



September 2014

Safe Harbor Statement

In addition to historical information, this presentation contains "forward-looking" statements that reflect management's expectations for the future. The forward-looking statements contained in this presentation include, without limitation, statements relating to GAIN's expectations regarding the opportunities and strengths of the combined company created by the combination of GAIN and GFT, anticipated cost and revenue synergies as well as expected growth in financial and operating metrics, the strategic rationale for the business combination, including expectations regarding product offerings, growth opportunities, value creation, and financial strength. A variety of important factors could cause results to differ materially from such statements. These factors are noted throughout GAIN's annual report on Form 10-K, as filed with the Securities and Exchange Commission on March 17, 2014, and include, but are not limited to, the actions of both current and potential new competitors, fluctuations in market trading volumes, financial market volatility, evolving industry regulations, including changes in regulation of futures companies, errors or malfunctions in our systems or technology, rapid changes in technology, effects of inflation, customer trading patterns, the success of our products and service offerings, GAIN's ability to continue to innovate and meet the demands of our customers for new or enhanced products, our ability to successfully integrate assets and companies GAIN has acquired, including the successful integration of Open E Cry and GFT, GAIN's ability to effectively compete in the OTC products and futures industries, changes in tax policy or accounting rules, fluctuations in foreign exchange rates and commodity prices, adverse changes or volatility in interest rates, as well as general economic, business, credit and financial market conditions, internationally or nationally, and GAIN's ability to continue paying a quarterly dividend in light of future financial performance and financing needs. The forward-looking statements included herein represent GAIN's views as of the date of this presentation. GAIN undertakes no obligation to revise or update publicly any forward-looking statement for any reason unless required by law.

Non-GAAP Financial Measures

EBITDA and Adjusted EBITDA are non-GAAP financial measures that represent our historical and pro forma earnings before interest, taxes, depreciation, amortization and non-recurring expenses. These non-GAAP financial measures have certain limitations, including that they do not have a standardized meaning and, therefore, our definitions may be different from similar non-GAAP financial measures used by other companies and/or analysts. Thus, it may be more difficult to compare our financial performance to that of other companies. We believe our reporting of EBITDA and Adjusted EBITDA assists investors in evaluating our historical and expected operating performance. However, because EBITDA and Adjusted EBITDA are not measures of financial performance calculated in accordance with GAAP, such measures should be considered in addition to, but not as a substitute for, other measures of our financial performance reported in accordance with GAAP, such as net income.

GAIN Capital: Global Markets for Active Traders

	Description	Clients	Key Operating Metrics
Retail OTC	<ul style="list-style-type: none"> Award-winning service supports traders in 180 countries Access to over 12,500 FX and CFD products 	<ul style="list-style-type: none"> Self-directed retail traders White-label partners 	<ul style="list-style-type: none"> 2013 revenue⁽¹⁾: \$263.4mm % of total revenue⁽¹⁾: 74% Average Daily Volume⁽²⁾: \$8.0bn Funded Accounts⁽²⁾: 120,030
Institutional	<ul style="list-style-type: none"> State-of-the-art ECN technology and tools Sales Trader business (acquired from GFT) 	<ul style="list-style-type: none"> Hedge funds Banks Other financial institutions High net worth 	<ul style="list-style-type: none"> 2013 revenue⁽¹⁾: \$68.7mm % of total revenue⁽¹⁾: 19% Average Daily Volume⁽²⁾: \$17.2bn GTX Avg. Daily Volume⁽²⁾: \$15.8bn
Exchange-Based	<ul style="list-style-type: none"> Innovative online futures broker with proprietary trading technology Strong sales distribution 	<ul style="list-style-type: none"> Retail traders Institutional clients Agricultural hedgers (e.g. farmers) 	<ul style="list-style-type: none"> 2013 revenue⁽¹⁾: \$22.3mm % of total revenue⁽¹⁾: 6% Average Daily Contracts: 26,148 Funded Accounts: 11,010

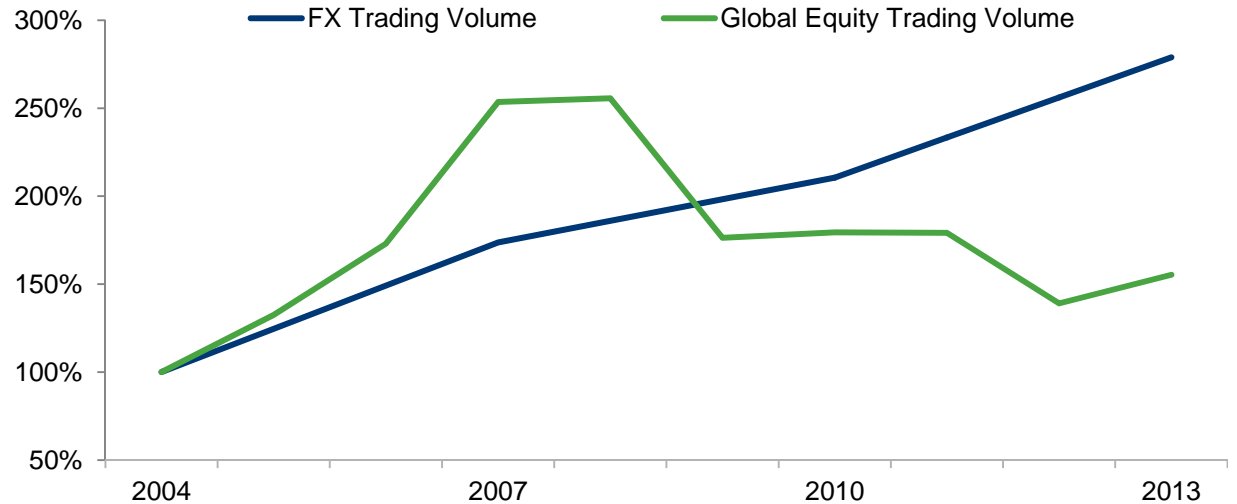
(1) Pro forma for GFT

(2) Account metrics as of month ended July 31, 2014

Focus on Truly Global and Growing Asset Class

- FX market has seen consistent growth in the last decade

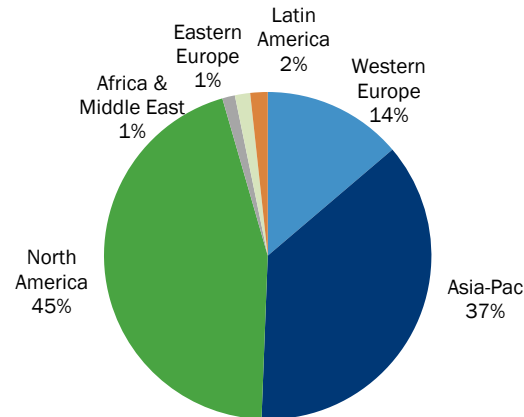
Annual Trading Volume



- FX market has a truly global distribution, with particularly high share of non-North American participants

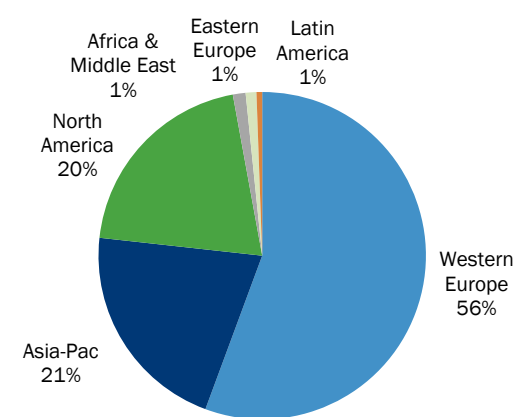
Value Traded by Region

Equity Value Traded by Region



\$217 billion⁽¹⁾

FX Value Traded by Region



\$5 trillion⁽²⁾

Source: BIS, World Federation of Exchanges.

(1) Average daily volume for the nine months ended September 30, 2013.

(2) Average daily volume for April 2013.

Investment Highlights



Strong Market Position Across Business Lines

GFT Acquisition Offers Scale Increase, Synergies

Successfully Executing Diversification Strategy

Strong Financial Profile

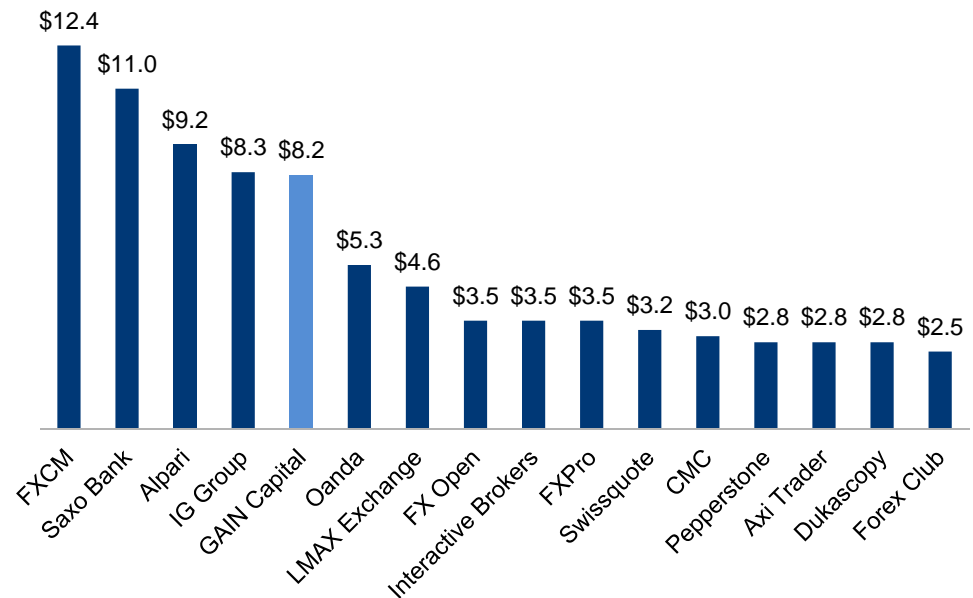
Robust Operating Metrics

Well-Positioned as a Consolidator in a Fragmented Market

Forex.com: Premier Retail OTC Brand

- Retail customers in 180 countries
- 12,500+ products covering FX and CFDs on commodities, indices and interest rates
- Geographically diversified business; multi-language offering targeting high growth markets in Middle East and Asia Pacific
 - Fully localized FOREX.com service in Chinese, Japanese, Arabic, Russian & German
- Acquire customers directly and via partners
 - Q1 sales channel mix split evenly between direct and indirect
- Native mobile apps to increase client engagement

Top Players Globally by Average Daily Volume ⁽¹⁾

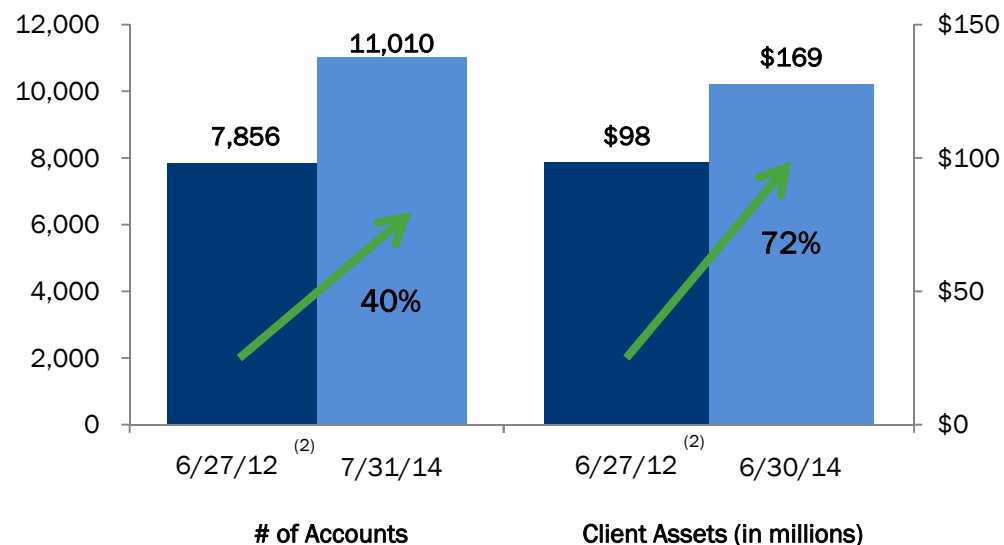


(1) Source: Forex Magnates Q2 2014 Quarterly Industry Report. Exclude Japanese brokers.

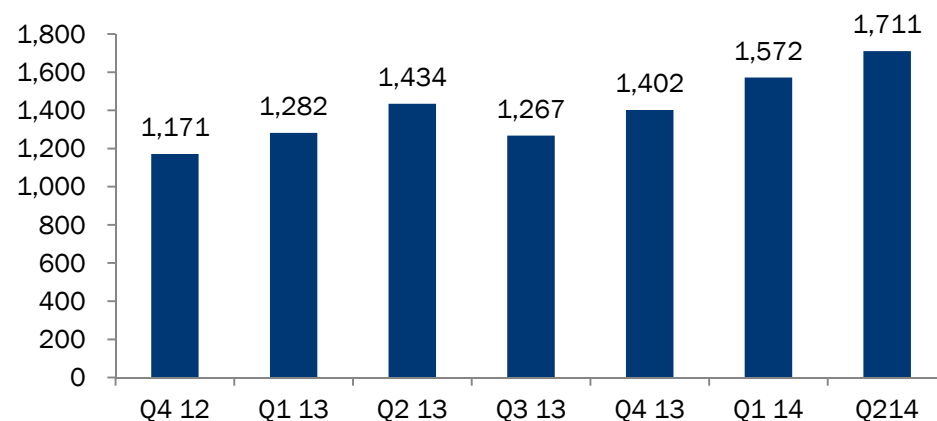
Exchange-Traded Futures

- Strategic entry into exchange-traded futures via acquisition from Schwab in Q3 2012
 - Complementary product with retail FX
 - Commission-based revenue stream
- Business delivering strong results
 - 11,010 accounts as of July 31, 2014
 - Q2 14 Futures Contracts: 1,710,944
 - Run-rate revenue rising (~\$31mm based on 1H 2014)
- Acquisition of majority stakes in GAA and Top Third further expand reach
 - GAA brings additional volume, client assets
 - Top Third taps new client base
 - Immediately accretive

Strong Growth in Customer Accounts and Assets



Futures Contracts (in 000s)



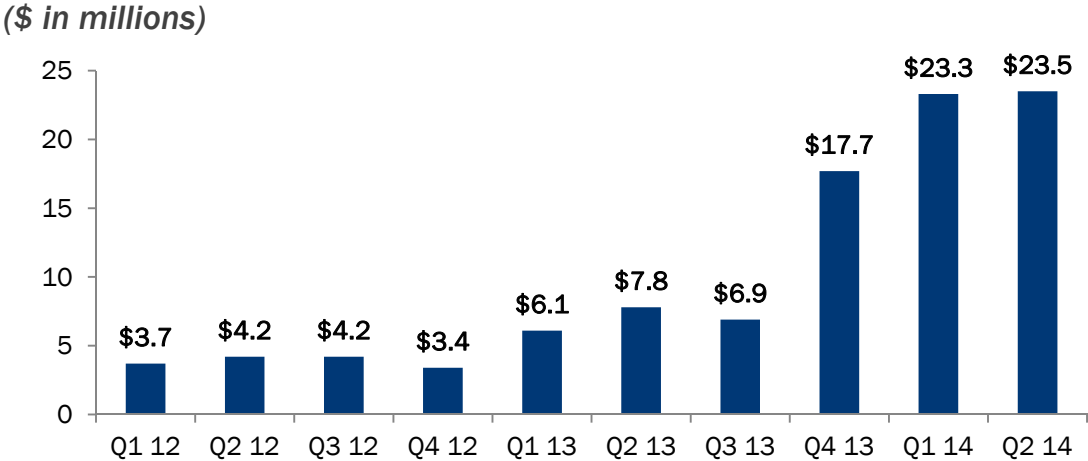
(1) Pro forma for GFT.

(2) Announcement date of OEC acquisition.

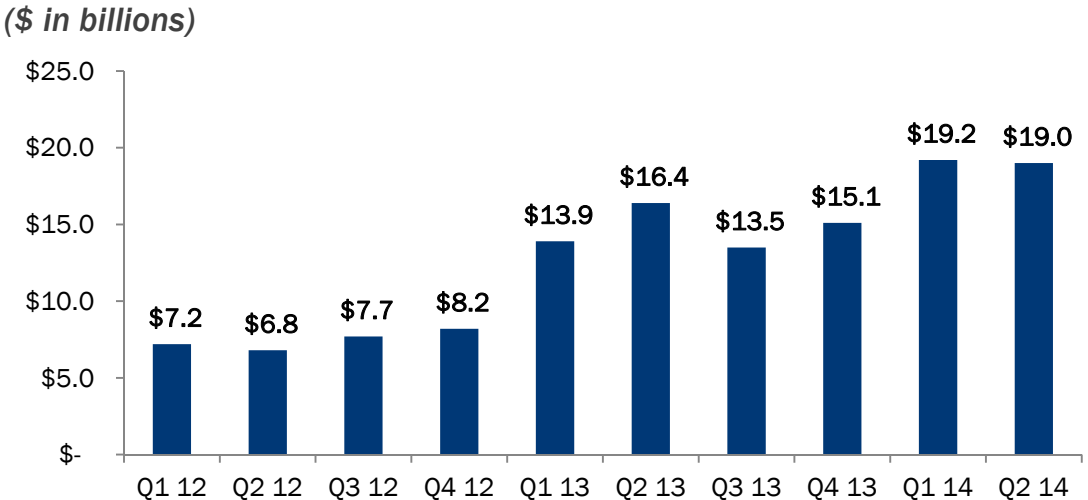
A Growing Force in Institutional FX Trading

- FX ECN for hedge funds and institutions launched in late 2010
 - Peer-to-peer trading capabilities
 - Prime brokerage credit, central clearing model
- Growth in volume outstripping peers
- Revenues rose more than ~6x Q1 12–Q2 14
- SEF approval received April 2014
- Sales Trader business adds new stream of institutional-like revenue
 - Service for high-net worth individuals
 - Higher revenue capture relative to GTX

Institutional Quarterly Revenue



GTX Daily Volume

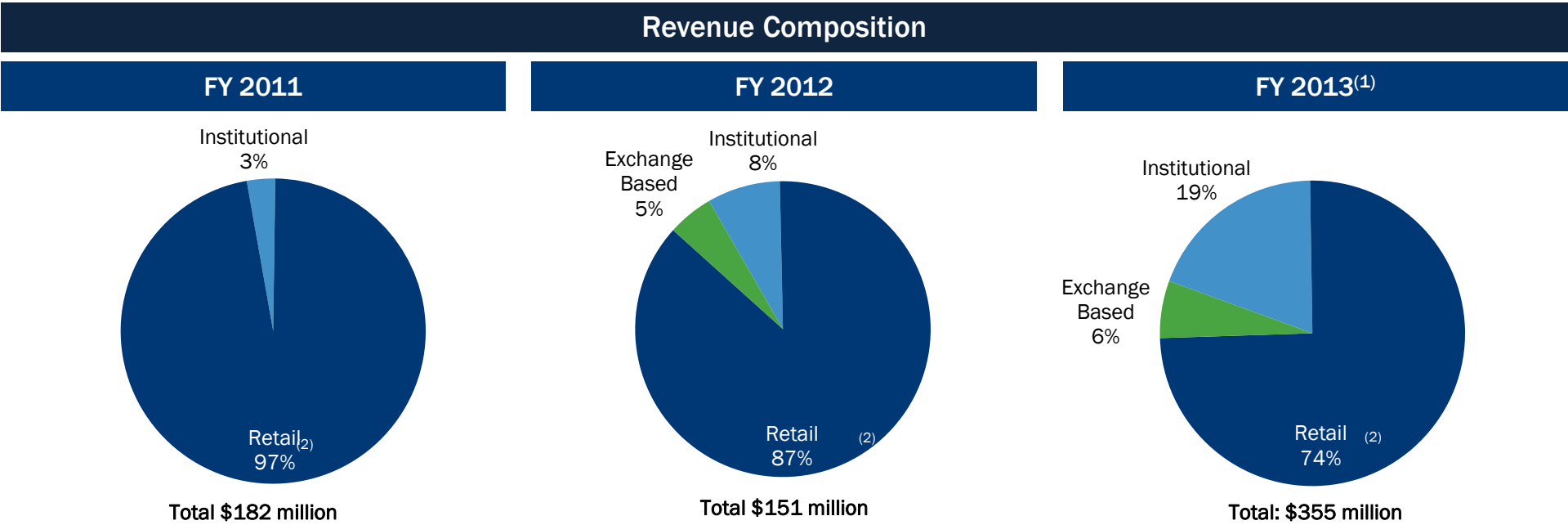


Managing through Challenging Market Conditions

- Grow commission business
- Maintain strong client and operating metrics
- Execute M&A strategy
- Focus on expense management

Successfully Executing Diversification Strategy

- Focus on augmenting core retail OTC revenue with commission-based revenue to reduce earnings volatility
- GAIN has made progress diversifying revenue through product expansion and M&A
 - Rapidly growing institutional business
 - Acquisition of OEC in 3Q12
 - GFT acquisition in 3Q13 accelerated diversification
 - GAA and Top Third acquisitions grow exchange-based revenue
- Continuing to explore organic and M&A opportunities to further expand commission-based revenue streams



¹ Pro forma for GFT
² Includes "other revenue"

Strong Financial Profile

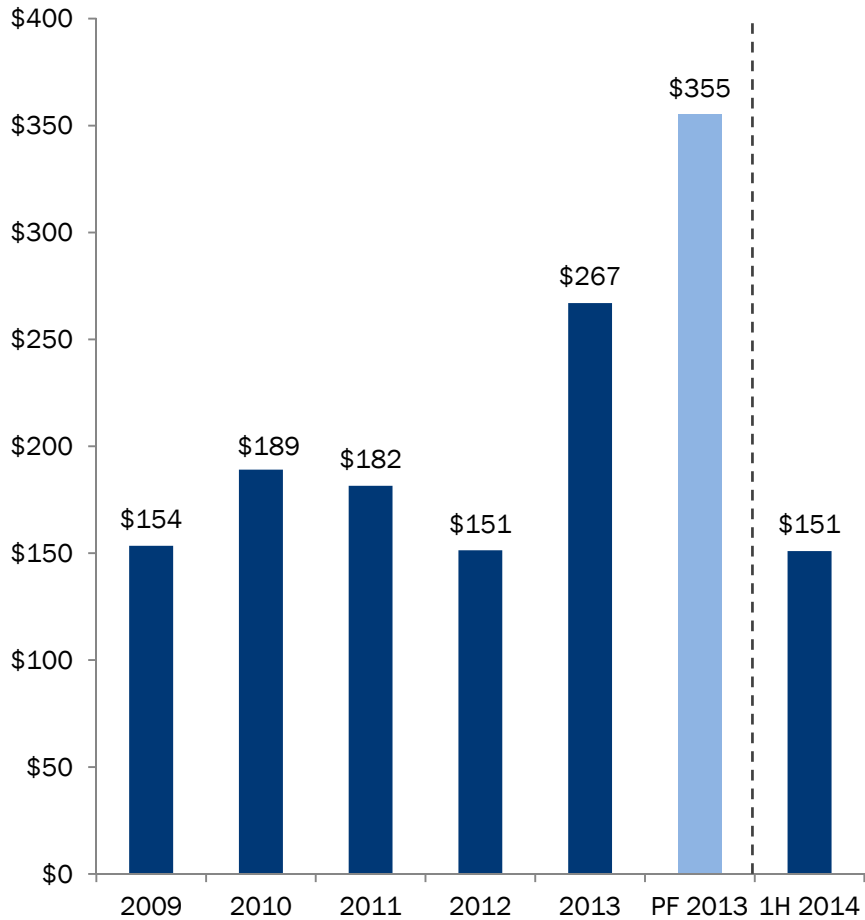
- Committed to shareholder value
 - Quarterly dividend of \$0.05/ share
 - Ongoing share buyback program
- Strategic use of capital markets financing
 - \$80m convertible refinanced GFT-related debt and raised funds for M&A
 - Access to additional liquidity for working capital
- Free cash available ⁽¹⁾ of 97.5m provides firepower for accretive M&A

(1) Total cash minus customer cash, minimum regulatory requirements and long-term debt. See page 18 for calculation

Financial Highlights

(\$ in millions)

Revenue



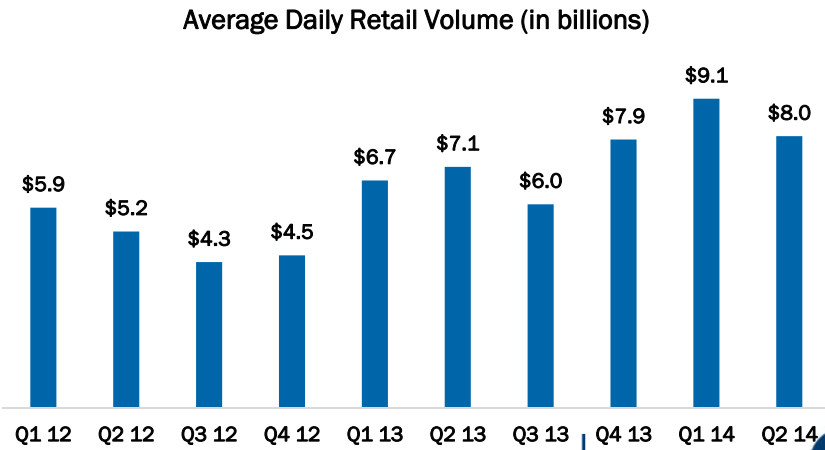
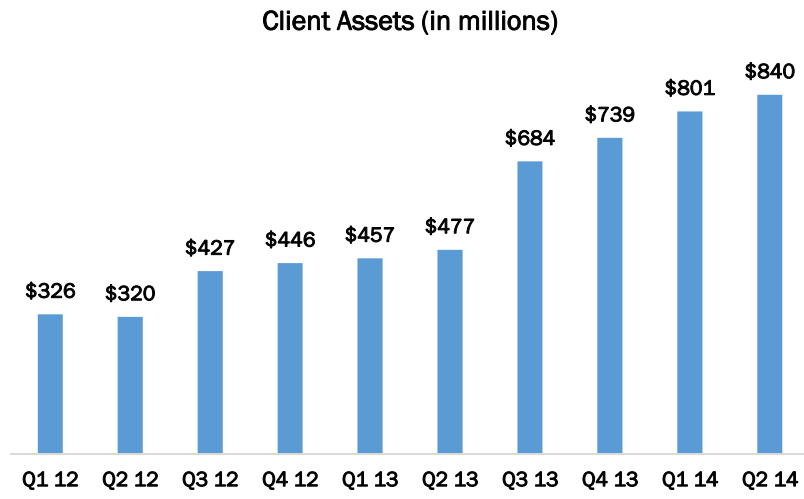
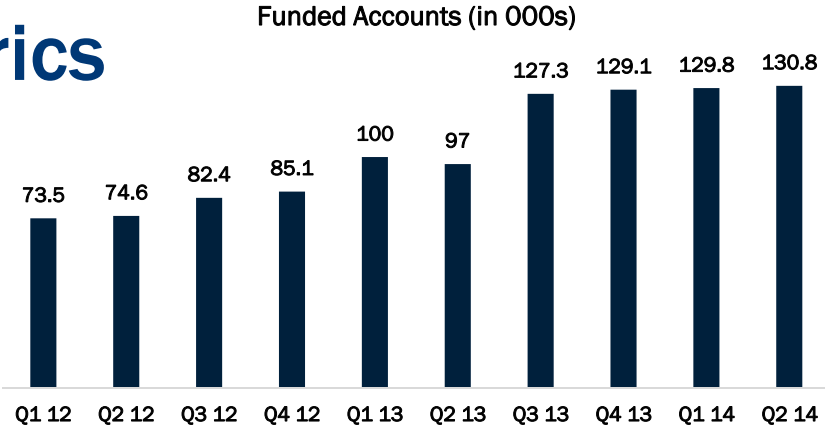
Adjusted EBITDA



Note: PF 2013 includes GFT. PF 2013 adjusted EBITDA includes \$40mm of synergies.

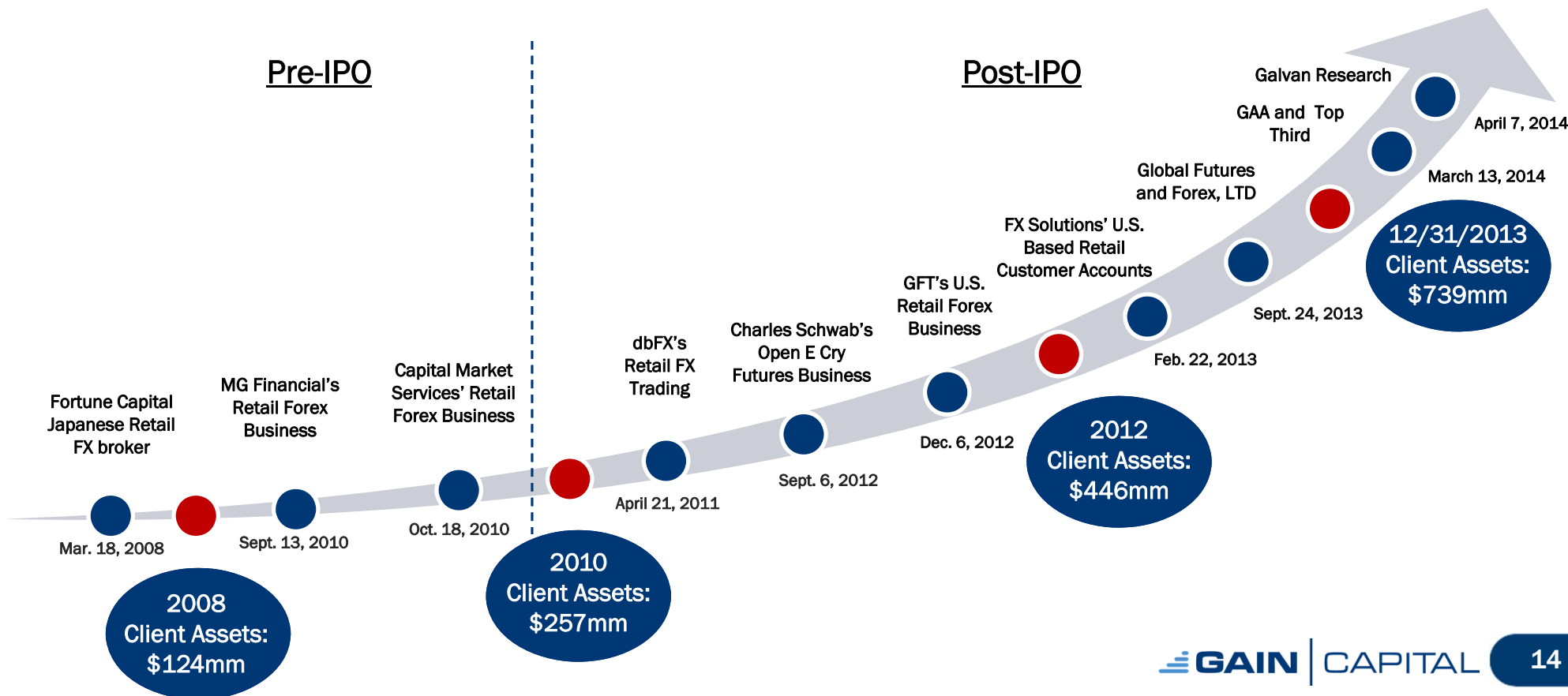
Strength of Core Operating Metrics

- Retail metrics continue upward trend
- Continuing to grow funded account base and client assets
 - Both organically and through M&A
- Increase in both assets and accounts resulting in more trading activity from clients
 - Average daily volume increased 34% year-over-year
 - 5% quarterly growth since Q1 2012
- Potential upside from higher global interest rates
 - 100 basis point increase in global rates results in \$0.07–\$0.10 of incremental EPS



Active Acquirer in a Rapidly Consolidating Industry

- Increasing capital requirements and regulatory compliance costs continue to drive industry consolidation
- Disciplined strategy focuses on expanding into new products, customer segments and geographies
- Strength in M&A driven by previous transaction experience; reputation as trusted partner of choice
- GFT acquisition expands retail OTC footprint and distribution channels; synergy targets on track
- Recent acquisitions of GAA, Top Third and Galvan expand product offerings, revenue streams and asset base
- Robust pipeline with several potential acquisitions being reviewed



Conclusion

- Growth of commission based business offsets impact of weak volatility
- Core operating metrics position GAIN to benefit from even modest improvement in market conditions
- Focus on achieving GFT synergies and containing fixed expenses
- Strong M&A pipeline with several strategic acquisition discussions underway

Annex

Adjusted EBITDA Reconciliation

(\$ in millions)

	3 Months Ended June 30,		1st Half	
	2014	2013	2014	2013
Net Revenue	\$ 69.7	\$ 73.1	\$ 151.1	\$ 122.9
Net (Loss)/Income	(5.2)	17.2	(1.3)	21.4
<i>Net (Loss)/Income Margin %</i>	(7%)	24%	(1%)	17%
Net (Loss)/Income	\$ (5.2)	\$ 17.2	\$ (1.3)	\$ 21.4
Depreciation & amortization	1.8	1.8	4.0	3.4
Purchase intangible amortization	1.6	0.6	2.6	1.2
Interest expense	1.5	0.1	2.9	0.1
Income tax expense	(2.0)	7.2	(0.7)	8.2
Acquisition costs	0.2	-	0.6	-
Restructuring	0.2	-	0.6	-
Integration costs	0.3	-	1.7	-
Adjusted EBITDA	<u>\$ (1.6)</u>	<u>\$ 26.9</u>	<u>\$ 10.4</u>	<u>\$ 34.3</u>
<i>Adjusted EBITDA Margin %⁽¹⁾</i>	(2%)	37%	7%	28%

Note: Dollars in millions. Financials reflect Q1 2014 restatement announced August 11, 2014.

(1) Adjusted EBITDA margin is calculated as adjusted EBITDA divided by net revenue.

Free Cash Available

(\$ in millions)

	As of	
	6/30/14	12/31/13
Cash and cash equivalents	\$12.9	\$39.9
Cash and securities held for customers	840.0	739.3
Short term investments ⁽¹⁾	0.8	0.8
Receivables from banks and brokers ⁽²⁾	233.2	227.6
Total Operating Cash	\$1,086.9	\$1,007.6
Less: Cash and securities held for customers	(840.0)	(739.3)
Free Operating Cash	\$246.9	\$268.3
Less: Minimum regulatory capital requirements	(69.4)	(85.7)
Less: Convertible Senior Notes ⁽³⁾	(80.0)	(80.0)
Free Cash Available	\$97.5	\$102.6

Note: Dollars in millions. Financials reflect Q1 2014 restatement announced August 11, 2014.

(1) Reflects cash that would be received upon the liquidation of short term investments.

(2) Reflects cash that would be received from brokers following the close-out of all open positions.

(3) The convertible senior note incorporates the unamortized discount.

Hybrid Execution Model With Robust Risk Management

- Like all trading firms, GAIN employs a hybrid execution model, with both principal and agency-like execution
- More than 95% of OTC trades are hedged internally or via a liquidity provider
- GAIN's principal execution benefits customers via 25-30% lower transaction costs and improved execution speed/ quality
- Principal execution allows GAIN to offer broader range of OTC products including CFDs

GFT Acquisition: Increased Scale, Broader Product Offering

- Closed acquisition of GFT on September 24, 2013
 - \$108 million purchase price (\$40 million cash, \$33 million loan payable, 3.6 million shares and \$77 million net cash acquired)
- Immediate scale increase
 - More than \$700 million total post-acquisition client assets and over 130,000 total post-acquisition funded accounts
 - Wider range of products, geographies and partners
- Enhanced product offering and global footprint
 - Over 12,500 tradable products
 - Increased presence in key markets, including Continental Europe and S.E. Asia
- Diversified revenue streams
 - Expanded partner-based business through GFT's long-standing relationships
 - New institutional-like Sales Trader revenue stream complements and augments GAIN's institutional business
- Achievable Cost Synergies
 - On track to achieve \$35-\$45m of expense synergies by Q4 14
 - Synergies in areas including marketing, headcount, technology

Definition of Metrics

- **Funded Accounts**
 - Retail accounts who maintain a cash balance
- **Active OTC Accounts**
 - Retail accounts who executed a transaction during a given period
- **Trading Volume**
 - Represents the U.S. dollar equivalent of notional amounts traded
- **Futures Contracts**
 - Represents the average daily trades transacted by OEC customers
- **Customer Assets**
 - Represents amounts due to clients, including customer deposits and unrealized gains or losses arising from open positions



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