



Piper | Sandler Global Exchange & FinTech Conference

June 3, 2020



Recent Developments



QTD Financial Update

- Preliminary estimated results quarter to date through May 31:
 - Adjusted Net Trading Income¹ between **\$425 - 440** million
 - Average Daily Adjusted Net Trading Income between **\$10.37 - \$10.73** million per day
- Debt paid down \$188 million on May 15
- Announced sale of MATCHNow to Cboe Global Markets with 3Q anticipated closing; proceeds to be used to further pay down debt

Market Environment

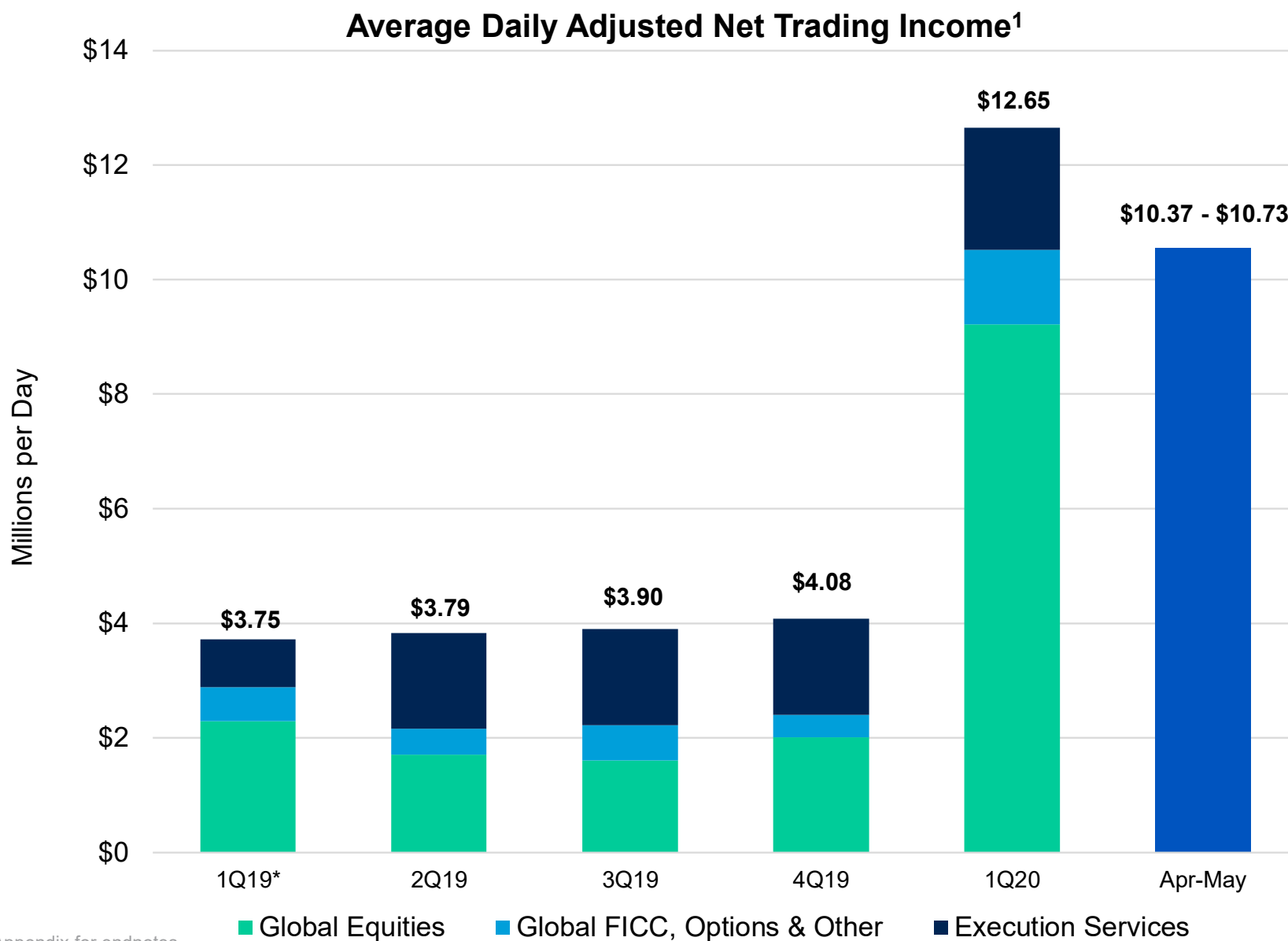
- Healthy momentum continues into Q2 with favorable market conditions
 - Average daily US equity volume for 2Q to date is 68% higher than 2019
 - Realized volatility of the S&P 500 for 2Q to-date is 149% higher than 2019

Other Highlights

- Further strategic investments in our global Execution Services platform, recently launching:
 - Open Technology, a Data-as-a-Service platform for Access to Multi-Asset Class APIs
 - Interlisted Conditional orders to expand clients' access to electronic block liquidity
- Expanded thought leadership:
 - Launched the Virtu Content Watch Series: Market Close Watch

Strong Performance Increasing Through Q1

Elevated results continue in early Q2



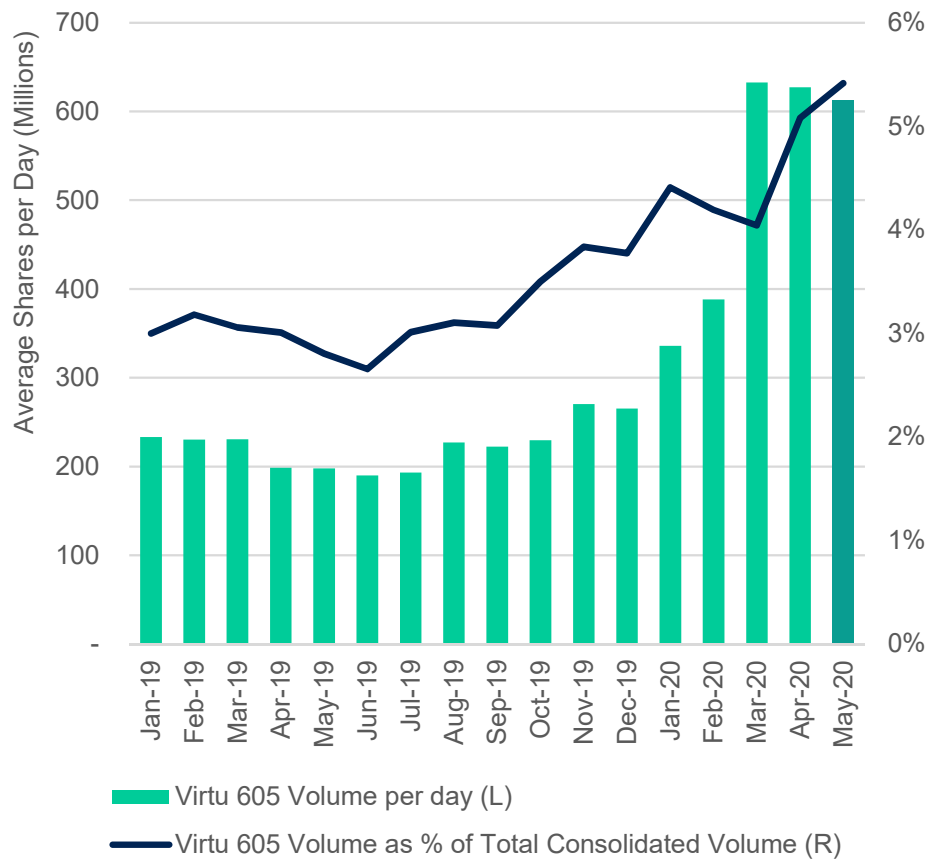
See Appendix for endnotes

Sustained Growth in Retail Engagement

Virtu's participation with US retail remains strong



Virtu's Rule 605 Marketable Share Volume Executed

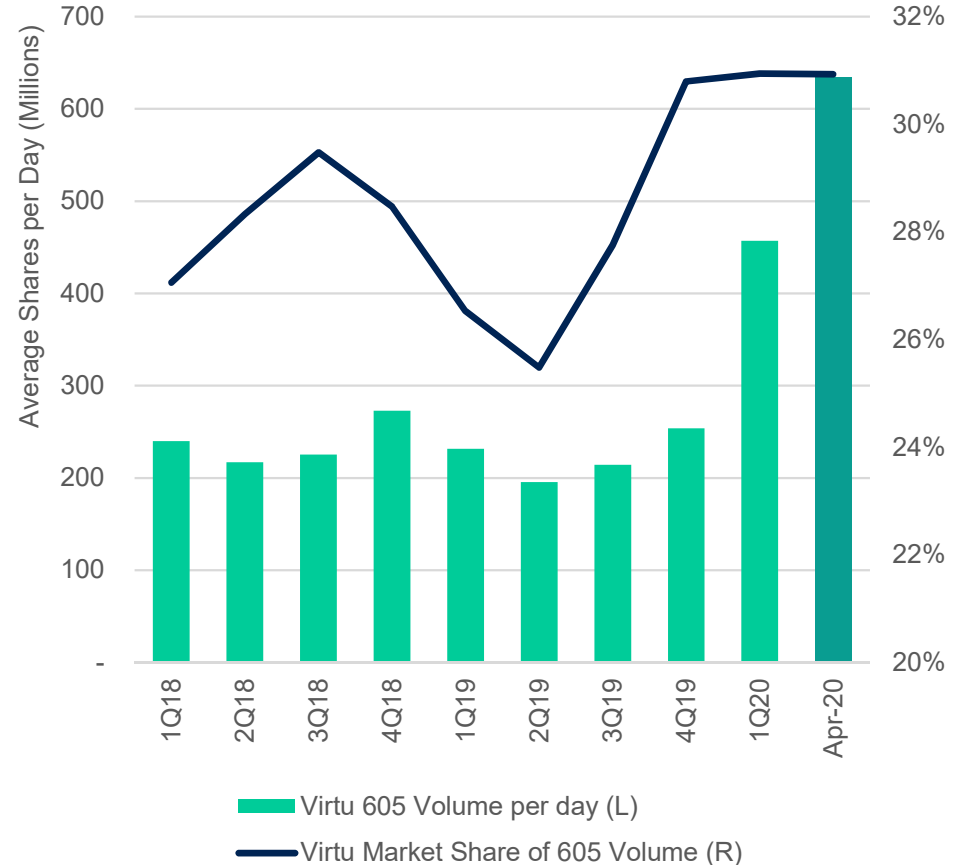


Virtu's Rule 605 Marketable Volume and Market Share

Virtu 605 Volume

80% ↑

1Q20 vs. 4Q19

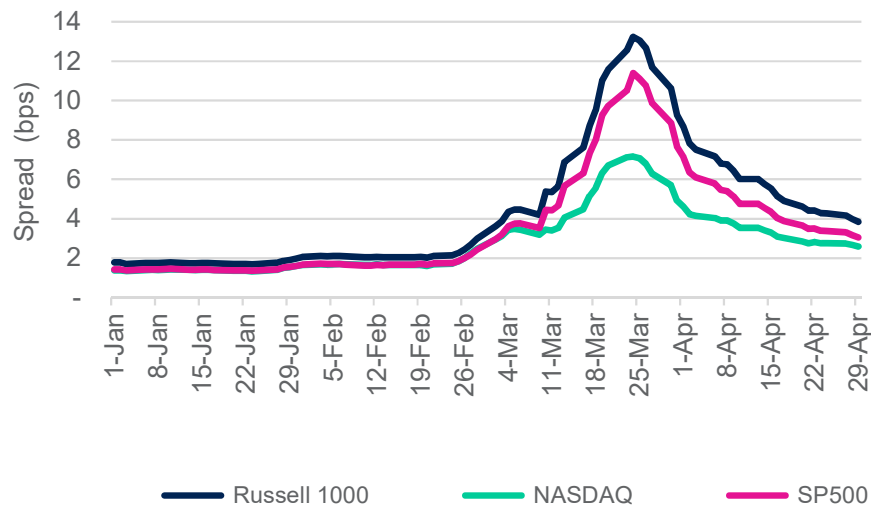


Market Volatility Impact on Bid/Ask Spreads

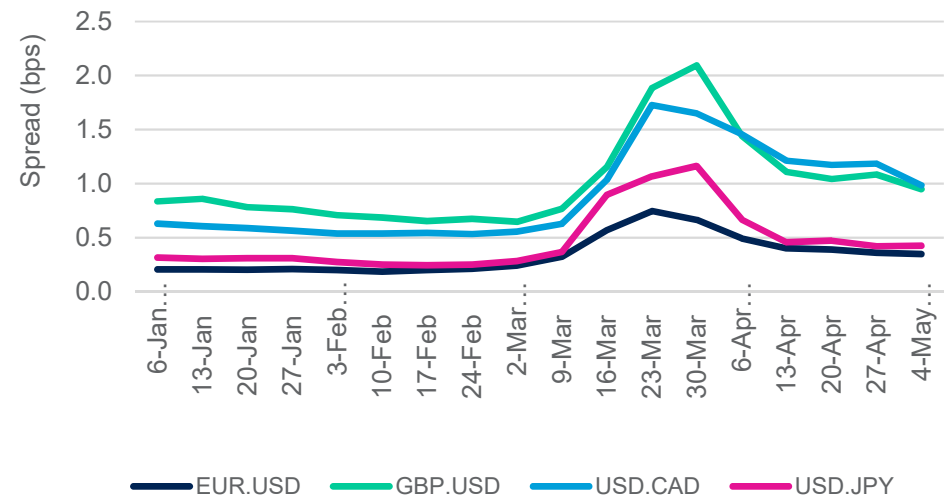


Powerful combination of wider bid/offer plus higher volumes drove outsized returns for market makers

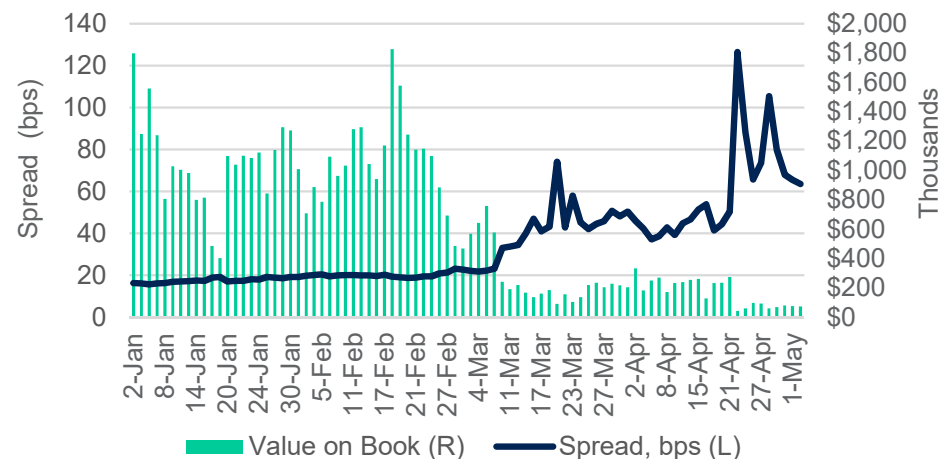
Bid-Ask Spreads of Major Equity Indices



Currency Pair Spreads (5d Time-Weighted Mean)



Crude Spreads and Displayed Liquidity



Organic Growth Initiatives



Strategic initiatives driving baseline growth

Organic growth initiatives contributed approximately 8% of our Adjusted Net Trading Income¹ in 1Q, compared to negligible amounts at the end of 2018

Global expansion of Virtu's customer-facing ETF block franchise desk

- Apr YTD average daily ANTI¹ has increased over 285% from FY2019
- Apr YTD 2020 ANTI¹ is already 27% above FY2019
- Growth continued to accelerate in April

Growing our Options Market Making presence

- 65% increase in US Options volume traded
- 24% increase in number of US Options symbols traded
- Starting Market Making on Cboe Options Exchange

Virtu Capital Markets beginning to generate meaningful results

- Raised over \$500M of equity capital via At The Market offerings in 2020 as issuers looked to access public equity markets to raise capital
- Client activity accelerating in 2Q

Achieved significant results from the introduction of quant style KCG strategies into new markets and asset classes with significant runway in this opportunity as we continue to scale the business

Source: Virtu Financial, Inc.

¹ See Appendix for endnotes

Strong Track Record of Capital Return



20 consecutive quarters of paying our shareholders a \$0.24 dividend

Adjusted EPS ¹ & Dividend Payouts since IPO ²	2Q15 to 4Q15	FY 2016	FY 2017	FY 2018	FY 2019	1Q 2020
Normalized Adjusted EPS ¹	\$0.93	\$0.97	\$0.57	\$1.95	\$0.96	\$2.05
Dividends Declared	\$0.72	\$0.96	\$0.96	\$0.96	\$0.96	\$0.24
<i>Cumulative Payout Ratio</i>	77%	88%	107%	81%	85%	65%

Cumulative Capital Return since IPO	
Cumulative Adjusted EPS since IPO	\$7.44
Cumulative Dividends per Share since IPO	\$4.80
<i>Cumulative % Payout since IPO</i>	65%
Share Buyback Amount per Share ⁴	\$0.34
<i>Cumulative % Payout after Buyback</i>	69%

Operating Expense Guidance



Adjusted Operating Expenses ¹ (\$mm)	Actual 2019 ²	Prior FY 2020 Guidance	Revised FY 2020 Guidance
Occupancy, Overhead & Cash Compensation	\$334	\$337 - \$347	\$426 - \$436
Communication and Data Processing	209	203 - 213	203 - 213
Adjusted Cash Operating Expenses	\$544	\$540 - \$560	\$629 - \$649
Depreciation & Amortization	65	80 - 90	80 - 90
Total Adjusted Operating Expenses	\$609	\$620 - \$650	\$709 - \$739

Pushing out guidance targets to 2021 to account for:

- One-time assistance payments to employees related to COVID-19
- Higher than targeted headcount as a result of the decision to defer any broad-based reductions in force in 2020
- Increased cash compensation accrual as a result of outstanding Adjusted Net Trading Income results to date

Debt Capitalization



Debt structure – May 31, 2020

Debt Description	Rate	Balance	Annual Interest
First Lien Debt - Floating	L + 3.00%	\$212	\$6.8
First Lien Debt - Fixed with 4.4% swap ¹	4.40%	\$1,000	\$44.0
First Lien Debt - Fixed with 4.3% swap ¹	4.30%	\$525	\$22.6
Japannext ²	5.00%	\$32	\$1.6
Total³	4.24%	\$1,769	\$75.0
LTM 1Q20 Adjusted EBITDA ³		\$877	
Debt / LTM 1Q20 Adjusted EBITDA		2.0x	

Pay down of \$188 million of term loan in 2Q20, creating an additional \$6.1 million in annual interest savings

Management goal: debt / adjusted EBITDA < 2.0x by the end of 2020

Interest savings since ITG Closing: Debt structure at May 31, 2019

Debt Description	Rate	Balance	Annual Interest	Interest Rate Savings	Change in Balance	Annual Savings ⁸
First Lien Debt - Floating	L + 3.50%	\$1,500	\$55.8	(0.47%)	(\$288)	\$5.0
Bonds	6.75%	\$500	\$33.8	2.45%	\$25	\$11.2
Japannext ²	5.00%	\$32	\$1.6	-	-	-
Total³	6.26%	\$2,032	\$91.2		(\$263)	\$16.1
<i>Percentage change</i>						17.7%

Note: Current effective one-month LIBOR (0.22%) applied to all periods above to illustrate interest savings due to debt restructuring

See Appendix for endnotes



Appendix



Adjusted Net Trading Income Reconciliation

Operating segments



Adjusted Net Trading Income Reconciliation (\$mm)	Market Making					
	1Q 2019 ¹	2Q 2019	3Q 2019	4Q 2019	1Q 2020	Apr-May 2020
Trading income, net	\$255.1	\$205.6	219.5	228.1	802.7	
Commissions, net and technology services	5.0	5.0	7.3	6.3	0.8	
Brokerage, exchange and clearance fees, net	(43.0)	(40.0)	(49.0)	(43.6)	(74.4)	
Payments for order flow	(23.5)	(23.6)	(24.5)	(30.4)	(62.2)	
Interest and dividends, net	(15.8)	(13.1)	(11.6)	(9.1)	(14.6)	
Adjusted Net Trading Income	\$177.8	\$133.8	\$141.7	\$151.3	\$652.3	

Adjusted Net Trading Income Reconciliation (\$mm)	Execution Services					
	1Q 2019 ¹	2Q 2019	3Q 2019	4Q 2019	1Q 2020	Apr-May 2020
Trading income, net	\$2.4	\$0.4	\$0.6	\$0.6	\$(0.2)	
Commissions, net and technology services	70.1	140.2	132.4	133.3	170.0	
Brokerage, exchange and clearance fees, net	(21.0)	(35.8)	(25.3)	(27.9)	(37.2)	
Payments for order flow	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	
Interest and dividends, net	(0.5)	0.4	0.4	(0.1)	(0.4)	
Adjusted Net Trading Income	\$51.0	\$105.1	\$108.1	\$105.9	\$132.2	

Adjusted Net Trading Income Reconciliation (\$mm)	Total					
	1Q 2019 ¹	2Q 2019	3Q 2019	4Q 2019	1Q 2020	Apr-May 2020
Trading income, net	\$257.5	\$205.9	\$220.1	\$228.7	\$802.5	\$460 - \$474
Commissions, net and technology services	75.1	145.1	139.6	139.6	170.7	88 - 93
Brokerage, exchange and clearance fees, net	(64.1)	(75.9)	(74.3)	(71.5)	(111.5)	(54) - (58)
Payments for order flow	(23.6)	(23.6)	(24.5)	(30.4)	(62.3)	(60) - (60)
Interest and dividends, net	(16.2)	(12.7)	(11.2)	(9.2)	(14.9)	(9) - (9)
Adjusted Net Trading Income	\$228.8	\$238.9	\$249.8	\$257.2	\$784.5	\$425 - \$440

Adjusted Operating Expense Reconciliation



Adjusted Operating Expenses Reconciliation (\$mm)	4Q 2019	FY 2019 ¹	1Q 2020
Employee compensation and payroll taxes	\$101.6	\$383.7	\$170.4
Operations and administrative	31.3	116.6	30.6
Communications and data processing	53.4	209.4	55.0
Depreciation and amortization	16.4	65.3	17.4
Less:			
Severance	(28.1)	(102.8)	(4.2)
Share-based compensation	(11.1)	(50.6)	(25.7)
Sublease rent income included within other revenue	(3.7)	(12.6)	(3.5)
Reserve for legal matters	(0.5)	(0.5)	(4.4)
COVID-19 one-time costs & donations	-	-	(3.3)
Adjusted Operating Expenses	\$159.4	\$608.5	\$232.2

Disclaimer



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”, the “Company’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: risks relating to the COVID-19 pandemic, including the possible effects of the economic conditions worldwide resulting from the COVID-19 pandemic and governmental and other responses thereto; 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; the effect of the acquisition of Investment Technology Group, Inc. (“ITG”) on existing business relationships, operating results, and ongoing business operations generally; the significant costs and significant indebtedness that we have incurred and expect to incur in connection with the acquisition of ITG; the risk that we may encounter significant difficulties or delays in integrating the two businesses and the anticipated benefits, cost savings and synergies or capital release may not be achieved; the assumption of potential liabilities relating to ITG’s business; the risk that cash flow from our operations and other available sources of liquidity will not 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 Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC.

GAAP and Non-GAAP Results

This presentation includes certain non-GAAP financial measures, including Adjusted EPS, Normalized Adjusted EPS, Adjusted Net Trading Income, Normalized Adjusted Net Income, Normalized Adjusted Pre-Tax Income, EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin, 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 this presentation.

End Notes



These notes refer to metrics and/or defined terms presented on:

Slide 2

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

Slide 3

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Slide 6

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Slide 7

1. This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.
2. Virtu Financial, Inc. went public in 2Q 2015.
3. ITG revenues and expenses included in financials beginning on March 1, 2019 close date.
4. Calculated as total dollar amount of shares repurchased to date divided by weighted average of fully diluted shares currently outstanding.

Slide 8

1. This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.
2. ITG revenues and expenses included in financials beginning on March 1, 2019 close date

Slide 9

1. Virtu entered into a 5-year fixed-for-floating interest rate swaps with Jeffries and JP Morgan.
2. 3.5 billion JPY
3. Blended rate
4. This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.

Slide 11

1. ITG revenues and expenses included in financials beginning on March 1, 2019 close date

Slide 12

1. ITG revenues and expenses included in financials beginning on March 1, 2019 close date.