

INVESTMENT TECHNOLOGY GROUP, INC.

Consolidated Statements of Income (unaudited)

(In thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Revenues:				
Commissions and fees	\$ 144,111	\$ 153,217	\$ 275,044	\$ 329,444
Recurring	21,983	22,285	43,145	43,930
Other	1,871	4,855	5,443	11,261
Total revenues	167,965	180,357	323,632	384,635
Expenses:				
Compensation and employee benefits	58,897	60,174	119,075	129,398
Transaction processing	24,916	24,333	47,846	48,682
Occupancy and equipment	14,900	14,655	29,738	27,755
Telecommunications and data processing services	13,312	12,438	27,282	25,188
Other general and administrative	21,357	22,944	40,398	46,533
Interest expense	601	1,743	1,813	3,956
Total expenses	133,983	136,287	266,152	281,512
Income before income tax expense	33,982	44,070	57,480	103,123
Income tax expense	13,671	18,330	24,331	44,395
Net income	\$ 20,311	\$ 25,740	\$ 33,149	\$ 58,728
Earnings per share:				
Basic	\$ 0.47	\$ 0.59	\$ 0.76	\$ 1.34
Diluted	\$ 0.46	\$ 0.58	\$ 0.76	\$ 1.33
Basic weighted average number of common shares outstanding				
	43,470	43,705	43,404	43,667
Diluted weighted average number of common shares outstanding				
	43,824	44,256	43,714	44,252

(1) We have changed the income caption commissions revenues to commissions and fee revenues to better reflect the commission equivalent fees earned on spread based trades.

(2) Certain expenses previously included in other general and administrative were reclassified to compensation and employee benefits for comparability.

INVESTMENT TECHNOLOGY GROUP, INC.

Consolidated Statements of Financial Condition

(In thousands, except share amounts)

**June 30,
2009**

**December
31,
2008**

(unaudited
)

Assets

Cash and cash equivalents	\$ 361,727	\$ 352,960
Cash restricted or segregated under regulations and other	65,000	73,218
Deposits with clearing organizations	17,246	43,241
Securities owned, at fair value	6,218	6,399
Receivables from brokers, dealers and clearing organizations	656,814	328,528
Receivables from customers	1,155,874	300,158
Premises and equipment, net	42,519	48,321
Capitalized software, net	68,576	62,821
Goodwill	425,526	423,896
Other intangibles, net	29,833	31,094
Deferred taxes	5,708	2,591
Other assets	11,801	12,226
Total assets	\$ 2,846,842	\$ 1,685,453

Liabilities and Stockholders' Equity

Liabilities:

Accounts payable and accrued expenses	\$ 184,189	\$ 221,582
Short-term bank loans	—	24,900
Payables to brokers, dealers and clearing organizations	927,513	232,527
Payables to customers	793,058	287,515
Securities sold, not yet purchased, at fair value	124	2,479
Income taxes payable	13,114	25,646
Deferred taxes	18,257	8,924
Long term debt	70,700	94,500
Total liabilities	2,006,955	898,073

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; 51,608,738 and 51,582,306 shares issued at June 30, 2009 and December 31, 2008, respectively, and; 43,550,364 and 43,244,184 shares outstanding at June 30, 2009 and December 31, 2008, respectively	516	516
Additional paid-in capital	224,695	219,830
Retained earnings	799,468	766,319
Common stock held in treasury, at cost; 8,058,374 and 8,338,122 shares at June 30, 2009 and December 31, 2008, respectively	(186,654)	(193,206)
Accumulated other comprehensive income (net of tax)	1,862	(6,079)
Total stockholders' equity	839,887	787,380
Total liabilities and stockholders' equity	\$ 2,846,842	\$ 1,685,453