

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (date of earliest event reported): **March 18, 2021**

VIRTU FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-37352
(Commission File No.)

32-0420206
(IRS Employer
Identification No.)

One Liberty Plaza
New York, NY 10006
(Address of principal executive offices)

(212) 418-0100
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Class A common stock, par value \$0.00001 per share	VIRT	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

Virtu Financial, Inc. (the “Company”) plans to make a presentation to investors and industry participants (the “Presentation”) a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. The Company expects to use the Presentation at a virtual discussion hosted by Piper Sandler in conjunction with the FIA Boca conference on March 18, 2021 at 2:45 p.m. ET, and from time to time thereafter in connection with presentations to investors and potential investors, clients and potential clients, industry analysts and others. The presentation is available in the “Investor Relations” section of the Company’s website, located at <https://ir.virtu.com/investor-relations/default.aspx>

The information contained in the Presentation is summary information that is intended to be considered in the context of the Company’s Securities and Exchange Commission (“SEC”) filings and other public announcements that the Company may make, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in this report, although it may do so from time to time as its management believes is warranted. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure.

By filing this Current Report on Form 8-K and furnishing the information contained herein, the Company makes no admission as to the materiality of any information in this report that is required to be disclosed solely by reason of Regulation FD. The Company uses, and will continue to use, its website, public conference calls, and social media channels, including its Twitter account (twitter.com/virtufinancial) and our LinkedIn account ([linkedin.com/company/virtu-financial](https://www.linkedin.com/company/virtu-financial)), as additional means of disclosing public information to investors, the media and others interested in the Company. It is possible that certain information that the Company posts on its website and on social media could be deemed to be material information, and the Company encourages investors, the media and others interested in the Company to review the business and financial information that the Company posts on its website and on the social media channels identified above.

The information presented in Item 7.01 of this Current Report on Form 8-K and in Exhibit 99.1 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, unless the Company specifically states that the information is to be considered “filed” under the Exchange Act or specifically incorporates it by reference into a filing under the Securities Act of 1933, as amended, or the Exchange Act.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation
104.1	Cover Page Interactive Data File (embedded within the Inline XBRL document)

EXHIBIT INDEX

Exhibit No.	Description
99.1	Presentation
104.1	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

VIRTU FINANCIAL, INC.

By: /s/ JUSTIN WALDIE

Name: Justin Waldie

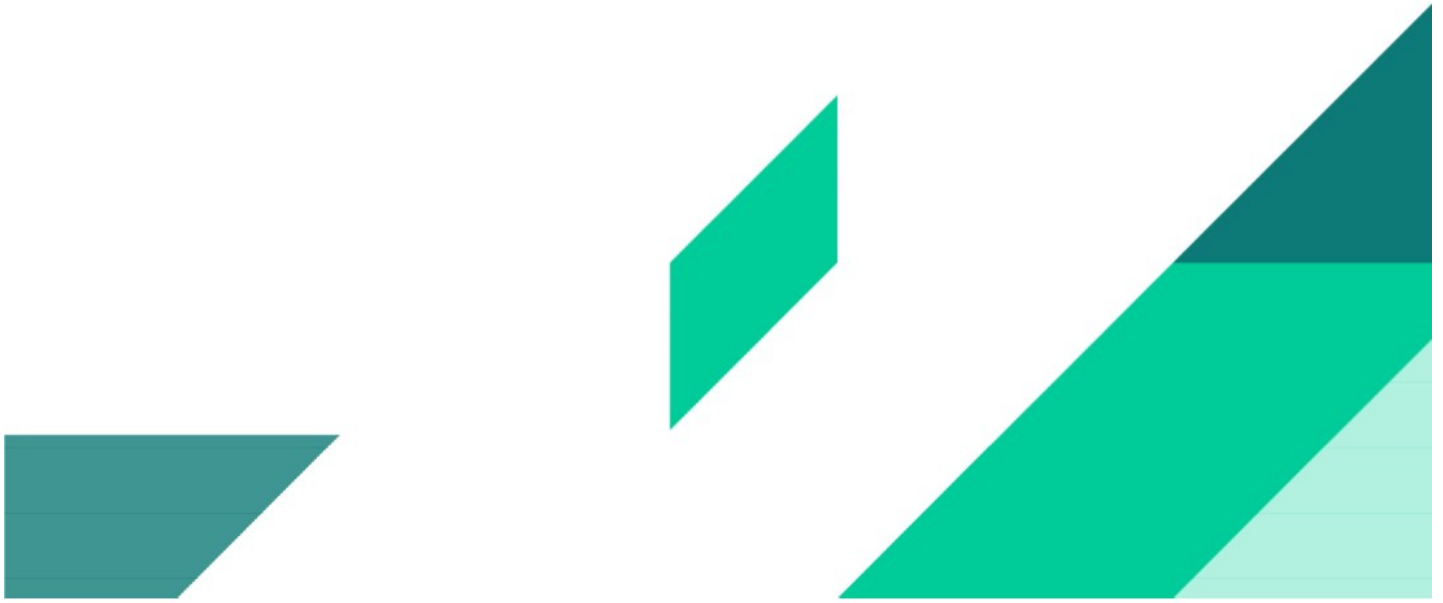
Title: *Senior Vice President, Secretary and General Counsel*

Dated: March 18, 2021



Virtual FIA Boca

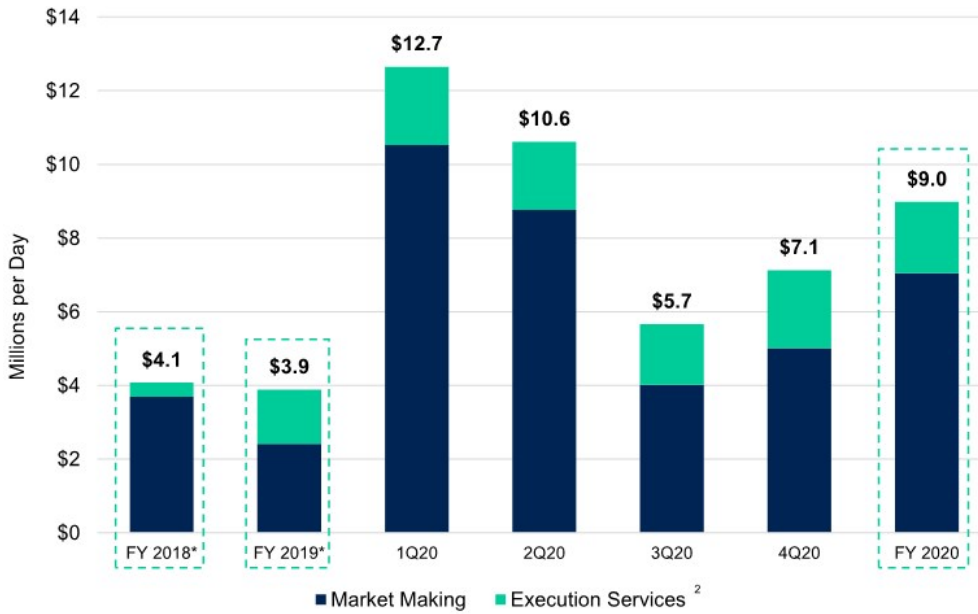
March 18, 2021



Continued Strong Performance



Average Daily Adjusted Net Trading Income¹



2021 off to a strong start driven by all aspects of business, including:

- Continued strong performance of VES and MM
- Organic growth initiatives delivering incremental results
- Consistent core business performance

See end notes

Solid Fundamentals Continue Into 2021

Positioned for our next chapter of growth



Prioritizing Return to Shareholders

Strong earnings baseline

Expect to generate strong normalized Adj. EPS¹ across various environments



Expense discipline

Target run rate:

- Cash operating expenses **\$545 - \$575M**
- Total operating expenses **\$605 - \$645M**



Dependable capital return

Consistent dividend and excess cash flow in outsized environments to be used for share buybacks

Updated Illustrative Range of Outcomes Based on 2021 Expense Guidance

(\$M except per share amounts)

Adj. NTI / Day ¹	Full-Year Adj. NTI ¹	Adj. EBITDA ¹	Normalized Adj. EPS ¹
\$6.00	\$1,512	\$952	\$3.16
\$7.00	\$1,764	\$1,180	\$4.05
\$8.00	\$2,016	\$1,415	\$4.96
\$9.00	\$2,268	\$1,642	\$5.84
\$10.00	\$2,520	\$1,857	\$6.68
\$11.00	\$2,772	\$2,071	\$7.50

FY 2020

See end notes

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Virtu Investment Highlights



Scale Advantage Powers Organic Growth and Innovation

- ✓ Integration drives revenues and margins
- ✓ Leverage scale for product and geographic expansion in Market Making and Execution Services
- ✓ Sizable addressable opportunities

Benefiting From Strong Secular Market Shifts

- ✓ Paradigm shift expands addressable market
- ✓ Systemic change in global market activity and retail engagement

Leverage Deep Client and Liquidity Network

- ✓ Global market center with vast network of principal, retail, and institutional liquidity
- ✓ Growing, integrated footprint with broad client base
- ✓ Significant growth opportunities across Market Making and Execution Services businesses

Strong Financial Profile

- ✓ Increasing revenue diversification: Growing Execution Services business including recurring and subscription-based revenues
- ✓ Scalable model: Significant operating leverage; low fixed costs base and strong margins
- ✓ Highly cash generative business with stable dividend and growing buyback program
- ✓ Exceptional ROIC

Scale Advantage Powers Organic Growth & Innovation



Organic growth initiatives contributed 7% of Adj. Net Trading Income¹ in 2020

Total Adj. NTI¹ (\$M) from Organic Growth Initiatives



Previously Highlighted Opportunities Represent a Significant Untapped Incremental Revenue Opportunity

Growth in Existing Markets

- Quant-style KCG strategies into new markets and asset classes
- Customer-facing ETF block franchise desk
- Enhance data and analytics offerings
- Deploy Frontier client execution algos

Enter New Markets and Long-Term Drivers of Growth

- Options market making
- Corporate bonds
- Virtu Capital Markets
- Crypto market making

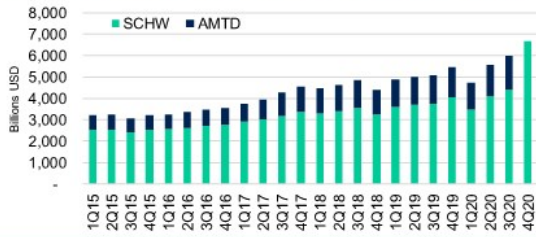
See end notes

Benefiting from Strong Secular Market Shifts

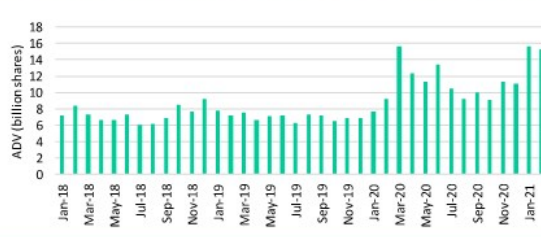


Virtu is a beneficiary of the secular shift in market volumes

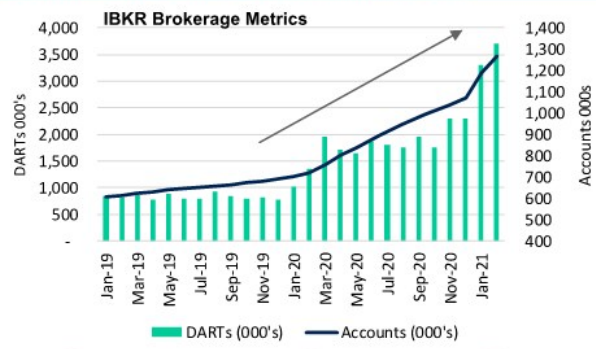
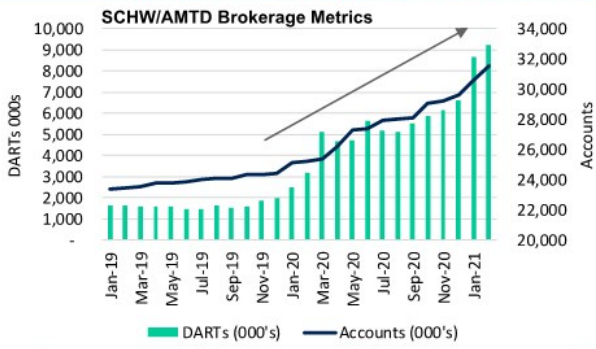
Retail Assets Continue to Grow as More Investors Enter the Market and Fund Brokerage Accounts



Total Market Volumes in US Equities Remain Consistently Above Trend Line of Recent Years



Higher Retail Activity Began in 4Q19 and Only Continues to Gain in Momentum into 2021



Virtu Market Making and Execution Services Create a Market Center with Unique Liquidity



GLOBAL CLIENT NETWORK

Trusted relationships, many developed over 30+ years

Broad Range of Client Types <ul style="list-style-type: none"> • Institutional • Retail • RIAs • Asset Managers • ETF Issuers 	2,000+ Clients	50+ Countries
	80%+ Top 50 Global Asset Managers	250+ Venues
Global Presence in <ul style="list-style-type: none"> • Americas • EMEA • APAC 	12,500+ ITG Net Connections	4,000+ Desktop Installations

LIQUIDITY POOLS & EXECUTION TOOLS

Efficient and transparent trading

Multiple Asset Classes <ul style="list-style-type: none"> • Global Equities • ETFs • FICC • Options 	Liquidity Pools <ul style="list-style-type: none"> • Retail • Principal • Institutional 	~30% Retail Mkt Shr ¹
	25K+ Securities	
Market Leader Across Products <ul style="list-style-type: none"> • Single Dealer Platform liquidity • OTC / Bulletin Board • ATS / MTF / RFQ platforms • Block Trading • ETFs • FX & Metals 		

UNIQUE LIQUIDITY

Exclusive Source 12% Of US algo client shares per day cross with liquidity from retail, principal, and other sources unique to Virtu	Access More Size 7x+ More size than is typically available at the NBBO
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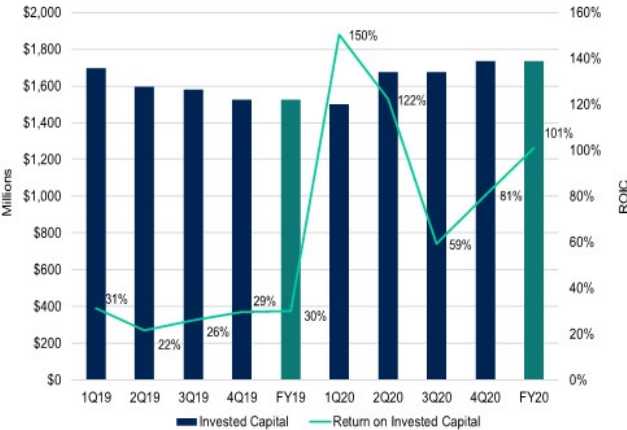


Strong Financial Profile

Disciplined capital management and returns

- **Aggressively returning capital to shareholders (dividend + buyback)**
- **Strong balance sheet (average of \$1.8B in Trading Capital in 2020) – “capital light” model**
- **\$170 million share repurchase program in place already**
 - Already repurchased 3 million shares at an average price of \$25.35 per share

Returns on invested capital ¹ across various environments



We will continue to prioritize capital return to shareholders as we generate excess cash flow

Updated Illustrative Range of Outcomes Based on 2021 Expense Guidance

(\$M except per share amounts)

Adj. NTI / Day ²	Full-Year Adj. NTI ²	Target Range Available for Share Repurchases
\$6.00	\$1,512	\$120 - \$140
\$7.00	\$1,764	\$200 - \$250
\$8.00	\$2,016	\$300 - \$400
\$9.00	\$2,268	\$400 - \$500
\$10.00	\$2,520	\$500 - \$600
\$11.00	\$2,772	\$600 - \$700

See endnotes



Appendices



Adjusted Net Trading Income Reconciliation



Operating segments

Adjusted Net Trading Income Reconciliation		Market Making				
(\$mm)	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	
Trading income, net	228	803	745	442	466	
Commissions, net and technology services	6	1	(1)	9	43	
Brokerage, exchange, clearance fees and payment for order flow, net	(74)	(137)	(173)	(178)	(176)	
Interest and dividends, net	(9)	(15)	(19)	(16)	(12)	
Adjusted Net Trading Income	151	652	552	257	321	

Adjusted Net Trading Income Reconciliation		Execution Services				
(\$mm)	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	
Trading income, net	1	(0)	(1)	(1)	39	
Commissions, net and technology services	133	170	148	124	105	
Brokerage, exchange, clearance fees and payment for order flow, net	(28)	(37)	(31)	(19)	(9)	
Interest and dividends, net	(0)	(0)	(0)	(0)	(0)	
Adjusted Net Trading Income	106	132	117	105	135	

Adjusted Net Trading Income Reconciliation		Total				
(\$mm)	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	
Trading income, net	229	802	744	441	505	
Commissions, net and technology services	139	171	148	134	148	
Brokerage, exchange, clearance fees and payment for order flow, net	(101)	(174)	(204)	(196)	(185)	
Interest and dividends, net	(9)	(15)	(20)	(16)	(13)	
Adjusted Net Trading Income	257	784	669	362	456	

See end notes

Adjusted Net Trading Income Reconciliation

Organic growth initiatives



Organic Initiatives Adjusted Net Trading Income Reconciliation <i>(\$mm)</i>	2018	2019	2020
Trading income, net	36	77	246
Commissions, net and technology services	7	11	23
Brokerage, exchange, clearance fees and payment for order flow, net	(2)	(9)	(88)
Interest and dividends, net	(1)	(4)	(15)
Adjusted Net Trading Income	40	75	166

Return on Invested Capital



Invested Capital									
(\$mm)	As of:	3/31/19 ¹	6/30/19	9/30/19	4Q 2019	3/31/20	6/30/20	9/30/20	12/31/20
(+) Cash & cash equivalents		771	458	373	732	711	671	568	890
(+) Cash and securities segregated under federal regs		17	40	22	41	95	77	98	117
(+) Securities borrowed		1,283	1,201	1,579	1,929	1,322	1,436	1,326	1,425
(+) Securities purchased under agreements to resell		6	23	19	143	75	244	17	23
(+) Receivables from broker dealers and clearing organizations		1,188	1,287	1,564	1,376	2,563	2,441	1,882	1,800
(+) Financial instruments owned, at market		2,952	3,105	2,675	2,766	3,094	2,642	2,817	3,116
(+) Receivables from customers		122	255	267	104	541	276	177	214
(-) Short term borrowings		(160)	(147)	(95)	(73)	(432)	(26)	(124)	(65)
(-) Securities loaned		(820)	(778)	(1,093)	(1,600)	(1,017)	(1,204)	(706)	(948)
(-) Securities sold under agreement to repurchase		(290)	(296)	(282)	(341)	(390)	(313)	(467)	(461)
(-) Payables to broker dealers and clearing organizations		(988)	(669)	(1,025)	(884)	(1,181)	(1,200)	(675)	(993)
(-) Payables to customers		(72)	(131)	(118)	(90)	(569)	(149)	(142)	(119)
(-) Financial instruments sold, not yet purchased, at market		(2,295)	(2,716)	(2,249)	(2,498)	(2,814)	(2,754)	(2,790)	(2,924)
(-) Cash reserved for operations, net ²		(20)	(35)	(56)	(77)	(496)	(463)	(303)	(338)
Invested Capital		1,694	1,597	1,581	1,527	1,501	1,678	1,679	1,737

Adjusted EBITDA									
(\$mm)		1Q 2019 ¹	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020
Adjusted EBITDA ³		133	89	104	115	570	486	249	344
Annualized ROIC		31%	22%	26%	29%	151%	122%	59%	81%

See end notes

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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, short term funding requirements, margin requirements, 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.

Preliminary Estimates

Select preliminary financial and other data set forth above with respect to partial reporting periods has been prepared by, and is the responsibility of our management. The foregoing information and estimates have not been compiled or examined by our independent registered public accounting firm nor have our independent registered public accounting firm performed any procedures with respect to this information or expressed any opinion or any form of assurance of such information. In addition, the foregoing information and estimates are subject to revision as we prepare our consolidated financial statements and other disclosures as of and for the three months ended March 31, 2021, including all disclosures required by U.S. GAAP. Because we have not completed our normal quarterly closing and review procedures for any partial period during the quarter ended March 31, 2021, and subsequent events may occur that require material adjustments to these results, the final results and other disclosures for this period may differ materially from these estimates. These estimates should not be viewed as a substitute for full financial statements prepared in accordance with U.S. GAAP or as a measure of performance. In addition, these estimated results of operations are not necessarily indicative of the results to be achieved for any future period. See "Cautionary Note Regarding Forward-looking Statements." These estimated results of operations should be read together with subsequent filings and announcements.

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. Prior period reconciliations available at <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>

2. Includes MATCHNow revenues prior to sale in July 2020.

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

Note: # of trading days used in Adj. Net Trading Income per day calculations: 251, 252, 62, 63, 64, 64 and 253 for FY18, FY19, 1Q20, 2Q20, 3Q20, 4Q20 and FY20, respectively.

Slide 3

1. This reflects a non-GAAP measure. Figures are shown for illustrative purposes only to illustrate range of potential outcomes assuming the Company performs in accordance with 2021 Adj. Operating Expense guidance, with nominally higher cash compensation estimates when Adj. NTI/Day is in excess of \$6.0M.

Slide 5

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. Calculated on daily Adj. Net Trading Income

Slide 7

1. Based on Public Rule 605 Filings

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. This reflects a non-GAAP measure. Figures are shown for illustrative purposes only to illustrate range of potential outcomes assuming the Company performs in accordance with 2021 Adj. Operating Expense guidance, with nominally higher cash compensation estimates when Adj. NTI/Day is in excess of \$6.0M.

Slide 10

Prior period reconciliations available at <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>

Slide 12

1. ITG revenues and expenses included in financials beginning on March 1, 2019 close date. Prior period reconciliations available at ir.virtu.com

2. Working capital including primarily accrued but unpaid cash compensation and unpaid cash taxes

3. This reflects a non-GAAP measure. Reconciliation to the equivalent GAAP measure available at <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>