

INVESTMENT TECHNOLOGY GROUP, INC.**Consolidated Statements of Income**

(In thousands, except per share amounts)

	Three Months Ended March 31,	
	2008	2007
Revenues:		
Commissions	\$ 176,227	\$ 143,913
Recurring	21,645	19,182
Other	6,406	5,833
Total revenues	204,278	168,928
Expenses:		
Compensation and employee benefits	67,628	58,515
Transaction processing	24,349	25,326
Occupancy and equipment	13,100	11,220
Telecommunications and data processing services	12,750	9,134
Other general and administrative	25,185	19,606
Interest expense	2,213	2,785
Total expenses	145,225	126,586
Income before income tax expense	59,053	42,342
Income tax expense	26,065	17,632
Net income	\$ 32,988	\$ 24,710
Earnings per share:		
Basic	\$ 0.76	\$ 0.56
Diluted	\$ 0.75	\$ 0.55
Basic weighted average number of common shares outstanding	43,629	44,074
Diluted weighted average number of common shares outstanding	44,231	44,838

INVESTMENT TECHNOLOGY GROUP, INC.**Consolidated Statements of Financial Condition**

(In thousands, except share amounts)

	March 31, 2008 (unaudited)	December 31, 2007
Assets		
Cash and cash equivalents	\$ 265,811	\$ 183,757
Cash restricted or segregated under regulations and other	55,145	71,300
Deposits with clearing organizations	41,272	43,284

Securities owned, at fair value	10,992	8,022
Receivables from brokers, dealers and clearing organizations	1,037,109	551,059
Receivables from customers	1,152,371	676,522
Premises and equipment, net	45,834	45,886
Capitalized software, net	55,321	50,892
Goodwill	422,567	422,774
Other intangibles, net	30,631	31,318
Deferred taxes	4,543	2,282
Other assets	12,369	13,791
Total assets	\$ 3,133,965	\$ 2,100,887

Liabilities and Stockholders' Equity

Liabilities:

Accounts payable and accrued expenses	\$ 185,154	\$ 186,463
Short-term bank loans	35,000	101,400
Payables to brokers, dealers and clearing organizations	1,104,551	497,124
Payables to customers	906,778	457,105
Securities sold, not yet purchased, at fair value	551	859
Income taxes payable	34,587	18,320
Deferred taxes	1,977	2,821
Long term debt	123,000	132,500
Total liabilities	2,391,598	1,396,592

Commitments and contingencies

Stockholders' Equity:

Preferred stock, \$0.01 par value; 1,000,000 shares authorized; no shares issued or outstanding	—	—
Common stock, \$0.01 par value; 100,000,000 shares authorized; 51,540,282 and 51,503,221 shares issued at March 31, 2008 and December 31, 2007, respectively and 43,702,060 and 43,462,885 shares outstanding at March 31, 2008 and December 31, 2007, respectively	515	515
Additional paid-in capital	212,069	210,071
Retained earnings	684,665	651,677
Common stock held in treasury, at cost; 7,838,222 and 8,040,336 shares at March 31, 2008 and December 31, 2007, respectively	(174,360)	(177,928)
Accumulated other comprehensive income (net of tax)	19,478	19,960
Total stockholders' equity	742,367	704,295
Total liabilities and stockholders' equity	\$ 3,133,965	\$ 2,100,887