



# Financial and Operating Results

Second Quarter and First Half 2016

August 2016

# Safe Harbor Statement

## Forward Looking Statements

In addition to historical information, this earnings presentation contains "forward-looking" statements that reflect management's expectations for the future. A variety of important factors could cause results to differ materially from such statements.. These factors are noted throughout GAIN Capital's annual report on Form 10-K/A for the year ended December 31, 2015, as filed with the Securities and Exchange Commission on May 2, 2016, 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, errors or malfunctions in GAIN Capital's systems or technology, rapid changes in technology, effects of inflation, customer trading patterns, the success of our products and service offerings, our 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 we have acquired, our ability to effectively compete, 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 our ability to continue paying a quarterly dividend in light of future financial performance and financing needs. The forward-looking statements included herein represent GAIN Capital's views as of the date of this release. GAIN Capital undertakes no obligation to revise or update publicly any forward-looking statement for any reason unless required by law.

## Non-GAAP Financial Measures

This presentation contains various non-GAAP financial measures, including adjusted EBITDA, adjusted net income, adjusted EPS and various "pro forma" non-GAAP measures. 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 these non-GAAP financial measures assists investors in evaluating our historical and expected operating performance. However, because these 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.

## Second Quarter and First Half Overview

- Results demonstrate benefits of GAIN's strategy to diversify across products, geographies and customer segments
- Margin improvement reflects successful execution of expense management initiatives including partner optimization and synergy capture
- Successful handling of customer trading following EU referendum highlights GAIN's ability to navigate major market events
- Retail segment delivers solid revenue and segment profit through quality of trading volume
- Futures and Institutional segments providing meaningful contribution to GAIN with ~20% total revenue

# Second Quarter 2016 Financial and Operating Results

- **Financial Results**
  - Net revenue: \$108.3 million
  - Net income: \$10.8 million
    - Adjusted net income<sup>(2)</sup>: \$13.1 million
  - Adjusted EBITDA<sup>(1)</sup>: \$27.6 million
  - Earnings per share: \$0.19
    - Adjusted earnings per share<sup>(3)</sup>: \$0.27
- **Operating Metrics<sup>(4)</sup>**
  - Average daily OTC trading volume: \$10.9 billion
  - Institutional average daily volume: \$11.0 billion
    - ECN average daily volume: \$8.1 billion
    - Swap dealer average daily volume: \$2.9 billion
  - Average daily futures contracts: 34,742

(1) Adjusted EBITDA is a non-GAAP financial measure that represents our earnings before interest, taxes, depreciation, amortization and other one-time items. A reconciliation of net income to adjusted EBITDA is available in the appendix to this presentation.

(2) Adjusted net income is a non-GAAP financial measure that represents net income excluding the impact of one-time items. A reconciliation of GAAP net income to adjusted net income is available in the appendix to this presentation.

(3) Adjusted EPS is a non-GAAP financial measure that represents net income per share excluding the impact of one-time items. A reconciliation of GAAP EPS to adjusted EPS is available in the appendix to this presentation.

(4) Definitions for operating metrics are available in the appendix to this presentation.

# First Half 2016 Financial and Operating Results

- **Financial Results**

- Net revenue: \$223.8 million
- Net income: \$19.2 million
  - Adjusted net income<sup>(2)</sup>: \$29.9 million
- Adjusted EBITDA<sup>(1)</sup>: \$59.4 million
- Earnings per share: \$0.36
  - Adjusted earnings per share<sup>(3)</sup>: \$0.61

- **Operating Metrics<sup>(4)</sup>**

- Average daily OTC trading volume: \$12.2 billion
- Institutional average daily volume: \$11.1 billion
  - ECN average daily volume: \$8.2 billion
  - Swap dealer average daily volume: \$2.9 billion
- Average daily futures contracts: 36,466
- Customer assets: \$1.1 billion

(1) Adjusted EBITDA is a non-GAAP financial measure that represents our earnings before interest, taxes, depreciation, amortization and other one-time items. A reconciliation of net income to adjusted EBITDA is available in the appendix to this presentation.

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(4) Definitions for operating metrics are available in the appendix to this presentation.

# Retail

	3 Mos. Ended June 30,		First Half		TTM
	2016	2015 <sup>(1)</sup>	2016	2015 <sup>(1)</sup>	
Trading Revenue	\$88.1	\$86.5	\$182.8	\$157.2	\$367.4
Other Retail Revenue	1.3	1.1	3.3	3.7	9.3
<b>Total Revenue</b>	<b>\$89.4</b>	<b>\$87.6</b>	<b>\$186.1</b>	<b>\$160.9</b>	<b>\$376.7</b>
Employee Comp & Ben	16.9	20.4	33.6	32.6	68.5
Marketing	6.5	8.1	12.7	12.3	26.5
Referral Fees	13.7	25.9	30.3	48.5	69.0
Other Operating Exp.	20.8	20.7	41.7	32.0	86.1
<b>Segment Profit</b>	<b>\$31.5</b>	<b>\$12.5</b>	<b>\$67.8</b>	<b>\$35.5</b>	<b>\$126.6</b>
<i>% Margin</i>	<i>35%</i>	<i>14%</i>	<i>36%</i>	<i>22%</i>	<i>34%</i>
<b>Operating Metrics</b>					
ADV (bns)	\$10.9	\$17.8	\$12.2	\$16.1	\$13.5
Active Accounts	139,022	148,730	139,022	148,730	139,022
Client Assets	\$641.3	\$877.6	\$641.3	\$877.6	\$641.3
PnL/mm	\$124	\$72	\$116	\$75	\$106

- Through the first half of 2016, the retail segment generated \$186.1 million of revenue and \$67.8 million of segment profit, a margin of 36%
  - Trailing twelve months:
    - Revenue: \$376.7 million
    - Segment profit: \$126.6 million (34% margin)
- Expense management initiatives continue to show benefits
  - City Index synergies: \$40 million of run-rate savings achieved
    - Expect to achieve \$45 million of run-rate savings by Q4 2016
  - Partnership optimization
    - 1H 16 referral fee per million: \$43/mm (21% improvement compared to 1H 2015)
    - 1H 16 Indirect volume contribution: 45%<sup>(2)</sup>

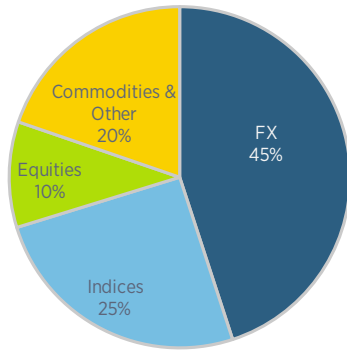
Note: Dollars in millions, except where noted otherwise. Columns may not add due to rounding.

(1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.

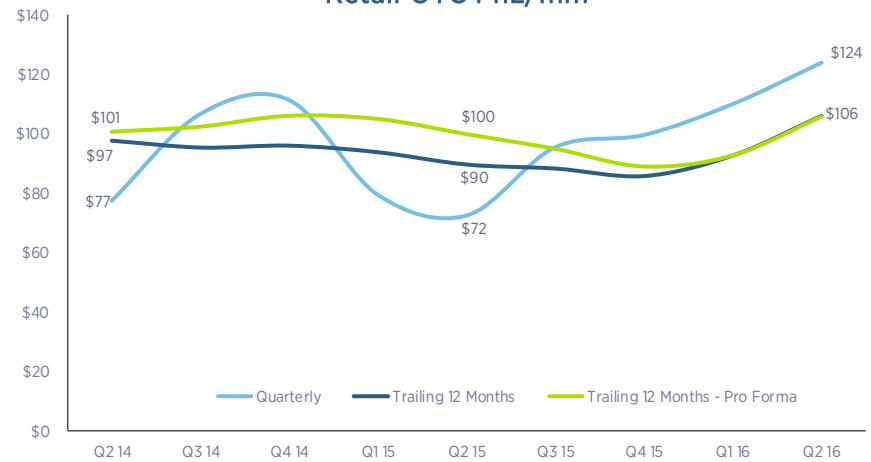
(2) Includes retail volume generated by indirect business of 43% of total retail OTC trading volume for the second quarter of 2016. Due to an arithmetical error, this figure had previously been reported as 48% in GAIN's June 2016 metrics press release.

# Retail (cont.)

TTM Revenue by Product Type



Retail OTC PnL/mm



- Risk management expertise helped GAIN successfully navigate the market volatility leading up to and following the EU referendum
  - GAIN’s management of the January 2015 SNB event and June 2016 EU referendum highlight the Company’s risk management as a core competency
- Revenue & volume diversification continues
  - TTM non-FX revenue and volume contribution:
    - Revenue: 55% (FX: 45%)
    - Volume: 42% (FX: 58%)
  - GAIN’s diversification strategy contributing to 18% growth in TTM revenue capture

**Key Takeaway: GAIN’s 1H 2016 results demonstrate the Company’s ability to generate segment profit and cash flow in a variety of market conditions**

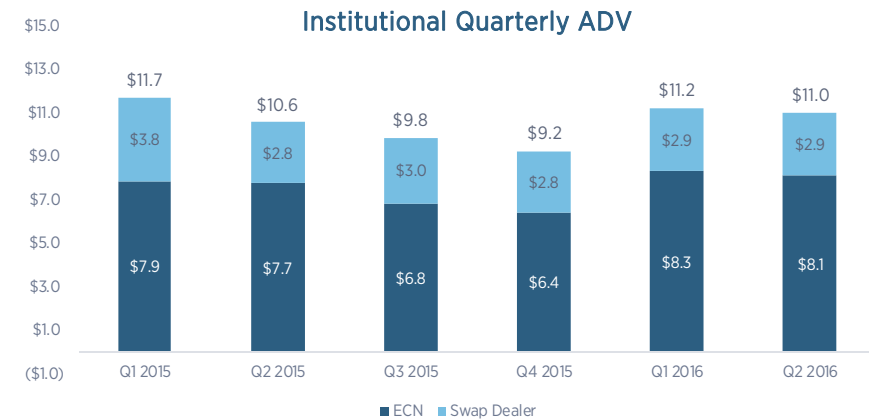
# Institutional

- Through the first half of 2016, the institutional segment generated \$14.6 million of revenue and \$2.9 million of segment profit, a margin of 20%
  - Trailing twelve months:
    - Revenue: \$30.6 million
    - Segment profit: \$7.3 million (24% margin)
- GTX's ECN-based business continues to drive institutional segment results
  - First half 2016 average daily volume up 5% year-over-year while many peers saw declines over same period
- Strategic plan for 2H 2016 and beyond
  - Development of SEF and Swap Dealer offerings
  - Expand product reach via strategic partnerships

Institutional Financial & Operating Results					
	3 Mos. Ended June 30,		First Half		TTM
	2016	2015 <sup>(1)</sup>	2016	2015 <sup>(1)</sup>	
ECN	\$5.3	\$6.0	\$10.1	\$12.2	\$20.2
Swap Dealer	2.2	2.8	4.5	6.7	10.4
<b>Total Revenue</b>	<b>\$7.5</b>	<b>\$8.9</b>	<b>\$14.6</b>	<b>\$19.0</b>	<b>\$30.6</b>
Employee Comp & Ben	3.5	4.3	6.7	8.3	13.7
Other Operating Exp.	2.6	2.5	5.0	5.1	9.5
<b>Segment Profit</b>	<b>\$1.4</b>	<b>\$2.1</b>	<b>\$2.9</b>	<b>\$5.6</b>	<b>\$7.3</b>
<b>% Margin</b>	<b>20%</b>	<b>23%</b>	<b>20%</b>	<b>29%</b>	<b>24%</b>

#### Operating Metrics

ECN ADV (bns)	\$8.1	\$7.7	\$8.2	\$7.8	\$7.4
Swap Dealer ADV (bns)	2.9	2.8	2.9	3.3	2.9



**Key Takeaway: GTX continues to gain traction with banks, hedge funds and other professional investors**

Note: Dollars in millions, except where noted otherwise. Columns may not add due to rounding.  
 (1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.



# Futures

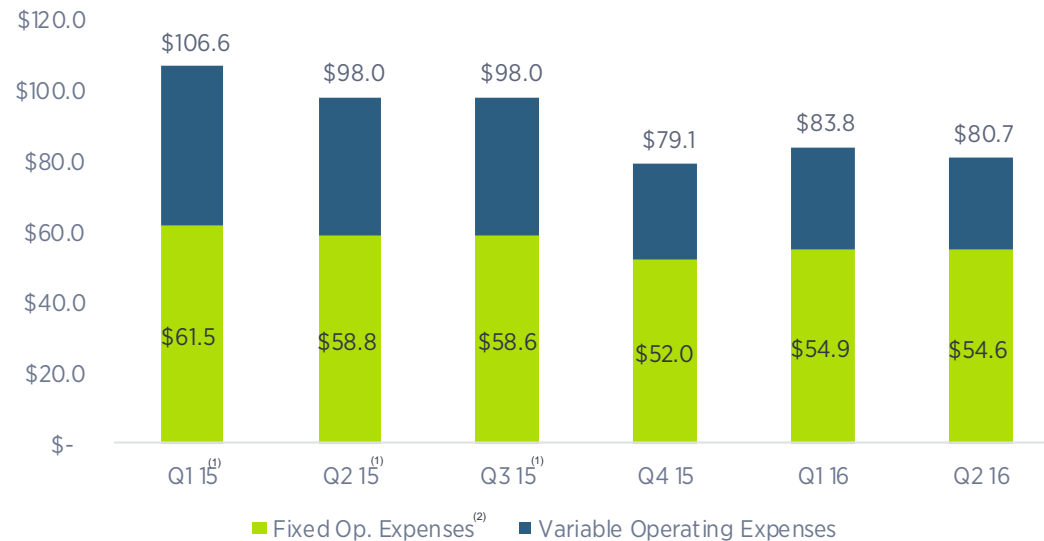
- Through the first half of 2016, the futures segment generated \$25.1 million of revenue and \$2.7 million of segment profit, a margin of 11%
  - Trailing twelve months:
    - Revenue: \$48.5 million
    - Segment profit: \$4.4 million (9% margin)
- >\$400 million of client assets as of June 30 following on-boarding of several significant clients
- Client engagement continues to grow
  - Nearly 9,000 active accounts
  - Over 34,000 average daily contracts
- Revenue per contract of \$5.80 represents a 10% increase over Q2 2015

Futures Financial & Operating Results					
	3 Mos. Ended June 30,		First Half		TTM
	2016	2015 <sup>(1)</sup>	2016	2015 <sup>(1)</sup>	
Revenue	\$12.9	\$10.9	\$25.1	\$22.4	\$48.5
Employee Comp & Ben	3.1	2.7	6.1	5.2	11.5
Marketing	0.2	0.3	0.4	0.6	0.7
Referral Fees	3.9	3.6	8.0	7.5	16.9
Other Operating Exp.	3.9	3.3	7.9	6.9	15.0
<b>Segment Profit</b>	<b>\$1.8</b>	<b>\$1.0</b>	<b>\$2.7</b>	<b>\$2.2</b>	<b>\$4.4</b>
<i>% Margin</i>	14%	9%	11%	10%	9%
<b>Operating Metrics</b>					
Avg. Daily Contracts	34,742	32,633	36,462	35,782	35,025
Active Accounts	8,822	8,799	8,822	8,799	8,822
Client Assets	\$419.5	\$231.8	\$419.5	\$231.8	\$419.5
Revenue/Contract	\$5.80	\$5.29	\$5.51	\$4.91	\$5.49

***Key Takeaway: Futures segment continues to be a meaningful contributor to revenue and we expect margins to improve as we focus on client acquisition via the direct channel***

Note: Dollars in millions, except where noted otherwise. Columns may not add due to rounding.  
 (1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.

# Operating Expenses



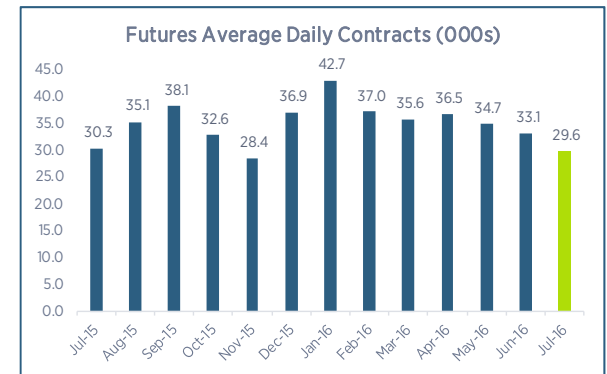
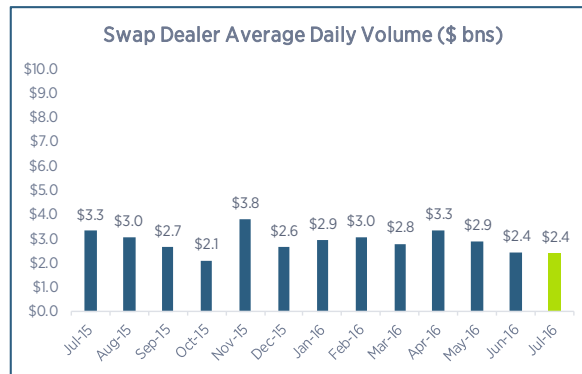
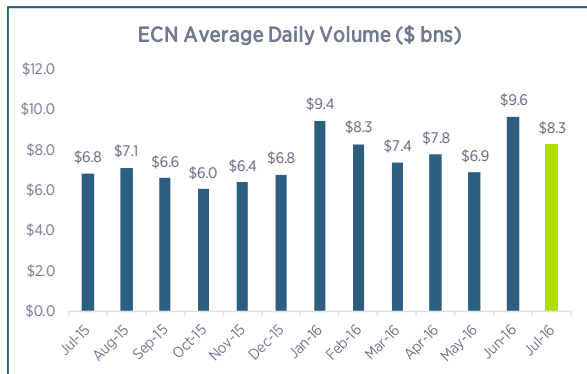
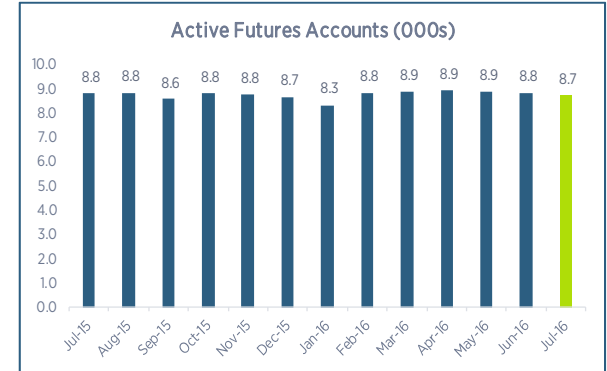
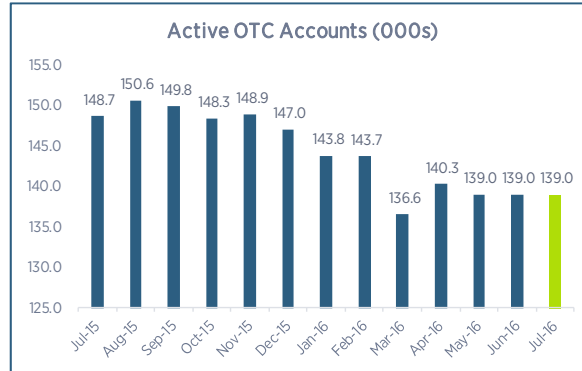
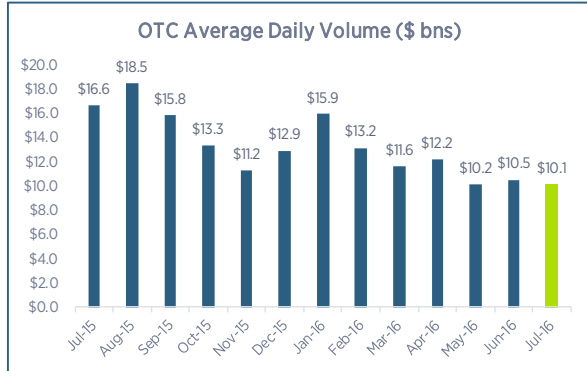
- Q2 operating expenses continued to demonstrate GAIN’s execution on its cost-cutting plan, driven by:
  - City Index synergies
  - Partnership optimization
  - Overall expense management
- 18% year-over-year drop in total operating expenses
  - 7% drop in fixed operating expenses for same period
- On track to achieve \$45 million of run-rate synergies by Q4 2016

Note: Dollars in millions. Q1 2015 operating expenses shown on a pro forma basis based on the simple addition of GAIN Capital and City Index. Details available in appendix to this presentation.

(1) As restated. See the Company’s Form 10-Q/A filed on May 3, 2016 for additional information.

(2) Excludes bad debt & other variable expenses, referral fees and marketing expense.

# July 2016 Operating Metrics



# Return of Capital

- Through June 30, GAIN has returned \$12 million to investors via buybacks and dividends
  - Buybacks: \$7.1 million
    - Equity: \$5.4 million
    - Convertible: \$1.7 million
  - Dividends: \$4.9 million
- Share repurchase
  - Repurchased 275,924 shares at an average price of \$6.68 in Q2 2016
    - For the year, repurchased 775,924 shares at an average price of \$6.92
- Quarterly dividend
  - \$0.05 per share quarterly dividend approved
    - Record date: September 13, 2016
    - Payment date: September 20, 2016

## Closing Remarks

- Q2 2016 and 1H 2016 demonstrate financial strength and operating leverage of GAIN's business
  - 4<sup>th</sup> consecutive quarter of Adjusted EBITDA >\$20 million
  - TTM Results:
    - Revenue: \$452.5 million
    - Net income: \$31.1 million
    - Adjusted EBITDA: \$110.9 million
- Targeting margin improvement in 2H 2016 as we continue to focus on expense management
- Management of the January 2015 SNB event and June 2016 EU referendum highlight the GAIN's risk management as a core competency
- As a result of GAIN's cost reduction and ability to generate significant net income and EBITDA, we expect to drive significant shareholder value

# Appendix

# Consolidated Statement of Operations

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015 <sup>(1)</sup>	2016	2015 <sup>(1)</sup>
<b>Revenue</b>				
Retail revenue	\$ 88.1	\$ 86.4	\$ 183.1	\$ 159.4
Institutional revenue	7.2	8.4	13.9	18.3
Futures revenue	12.7	10.8	24.8	22.3
Other revenue	(0.1)	5.8	1.5	4.5
Total non interest revenue	108.0	111.5	223.3	204.4
Interest revenue	0.4	0.3	0.8	0.7
Interest expense	0.1	0.3	0.2	0.6
Total net interest revenue	0.3	-	0.5	0.1
<b>Net revenue</b>	<b>\$ 108.3</b>	<b>\$ 111.5</b>	<b>\$ 223.8</b>	<b>\$ 204.4</b>
<b>Expenses</b>				
Employee compensation and benefits	26.6	30.7	53.0	52.8
Selling and marketing	6.8	8.4	13.2	13.0
Referral Fees	17.6	29.5	38.2	56.1
Trading expenses	7.8	8.1	16.2	15.1
General and administrative	15.0	14.1	31.1	23.5
Depreciation and amortization	3.6	2.7	6.7	4.7
Purchased intangible amortization	3.8	4.3	7.8	6.4
Communications and technology	5.7	5.8	11.0	8.6
Bad debt provision	1.2	1.2	1.8	4.6
Acquisition expenses	-	2.4	-	2.5
Restructuring expenses	0.0	1.9	0.8	1.9
Integration expenses	1.0	12.3	1.9	12.4
Settlement expense	-	-	9.4	-
Total operating expense	89.1	121.6	191.0	201.6
<b>Operating profit</b>	<b>19.2</b>	<b>(10.2)</b>	<b>32.8</b>	<b>2.9</b>
Interest expense on long term borrowings	2.6	2.6	5.2	4.1
<b>Income before income tax expense</b>	<b>16.6</b>	<b>(12.7)</b>	<b>27.7</b>	<b>(1.2)</b>
Income tax expense	5.0	(6.0)	7.4	(0.3)
Equity in net loss of affiliate	(0.0)	-	(0.0)	-
<b>Net income</b>	<b>11.6</b>	<b>(6.7)</b>	<b>20.3</b>	<b>(0.9)</b>
Net income attributable to non-controlling interests	0.7	0.4	1.1	0.8
<b>Net income applicable to Gain Capital Holdings Inc.</b>	<b>\$ 10.8</b>	<b>\$ (7.1)</b>	<b>\$ 19.2</b>	<b>\$ (1.7)</b>
<b>Earnings per common share<sup>(2)</sup></b>				
Basic	\$0.19	(\$0.16)	\$0.36	(\$0.07)
Diluted	\$0.19	(\$0.16)	\$0.36	(\$0.07)
Weighted averages common shares outstanding used in computing earnings per common share:				
Basic	48,546,253	49,070,387	48,584,534	46,154,717
Diluted	48,737,188	49,070,387	48,860,533	46,154,717

Note: Dollars in millions, except per share data. Columns may not add due to rounding.

(1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.

(2) Earnings per share includes an adjustment for the redemption value of the NCI put option.

# Consolidated Balance Sheet

	As of	
	6/30/2016	12/31/2015
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 89.4	\$ 171.9
Cash and securities held for customers	1,060.8	920.6
Receivables from brokers	218.1	121.2
Prepaid assets	7.4	7.8
Property and equipment - net of accumulated depreciation	33.5	30.4
Intangible assets, net	78.1	91.5
Goodwill	32.9	34.0
Other assets	51.3	47.2
<b>Total assets</b>	<b>\$ 1,571.6</b>	<b>\$ 1,424.6</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY:</b>		
Payables to customers	\$ 1,060.8	\$ 920.6
Payables to brokers	4.8	-
Accrued compensation & benefits	8.9	12.4
Accrued expenses and other liabilities	50.9	51.6
Income tax payable	7.0	1.1
Convertible senior notes	122.3	121.7
<b>Total liabilities</b>	<b>\$ 1,254.8</b>	<b>\$ 1,107.4</b>
Non-controlling interest	\$ 13.2	\$ 11.0
Shareholders' Equity	303.5	306.1
<b>Total liabilities and shareholders' equity</b>	<b>\$ 1,571.6</b>	<b>\$ 1,424.6</b>

Note: Dollars in millions. Columns may not add due to rounding.



# Current Liquidity

	As of	
	6/30/2016	12/31/2015
Cash and cash equivalents	\$89.4	\$171.9
Receivables from banks and brokers <sup>(1)</sup>	218.1	121.2
Free Operating Cash	\$307.5	\$293.1
Less: Payable to brokers	(4.8)	-
Less: Minimum regulatory capital requirements	(123.3)	(114.5)
<b>Free Cash Available<sup>(2)</sup></b>	<b>\$179.4</b>	<b>\$178.6</b>

Note: Dollars in millions. Columns may not add due to rounding.

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

(2) The convertible senior notes are excluded given their long-dated maturity.

# Adjusted EBITDA & Margin Reconciliation

	3 Mos. Ended June 30,		First Half	
	2016	2015 <sup>(1)</sup>	2016	2015 <sup>(1)</sup>
Net Revenue	\$ 108.3	\$ 111.5	\$ 223.8	\$ 204.4
Net Income	10.8	(7.1)	19.2	(1.7)
<i>Net Income Margin %</i>	10%	(6%)	9%	(7%)
<b>Net Income</b>	<b>\$ 10.8</b>	<b>\$ (7.1)</b>	<b>\$ 19.2</b>	<b>\$ (1.7)</b>
Depreciation & amortization	3.6	2.7	6.7	4.7
Purchase intangible amortization	3.8	4.3	7.8	6.4
Interest expense on long term borrowings	2.6	2.6	5.2	4.1
Income tax expense	5.0	(6.0)	7.4	(0.3)
Acquisition costs	-	2.4	-	2.5
Restructuring	0.0	1.9	0.8	1.9
Integration costs	1.0	12.3	1.9	12.4
Legal settlement	-	-	9.4	-
Bad debt related to SNB event in January of 2015	-	-	-	2.5
Acquisition contingent consideration adjustment	-	(4.5)	-	(4.5)
Net income attributable to non-controlling interest	0.7	0.4	1.1	0.8
<b>Adjusted EBITDA</b>	<b>\$ 27.6</b>	<b>\$ 9.0</b>	<b>\$ 59.4</b>	<b>\$ 28.9</b>
<i>Adjusted EBITDA Margin %<sup>(2)</sup></i>	26%	8%	27%	14%

Note: Dollars in millions. Columns may not add due to rounding.

(1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.

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

## Adjusted Net Income and EPS Reconciliation

	3 Mos. Ended June 30,		First Half	
	2016	2015 <sup>(1)</sup>	2016 <sup>(1)</sup>	2015 <sup>(1)</sup>
<b>Net Income</b>	<b>\$10.8</b>	<b>(\$7.1)</b>	<b>\$19.2</b>	<b>(\$1.7)</b>
Income Tax	5.0	(6.0)	7.4	(0.3)
Non-controlling interest	0.7	0.4	1.1	0.8
<b>Pre-Tax Income</b>	<b>\$16.6</b>	<b>(\$12.7)</b>	<b>\$27.7</b>	<b>(\$1.2)</b>
Plus: Expense Adjustments	1.1	16.7	12.1	19.3
<b>Adjusted Pre-Tax Income</b>	<b>\$17.7</b>	<b>\$3.9</b>	<b>\$39.8</b>	<b>\$18.1</b>
Normalized Income Tax <sup>(2)</sup>	(3.9)	(0.9)	(8.7)	(4.0)
Non-controlling interest	(0.7)	(0.4)	(1.1)	(0.8)
<b>Adjusted Net Income</b>	<b>\$13.1</b>	<b>\$2.7</b>	<b>\$29.9</b>	<b>\$13.4</b>
Adjusted Earnings per Common Share:				
Basic	\$0.27	\$0.05	\$0.62	\$0.29
Diluted	\$0.27	\$0.05	\$0.61	\$0.29

Note: Dollars in millions, except per share and share data. Columns may not add due to rounding.

(1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.

(2) Assumes 22% tax rate.

# Q1 2016 Key Financial Results

	3 Mos. Ended June 30,		First Half		% Change	
	2016	2015 <sup>(1)</sup>	2016	2015 <sup>(1)</sup>	Q2	1st Half
<b>As Reported</b>						
Net Revenue	\$108.3	\$111.5	\$223.8	\$204.4	(3%)	10%
Operating Expenses	(80.7)	(98.0)	(164.5)	(171.1)	(18%)	(4%)
Galvan Earnout Adjustment	-	(4.5)	-	(4.5)	(100%)	(100%)
Adjusted EBITDA <sup>(2)</sup>	\$27.6	\$9.0	\$59.4	\$28.9	207%	106%
Net Income	\$10.8	(\$7.1)	\$19.2	(\$1.7)	(252%)	(1260%)
Adjusted Net Income <sup>(3)</sup>	13.1	2.7	29.9	13.4	391%	123%
GAAP EPS	\$0.19	(\$0.16)	\$0.36	(\$0.07)	(219%)	(614%)
Adjusted EPS <sup>(4)</sup>	0.27	0.05	0.61	0.29	394%	111%
<b>Pro Forma</b>						
Net Revenue	\$108.3	\$111.5	\$223.8	\$240.1	(3%)	(7%)
Operating Expenses	(80.7)	(98.0)	(164.5)	(204.5)	(18%)	(20%)
Galvan Earnout Adjustment	-	(4.5)	-	(4.5)	NA	NA
Adjusted EBITDA <sup>(2)</sup>	\$27.6	\$9.0	\$59.4	\$31.1	207%	91%

Note: Dollars in millions, except per share data. Columns may not add due to rounding.

(1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.

(2) See page 18 for a reconciliation of GAAP net income to adjusted EBITDA.

(3) See page 19 for a reconciliation of GAAP Net Income to adjusted net income.

(4) See page 19 for a reconciliation of GAAP EPS to adjusted EPS.

# Corporate and Other Financial Results

	3 Mos. Ended June 30,		First Half		TTM
	2016	2015 <sup>(1)</sup>	2016	2015 <sup>(1)</sup>	
Revenue	(\$1.5)	(\$0.4)	(\$2.0)	(\$2.3)	(\$3.4)
Employee Comp & Ben	3.1	3.4	6.6	6.9	12.8
Other Operating Exp.	2.5	2.6	5.5	5.1	11.4
<b>Loss</b>	<b>(\$7.1)</b>	<b>(\$6.6)</b>	<b>(\$14.0)</b>	<b>(\$14.4)</b>	<b>(\$27.5)</b>

Note: Dollars in millions. Columns may not add due to rounding.

(1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.

# Reconciliation of Segment Profit to Income Before Income Tax Expense

	3 Mos. Ended June 30,		First Half	
	2016	2015 <sup>(1)</sup>	2016	2015 <sup>(1)</sup>
Retail segment	\$31.5	\$12.5	\$67.8	\$35.5
Institutional segment	1.4	2.1	2.9	5.6
Futures segment	1.8	1.0	2.7	2.2
Corporate and other	(7.1)	(6.6)	(14.0)	(14.4)
<b>Segment Profit</b>	<b>\$27.6</b>	<b>\$9.0</b>	<b>\$59.4</b>	<b>\$28.9</b>
Depreciation and amortization	\$3.6	\$2.7	\$6.7	\$4.7
Purchased intangible amortization	3.8	4.3	7.8	6.4
Acquisition expenses	-	2.4	-	2.5
Restructuring expenses	0.0	1.9	0.8	1.9
Integration expenses	1.0	12.3	1.9	12.4
Legal settlements	-	-	9.4	-
Bad debt related to SNB event	-	-	-	2.5
Acquisition contingent consideration adj.	-	(4.5)	-	(4.5)
<b>Operating profit</b>	<b>\$19.2</b>	<b>(\$10.2)</b>	<b>\$32.8</b>	<b>\$2.9</b>
Interest expense on long term borrowings	2.6	2.6	5.2	4.1
<b>Income before income tax expense</b>	<b>\$16.6</b>	<b>(\$12.7)</b>	<b>\$27.7</b>	<b>(\$1.2)</b>

Note: Dollars in millions. Columns may not add due to rounding.

(1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.

# Pro Forma Reconciliation – 1H 2015

	First Half 2015 <sup>(1)</sup>	City Index Q1 2015	Pro Forma 1H 2015 <sup>(1)</sup>
Net Revenue	\$ 204.4	\$ 35.7	\$ 240.1
Net Income	(1.7)	(6.9)	(8.6)
<i>Net Income Margin %</i>	<i>(1%)</i>	<i>(19%)</i>	<i>(4%)</i>
<b>Net Income</b>	<b>\$ (1.7)</b>	<b>\$ (6.9)</b>	<b>\$ (8.6)</b>
Depreciation & amortization	4.7	2.3	7.0
Purchase intangible amortization	6.4	3.1	9.5
Interest expense on long term borrowings	4.1	-	4.1
Income tax expense	(0.3)	-	(0.3)
Acquisition costs	2.5	-	2.5
Restructuring	1.9	-	1.9
Integration costs	12.4	0.2	12.5
Legal settlement	-	-	-
Bad debt related to SNB event in January of 2015	2.5	3.6	6.2
Acquisition contingent consideration adjustment	(4.5)	-	(4.5)
Net income attributable to non-controlling interest	0.8	-	0.8
<b>Adjusted EBITDA</b>	<b>\$ 28.9</b>	<b>\$ 2.3</b>	<b>\$ 31.1</b>
<i>Adjusted EBITDA Margin %<sup>(2)</sup></i>	<i>14%</i>	<i>6%</i>	<i>13%</i>

Note: Dollars in millions. Columns may not add due to rounding.

(1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.

# Operating Expenses

	2015 <sup>(1)</sup>				2016	
	Q1	Q2	Q3	Q4	Q1	Q2
<b>Total Op. Expenses</b>	<b>\$ 106.6</b>	<b>\$ 98.0</b>	<b>\$ 98.0</b>	<b>\$ 79.1</b>	<b>\$ 83.8</b>	<b>\$ 80.7</b>
Bad Debt and other variable	3.0	1.3	3.4	1.5	1.8	1.7
Referral Fees	33.0	29.5	28.6	18.8	20.7	17.6
Marketing	9.0	8.4	7.4	6.8	6.4	6.8
<b>Fixed Op. Expenses</b>	<b>\$ 61.5</b>	<b>\$ 58.8</b>	<b>\$ 58.6</b>	<b>\$ 52.0</b>	<b>\$ 54.9</b>	<b>\$ 54.6</b>

Note: Dollars in millions. Columns may not add due to rounding. Q1 2015 operating expenses shown on a pro forma basis based on the simple addition of GAIN Capital and City Index.

(1) As restated. See the Company's Form 10-Q/A filed on May 3, 2016 for additional information.



# Quarterly Operating Metrics

	Three Months Ended,					
	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16
<b>Retail</b>						
OTC Trading Volume	\$894.6	\$1,160.2	\$1,118.4	\$812.6	\$861.7	\$710.9
OTC Average Daily Volume	\$14.2	\$17.8	\$16.9	\$12.5	\$13.5	\$10.9
Active OTC Accounts	99,017	148,730	149,846	146,977	136,559	139,022
<b>Institutional</b>						
ECN Volume	\$495.7	\$502.8	\$451.2	\$415.4	\$531.6	\$526.9
ECN Average Daily Volume	\$7.9	\$7.7	\$6.8	\$6.4	\$8.3	\$8.1
Swap Dealer Volume	\$240.8	\$183.2	\$198.5	\$184.3	\$186.6	\$186.2
Swap Dealer Average Daily Volume	\$3.8	\$2.8	\$3.0	\$2.8	\$2.9	\$2.9
<b>Futures</b>						
Futures Contracts	2,381,073	2,055,878	2,203,456	2,065,094	2,334,308	2,223,501
Futures Average Daily Contracts	39,034	32,633	34,429	32,779	38,267	34,742
Active Futures Accounts	8,562	8,799	8,567	8,668	8,890	8,822

Note: Volumes in billions; assets in millions.  
Definitions for all operating metrics are available on page 26.

## Definition of Metrics

- **Active Accounts:** Accounts who executed a transaction within the last 12 months
- **Trading Volume:** Represents the U.S. dollar equivalent of notional amounts traded
- **Customer Assets:** Represents amounts due to clients, including customer deposits and unrealized gains or losses arising from open positions



# Financial and Operating Results

Second Quarter and First Half 2016

August 2016