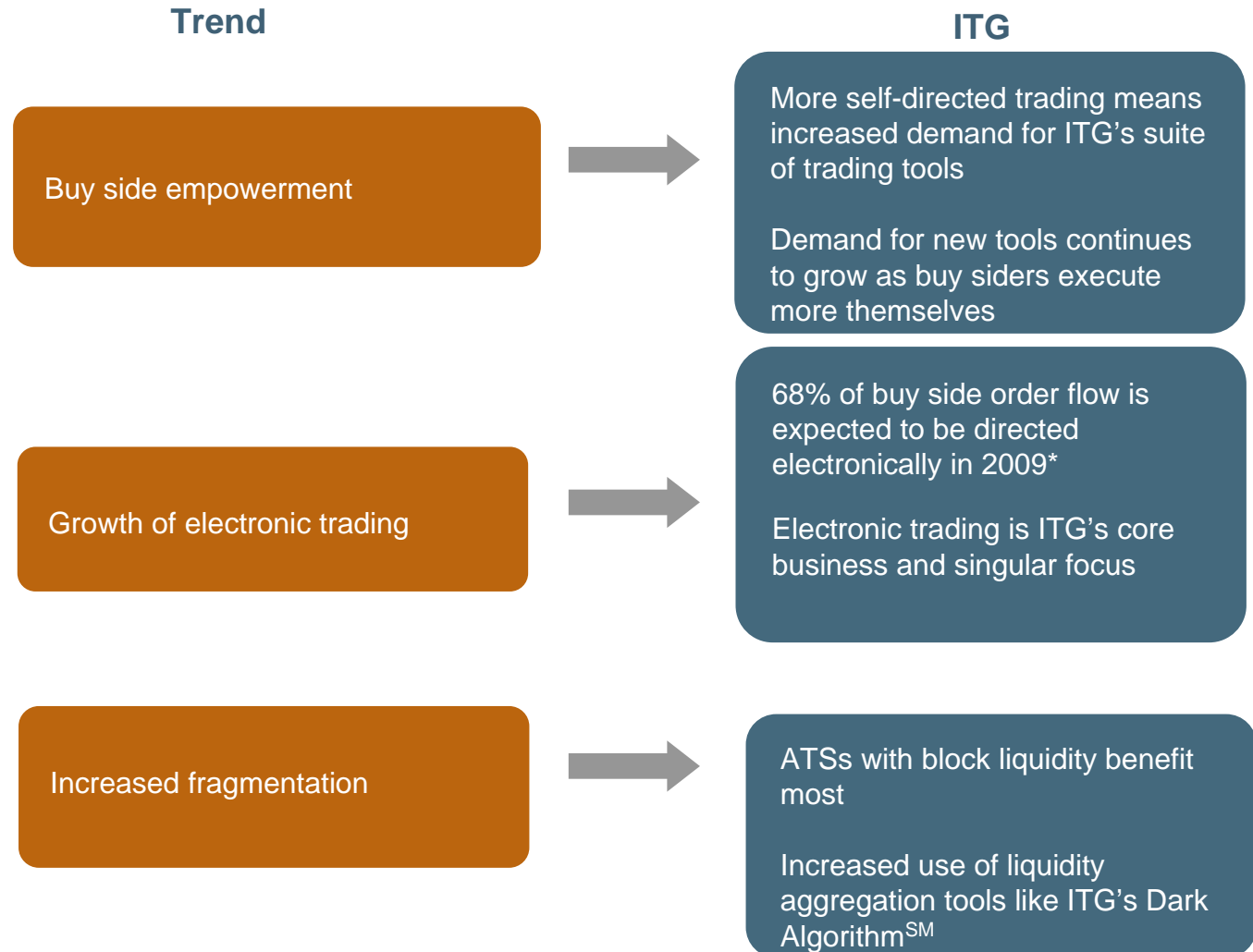
- ITG is a specialized agency brokerage and technology firm with a unique approach to the essential trading technology the buy side relies on, coupled with exceptional client service
- ITG has reported double digit cash earnings growth for the last three years
- ITG's core business is partnering with clients to provide a suite of comprehensive solutions spanning the entire trading process
- ITG is expanding globally and into new asset classes and products as these markets are just beginning to realize the potential of self-directed tools
- Recent Awards
 - *Waters Magazine* ranked ITG's Execution Management System #1 in its 2008 Waters Rankings
 - Greenwich Associates ranked ITG the #1 electronic broker for the third consecutive year in 2008

Unique offering across the trading continuum

- Comprehensive suite provides revenue diversification and expansion of client relationships
- Unique offering is key differentiator: ITG is a 'one-stop-shop' for clients

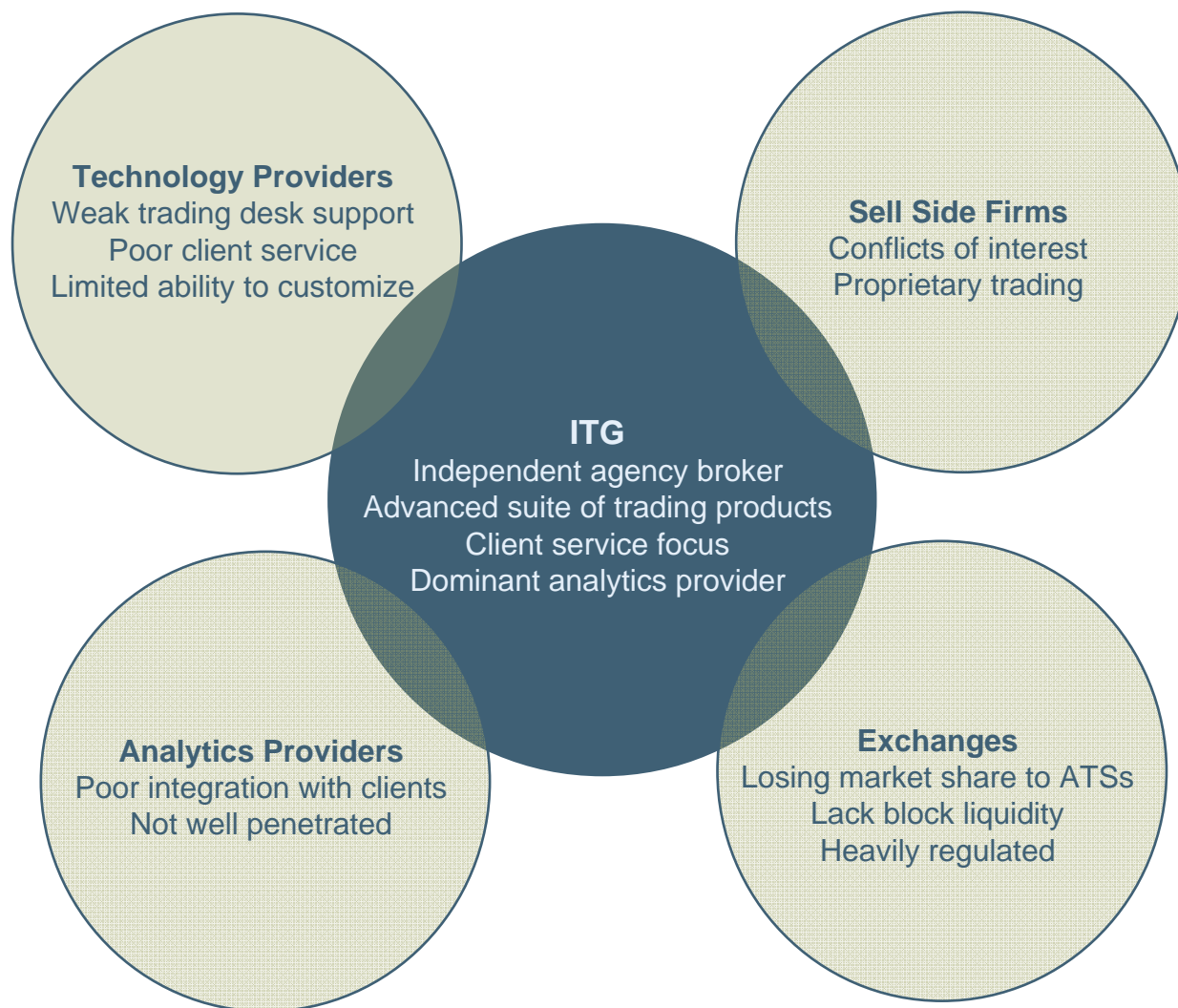


Investment thesis - industry trends point to ITG



Where does ITG fit?

ITG occupies a unique position in the financial industry because its products span the trading continuum



ITG competitive advantages

- **Agile firm, focused on innovation**
 - Constant evolution of technology
 - Client partnerships
- **Continuum of products is our core strength**
 - Comprehensive suite increases stickiness of client relationships
 - Differentiates ITG from other brokers and technology vendors
- **Trusted technology partner**
 - Demystify complex technology for clients
 - Neutral agency broker status makes ITG a partner in a way large banks can never be
 - Broker heritage and client service focus distinguishes us from technology vendors

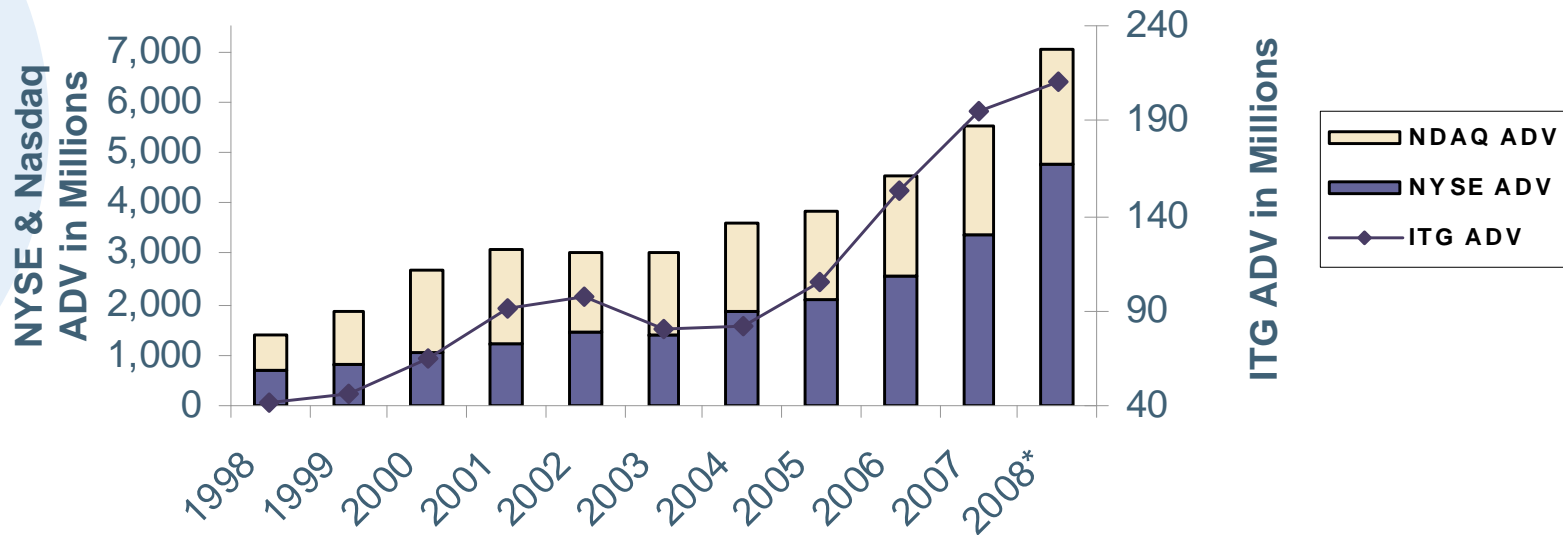


Investor Overview

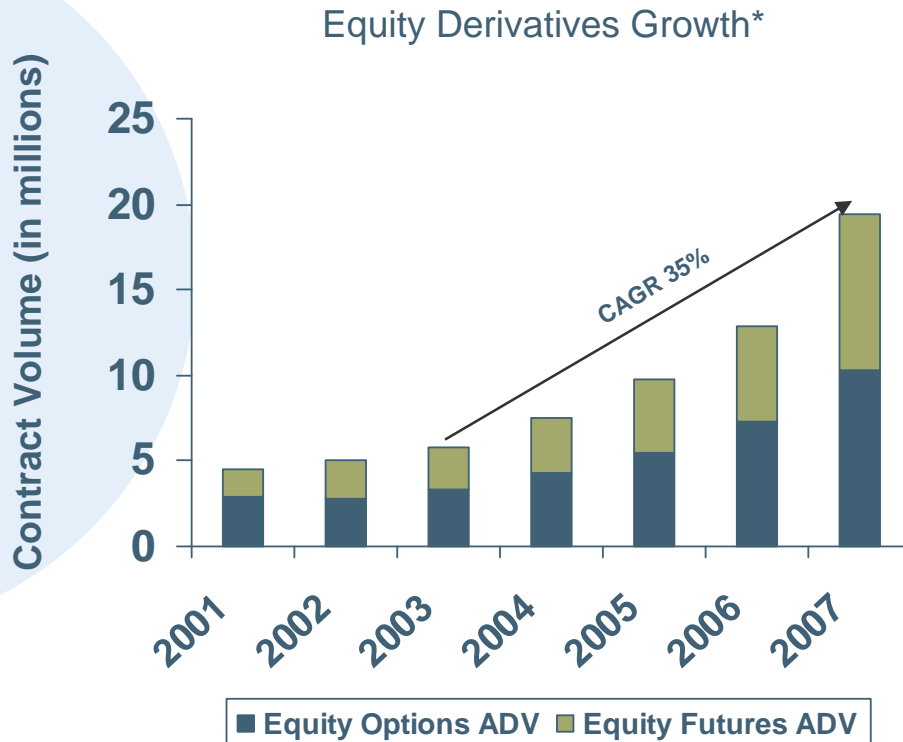
Industry trends, drivers of future growth

Best kept secret - US equity business shows continued strength

Industry volumes have steadily increased, with a CAGR of roughly 17% from 1998 to 2007 and 20% since 2005.



Breaking boundaries – multi-asset growth

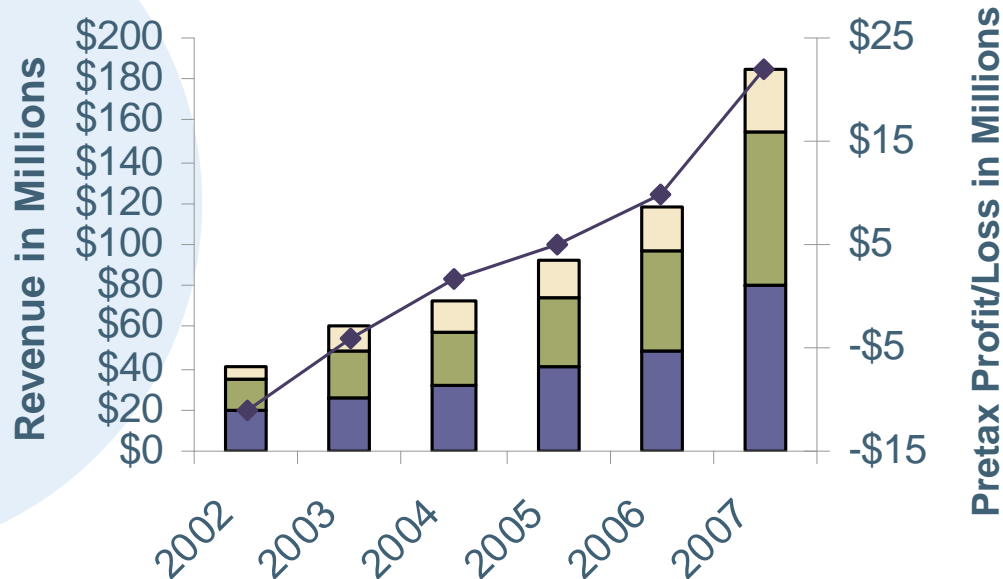


Why ITG? Why now?

- Equity derivatives volume continues to grow
- Two-thirds of equity options volume is expected to be executed electronically by 2010**
- ITG is adding equity futures and options capabilities to its product suite
- ITG continues to evaluate other contiguous asset classes and add new functionality

International growth is a key priority

Non-US operations comprised 25% of 3Q08 revenues



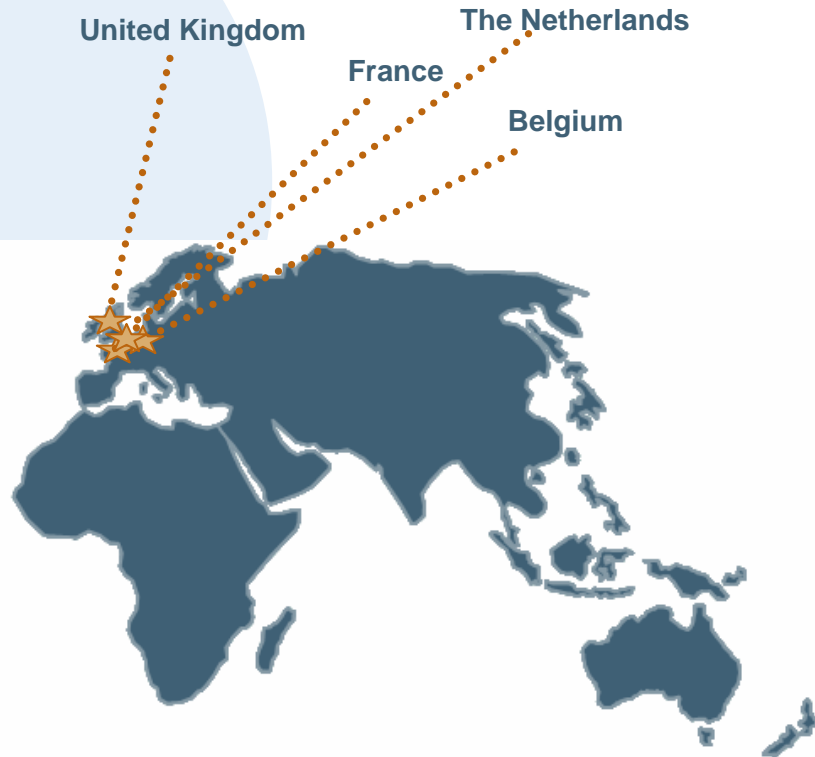
Why ITG? Why now?

- MiFID regulation in Europe drives growth of electronic trading methods and analytics, which aligns with ITG's business model
- Buy side needs global applications and solutions
- ITG has built strong organizations in Canada and Europe
- ITG is investing in Asia to position itself for growth in the region

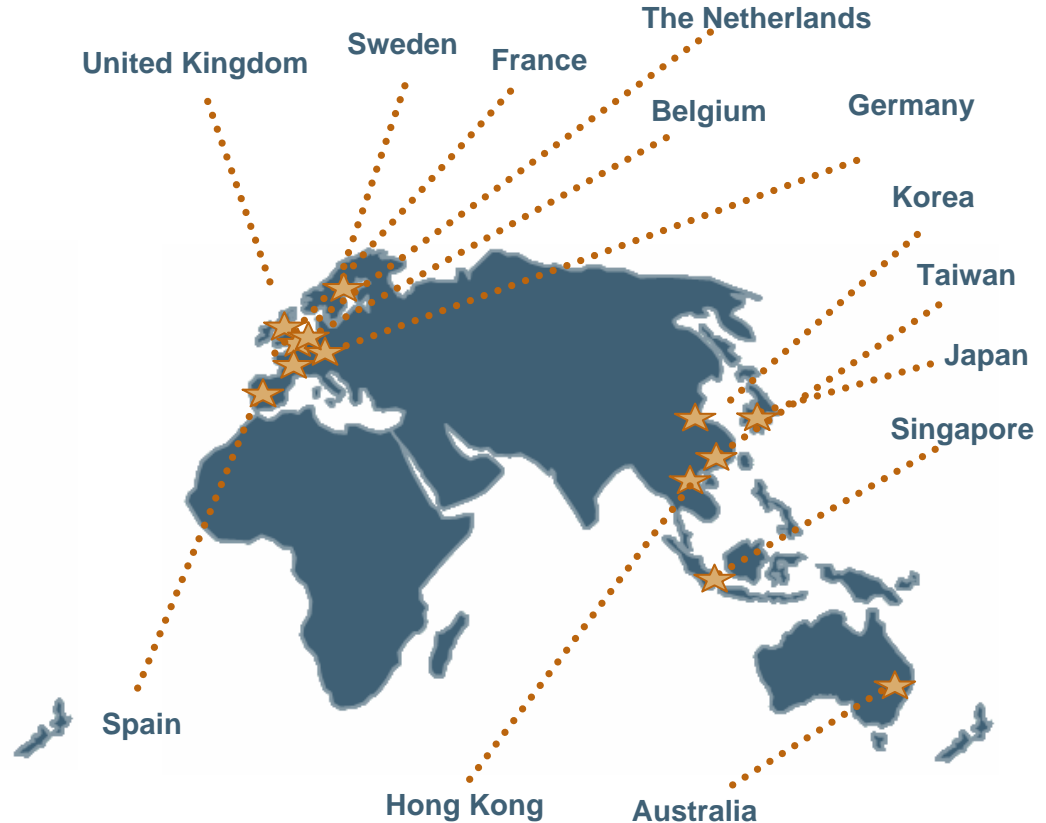
International equity trading set to increase

TABB group estimates that the percentage of European buy-side firms with direct market access platforms is set to increase from 59% in 2007 to 73% in 2009, providing ITG great opportunity through Triton

Europe and Asia Triton Penetration in 2006



Europe and Asia Triton Penetration in 2008





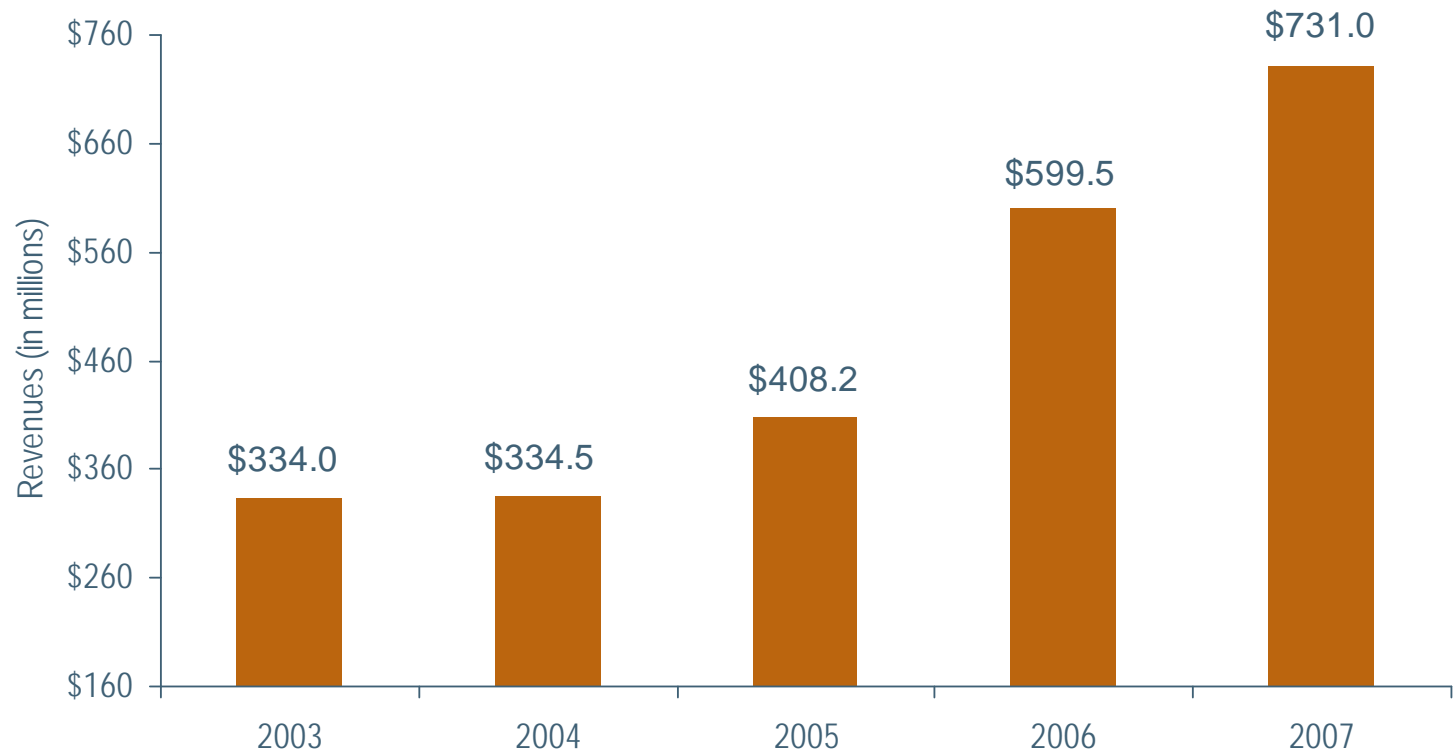
Investor Overview Financials

Financial highlights as of Sept. 30, 2008

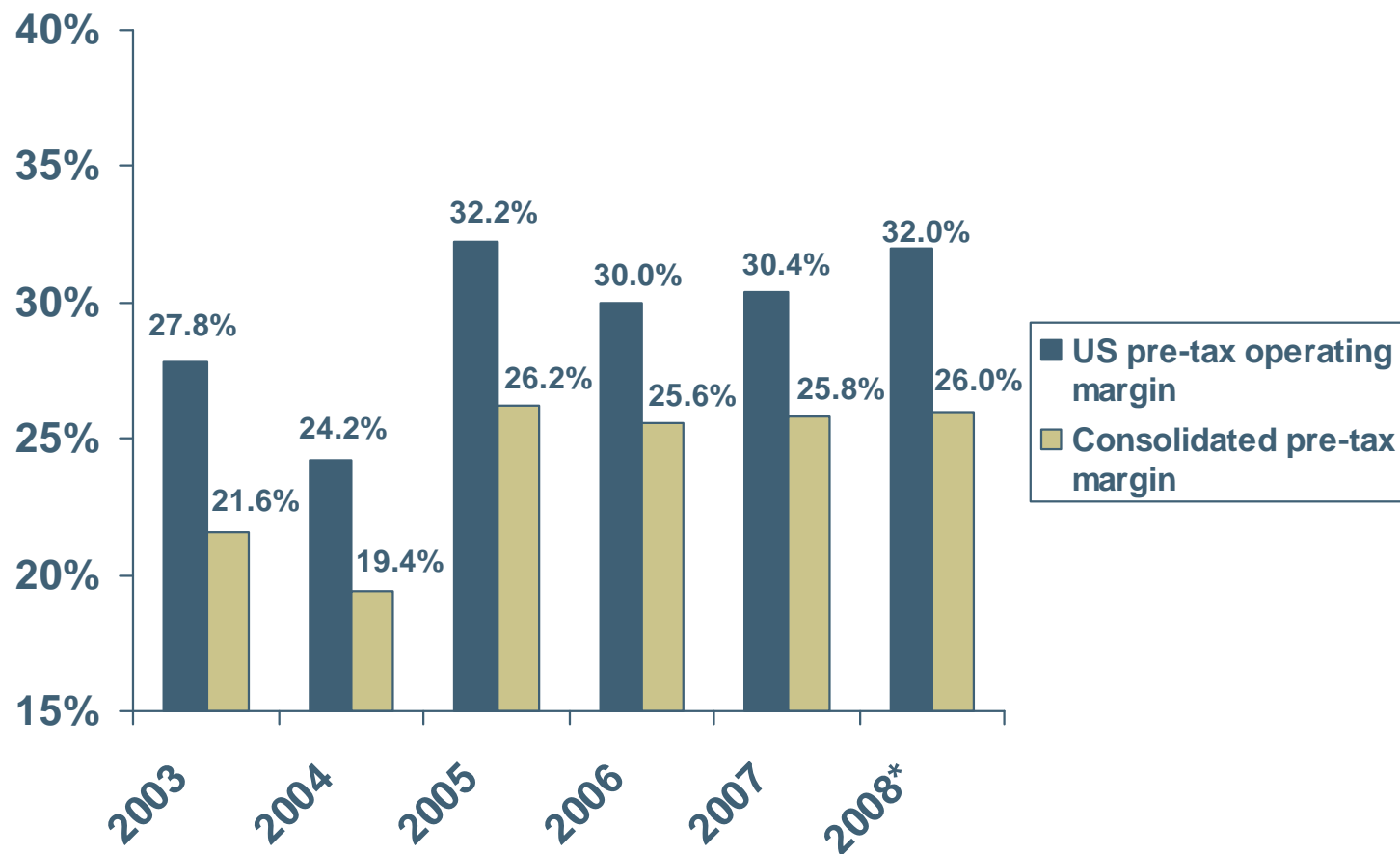
- Strong balance sheet
- Cash and securities of \$300 million
- Debt of \$104 million
- Cash earnings of \$74.4 million generated in YTD September 2008
- Consolidated pre-tax operating margin of 26.0% for YTD September 2008

ITG revenues show positive growth

ITG revenues have had a CAGR of approximately 22% since 2003

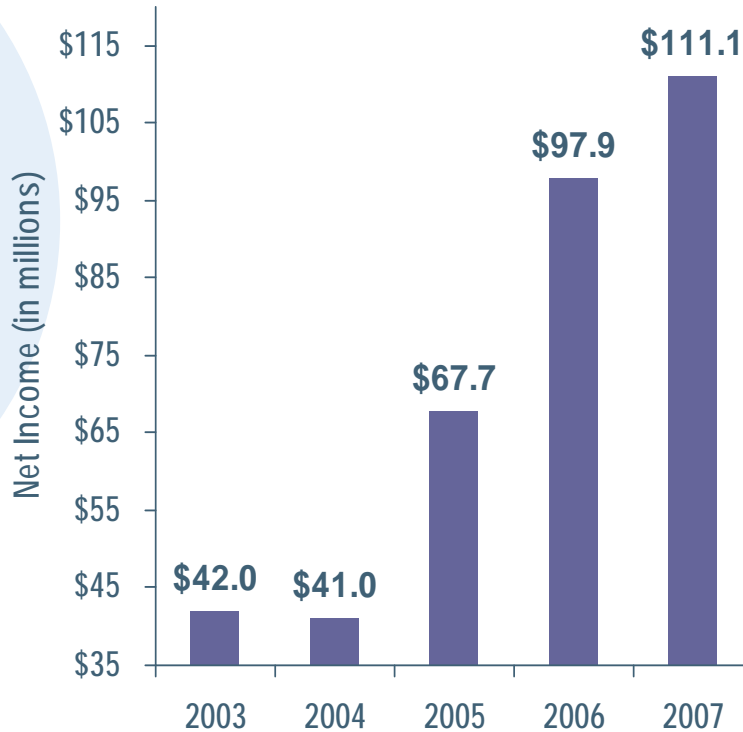


US pre-tax margins show positive trend



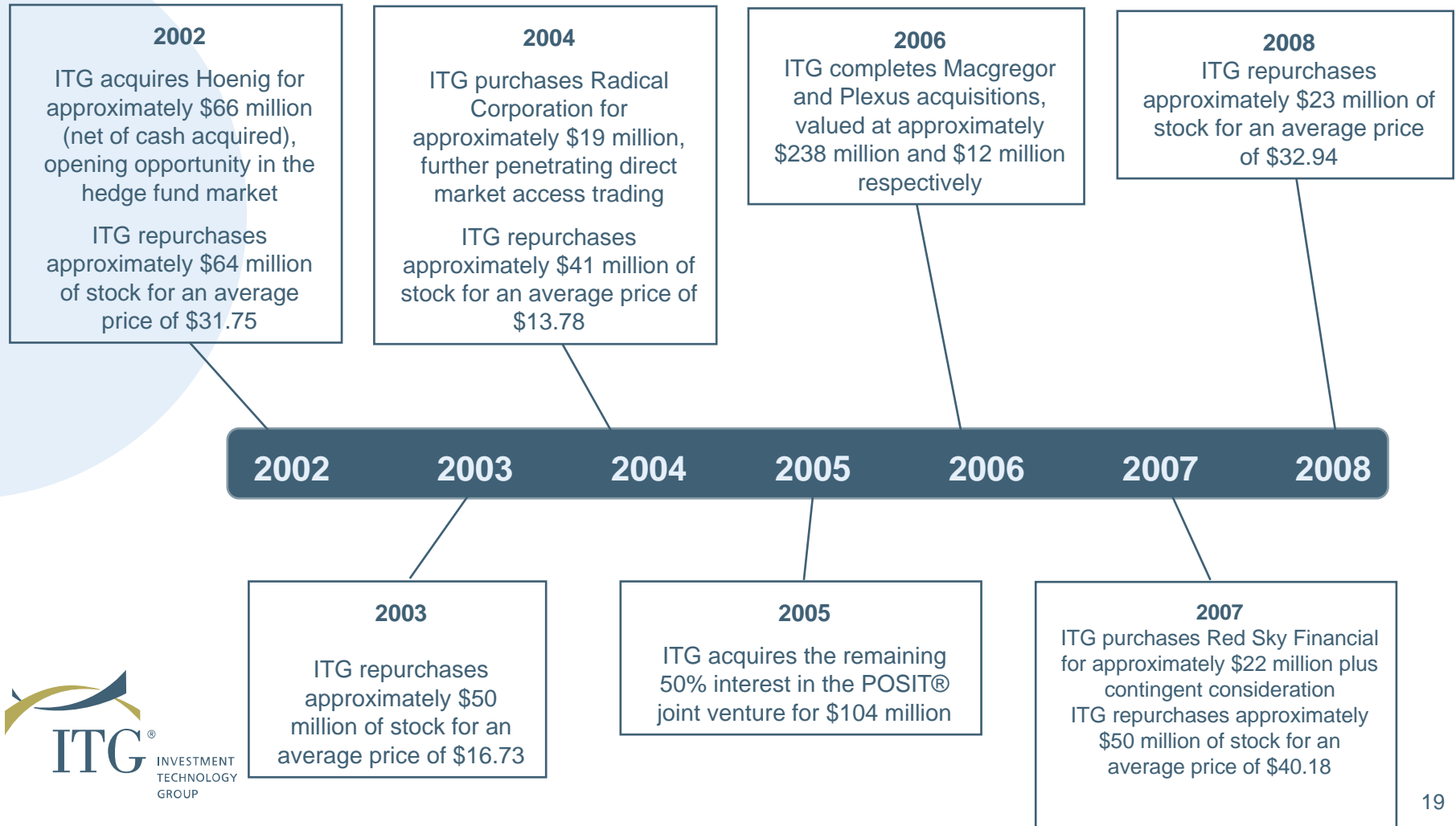
Net income and EPS continue to grow

Net income has had a CAGR of 28% and EPS has had a CAGR of 29% since 2003



Cash management strategy

ITG maintains a strong balance sheet, utilizing cash to generate returns for shareholders





Investor Overview Conclusions

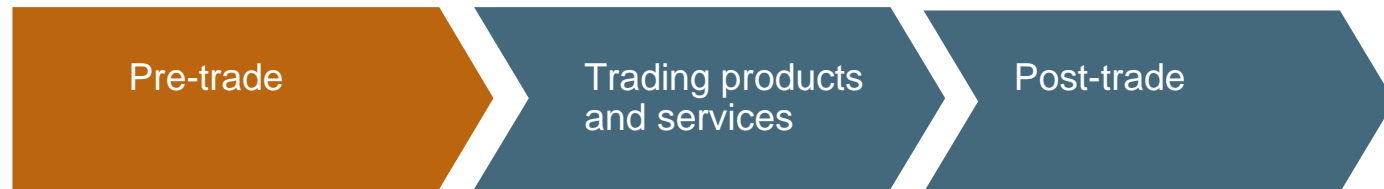
Why invest in ITG?

- ITG maintains a strong financial position, strong cash flow generation, and solid margins
- ITG is uniquely positioned as a partner that provides trading technology that is critical to the buy side's trading process, which enables us to thrive despite competition
- ITG's comprehensive suite of trading products diversifies the revenue stream and differentiates ITG from any other firm on Wall Street
- ITG's expansion into new global markets, asset classes and products diversifies earnings and adds upside potential



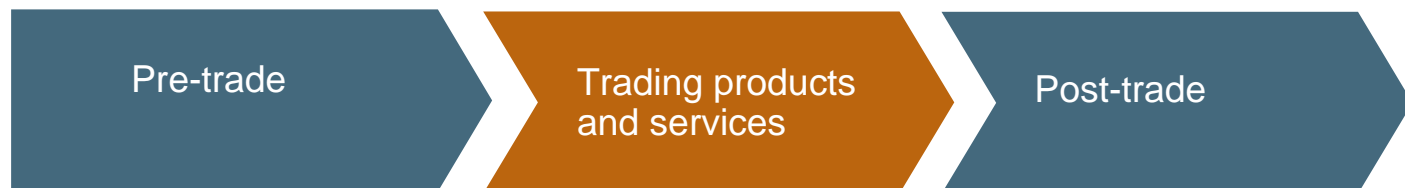
Investor Overview Appendices

Portfolio optimization, compliance tools and pre-trade analytics



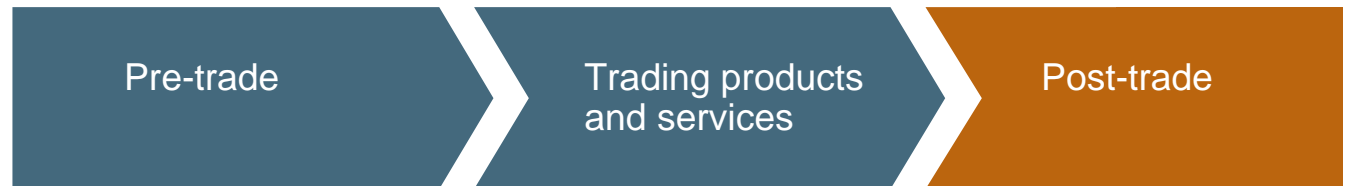
- **Portfolio Management, Optimization & Compliance: ITG Opt[®] and ITG Compliance[™]** – Portfolio construction and optimization tools to manage trading costs, portfolio risk, index benchmarking, and tax efficiency
- **Pre-Trade Analytics: ITG Logic[®]** – Pre-trade cost and risk control, combined with trading analysis and optimization during execution of large orders

Trading products and services



- **Execution Management Systems: Triton[®], Radical[™], ITG Matrix[™] & ITG Channel[™]** – Systems to manage list, single-stock, and multi-asset trading with integrated analytical tools and trading strategy creation
- **Order Management System: Macgregor XIP[™] & ITG Triton X[™]** – Broker-neutral technology that optimizes the execution process from initial portfolio decision to final settlement
- **Connectivity: ITG NetSM** – A global broker-neutral network connecting the buy side to over 400 brokers, with access to dozens of algorithms, DMA solutions, and ATSS
- **Algorithmic Trading: ITG AlgorithmsSM** – Sophisticated automated strategies aimed at reducing market impact, maximizing execution quality, and improving overall trading performance
- **Crossing: POSIT[®]** – Crossing destinations that give buyers and sellers opportunities to match equity orders with complete confidentiality, access to diverse liquidity pools, zero market impact, and cost savings
- **Execution: Trading Services** – Full-service trading strategy and execution services provided by our experienced portfolio traders

Post-trade measurement, analytics and processing



- **ITG Trading Analysis & Measurement: ITG Post-Trade Analytics™ (Transaction Cost Analysis)& ITG Fair ValueSM** – Powerful analytics and consulting services for accurate trade cost measurement, strategy optimization, and benchmark creation
- **Post-Trade Processing: ITG Trade Ops™** – Automated post-trade matching, settlement, and confirmation services
- **Plan Sponsor Services: Plexus Plan Sponsor GroupSM** – Transition consulting and trading process analysis to help control costs

Non-US Product Offerings

Canada

- ITG Logic
- Triton
- ITG Algorithms
- Match Now
- Trading Services
- ITG TCA
- ITG Fair Value

Europe

- ITG Logic
- ITG Compliance
- Triton
- Radical
- Macgregor XIP
- ITG Algorithms
- POSIT Match
- POSIT Now
- POSIT Alert
- ITG Fair Value
- ITG Trade Ops
- Trading Services
- ITG TCA

Australia

- ITG Logic
- ITG Algorithms
- POSIT Match
- POSIT Alert
- Trading Services
- ITG TCA

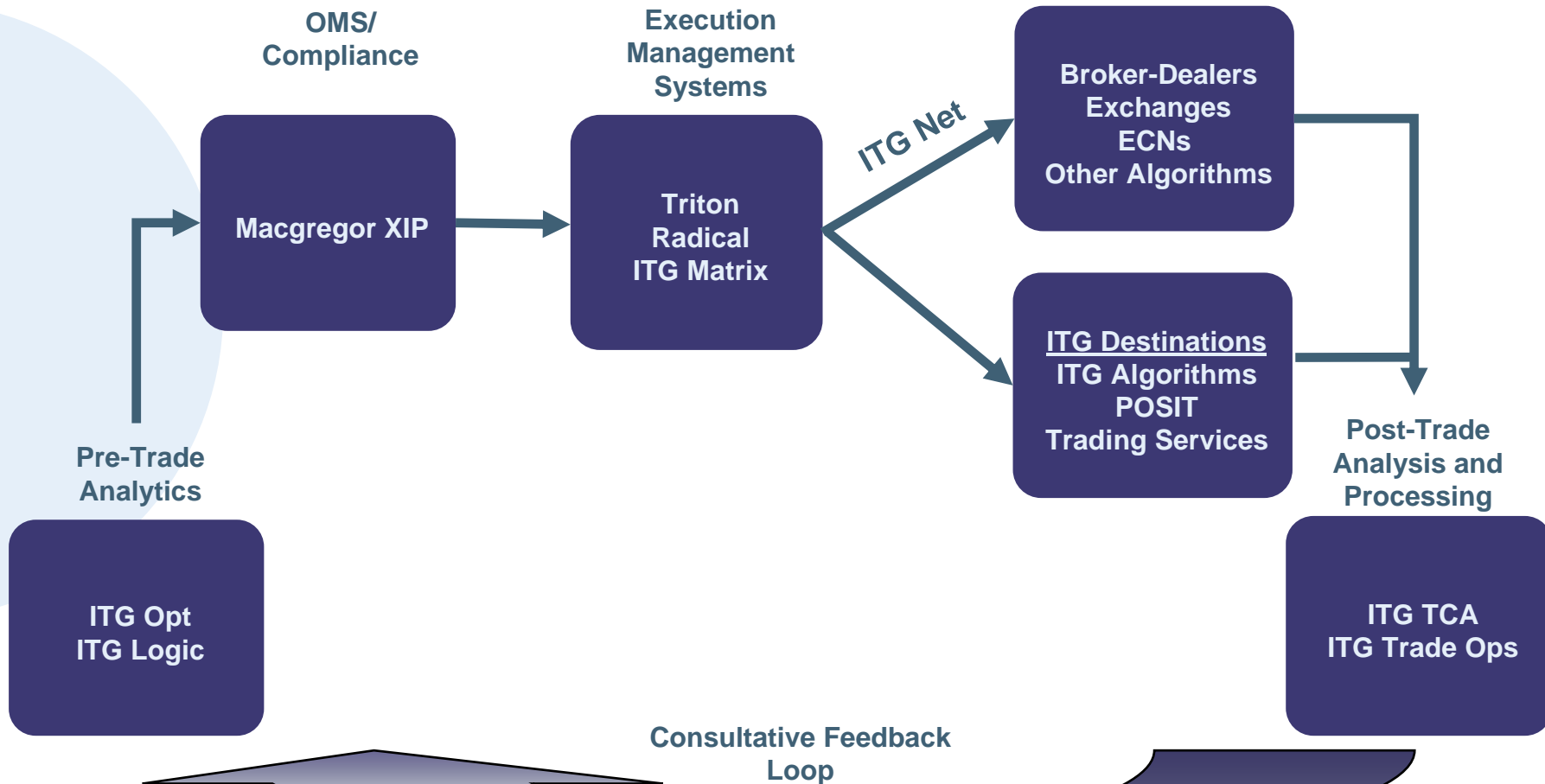
Japan

- ITG Logic
- POSIT Match (off shore funds only)
- ITG TCA

Hong Kong

- ITG Logic
- Triton
- ITG Algorithms
- POSIT Match
- Trading Services
- ITG TCA

ITG's End to End Solutions



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