

**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): **January 4, 2022**

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.)

1633 Broadway, 41st Floor
New York, NY 10019
(Address of principal executive offices)

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

(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))

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.

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

Item 7.01. Regulation FD Disclosure.

Virtu Financial, Inc. (the “Company”) plans to make a presentation in connection with a potential refinancing transaction (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 may also use the Presentation from time to time separately in connection with presentations to industry analysts and participants, investors and potential investors, clients and potential clients 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 the Presentation or 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 the Presentation or 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), 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 8.01. Other Events.

On January 4, 2022, the Company issued a press release announcing the commencement of marketing of a potential refinancing transaction. A copy of the Company’s press release is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Virtu Financial Lender Presentation, dated January 2022.
99.2	Press release of Virtu Financial, Inc., dated January 4, 2022.
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

EXHIBIT INDEX

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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: January 4, 2022

Virtu Financial



Lender Presentation

January 2022





Doug Cifu

Chief Executive Officer

- *Co-founded Virtu in 2008*
- *Previously was a partner at the international law firm Paul, Weiss, Rifkind, Wharton & Garrison, where he served as a member of the Management Committee, Deputy Chair of the Corporate Department and Co-Head of the Private Equity Group*
- *Serves on the Board of Directors of the U.S. Chamber of Commerce*

Joe Molluso

Co-President and Co-Chief Operating Officer

- *Joined Virtu in 2013 as Chief Financial Officer*
- *Played a central role in Virtu's completed merger and integration of KCG Holdings and ITG as well as its initial public offering in 2015*
- *Previously served as Managing Director at J.P. Morgan in the Investment Banking Department, where he provided strategic advice to financial institutions with a focus on market structure related companies*
- *Served on the Board of Directors of DTCC*



- 1 Transaction Overview
- 2 Business Overview
- 3 Business Update
- 4 Questions & Answers
- 5 Appendix

Transaction Overview



Executive Summary



- Virtu Financial, Inc. (“Virtu” or the “Company”) is a leading technology-driven market maker and agency execution provider with superior scale across 235+ venues, 36 countries, and 25,000+ securities and other financial instruments
 - Publically traded on Nasdaq (NASDAQ: VIRT)
 - The Company generated Adjusted Net Trading Income^{1,2} of \$1,880mm and Adjusted EBITDA² of \$1,317mm, reflecting a 70.0% Adjusted EBITDA margin^{2,3} for last twelve months ended September 30, 2021
- The Company is seeking to refinance its existing \$1,600mm first lien term loan facility due 2026 with a new \$1,800mm first lien term loan facility due 2029 (the “Transaction”)
 - Virtu has already received commitments to refinance its existing \$50mm revolving credit facility due 2022 with a \$250mm revolving credit facility due 2025 in connection with the Transaction
 - Net proceeds from the Transaction will be used to pay down the existing first lien term loan, fund share repurchases and for general corporate purposes
- Pro forma for the Transaction, Total and Net Leverage will be 1.4x and 0.9x, respectively
- The Company is requesting commitments due from lenders by January 11th, 2022 at 5:00pm NYT

Sources & Uses / Pro Forma Capitalization



Sources	(\$mm)	Uses	(\$mm)
New Term Loan B	\$1,800	Refinance existing Term Loan B	\$1,600
New \$250mm Revolving credit facility	-	Refinance existing \$50mm Revolving credit facility	-
		Share repurchases and general corporate purposes	200
Total sources	\$1,800	Total uses	\$1,800

As of 9/30/2021	Current capitalization		Adj.	Pro forma	
	Amount	x EBITDA		Amount	x EBITDA
Cash and equivalents	\$684			\$684	
New \$250mm Revolving credit facility due 2025 ¹	-	-		-	-
1st Lien term loan due 2026	1,600	1.2x	(1,600)	-	-
New 1st lien term loan due 2029	-	-	1,800	1,800	1.4x
SBI bonds	31	0.0x		31	0.0x
Total debt	\$1,631	1.2x		\$1,831	1.4x
Total net debt	\$947	0.7x		\$1,148	0.9x
LTM 3Q2021 Adj. EBITDA²	\$1,317			\$1,317	

Market capitalization³: \$5,220mm

Summary Terms and Conditions



Borrower:	VFH Parent LLC (the "Borrower")
Guarantors:	Virtu Financial LLC and certain of its domestic subsidiaries (same as existing)
Existing corporate ratings:	Ba2 / B+ / BB-
Facility:	First Lien Term Loan
Amount:	\$1,800mm
Tenor:	7 years
Use of proceeds:	Refinance existing 1 st lien term loan, fund share repurchases and general corporate purposes
Financial covenants:	None; covenant-lite
Amortization:	1% per annum
Call protection:	101 soft call for 6 months
ECF Sweep:	50% of excess cash flow, with step downs to 25% and 0% at 3.50x and 3.00x Net First Lien Leverage, respectively (includes dollar-for-dollar deductions of ECF payment obligations for cash used for open market repurchases). Begins with the 4Q period ending June 30, 2023 and is payable annually thereafter
Negative covenants:	Usual and customary for a transaction of this type

Term Loan Execution Timeline



January 2022				
M	T	W	T	F
3	4	5	6	7
10	11	12	13	14
17	18	19	20	21
24	25	26	27	28
31				

Key transaction dates
 Bank / market holidays

Week of:

Event:

January 3 rd	<ul style="list-style-type: none"> ■ Host term loan B lender call on January 4th (12:00pm NYT)
January 10 th	<ul style="list-style-type: none"> ■ Commitments due on term loan B from lenders on January 11th (5:00pm NYT)
Thereafter	<ul style="list-style-type: none"> ■ Closing and funding

Business Overview



Key Credit Highlights



Scaled Service Provider to the Global Financial Markets



Broad Suite of Industry Leading Products Deeply Embedded in Client Workflows



Global Blue-Chip Customer Franchise



Disciplined Low-Cost Infrastructure with Modest Leverage



World-Class Real-Time Risk Management



Successful Expansion into Agency, Workflow and Analytics Businesses with Sticky Revenue Characteristics



Organic Revenue Growth Driven by Technology Integration and Expansion into New Products and Markets

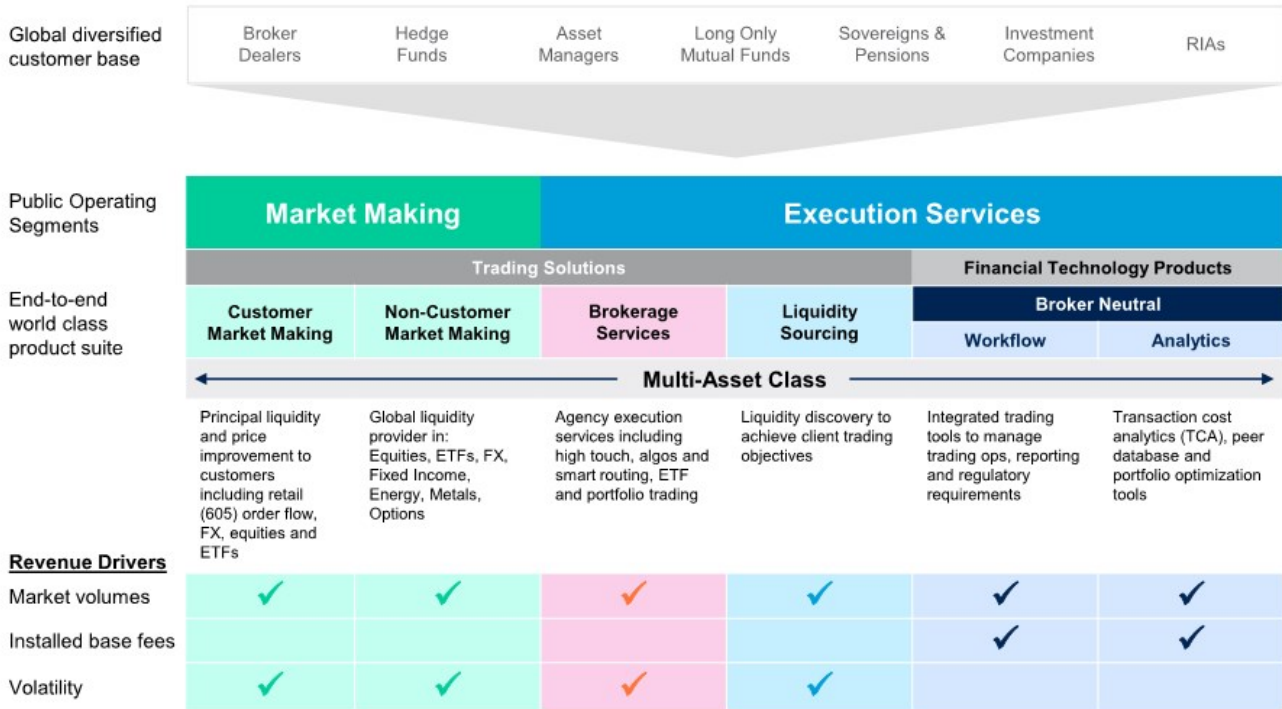


Proven, Talented and Aligned Management Team

Virtu's Global Offerings



Servicing investors' multi-asset execution, analytics, liquidity and workflow needs with our scalable, low-cost technology platform



Virtu has a Global, Diversified Client Franchise



Virtu's customer base spans global retail, RIA and institutional firms across the buy-side and sell-side



Business Update



Third Quarter Highlights



Adj. NTI¹

\$354M

Normalized Adj. EPS¹

\$0.70

Adj. NTI/day^{1,2}

\$5.5M

Adj. EBITDA¹

\$211M

Debt to LTM Adj. EBITDA¹

1.2x

Adj. EBITDA Margin^{1,3}

59.5%

3Q 2021 Highlights

- Strong Market Making performance – results increased 5% compared to 8% decline in U.S. Equity TCV
 - Realized volatility roughly flat QoQ, which is 10% below 2019 pre-pandemic average
 - U.S. Equity TCV 11% below FY 2020 average
- Execution Services outperformed softening environment – results decreased 5%, a smaller decline than global market volumes in most regions
 - TCV down 8% in U.S., 21% in Canada, and 6% in Europe⁴

Key Financial Metrics



(\$M)	Full Year 2019 ¹	Full Year 2020	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021	3Q 2021 v 2Q 2021
Total Adjusted Net Trading Income²	\$975	\$2,271	\$784	\$669	\$362	\$456	\$728	\$342	\$354	+ 2%
<i>Daily Average Adj. NTI²</i>	\$3.9	\$9.0	\$12.7	\$10.6	\$5.7	\$7.1	\$11.9	\$5.4	\$5.5	
<i>Market Making Adj. NTI²</i>	\$605	\$1,782	\$652	\$552	\$257	\$321	\$575	\$232	\$249	+ 5%
<i>Market Making Daily Average Adj. NTI²</i>	\$2.4	\$7.0	\$10.5	\$8.8	\$4.0	\$5.0	\$9.4	\$3.7	\$3.9	
<i>Execution Services Adj. NTI^{2,3}</i>	\$370	\$489	\$132	\$117	\$105	\$135	\$153	\$110	\$106	- 5%
<i>Execution Services Daily Average Adj. NTI^{2,3}</i>	\$1.5	\$1.9	\$2.1	\$1.9	\$1.6	\$2.1	\$2.5	\$1.7	\$1.7	
Adjusted Cash Operating Expenses ²	\$543	\$623	\$215	\$183	\$114	\$112	\$163	\$145	\$144	- 1%
Total Adjusted Operating Expenses ²	\$608	\$690	\$232	\$200	\$130	\$128	\$180	\$161	\$160	- 0%
Adjusted EBITDA²	\$432	\$1,648	\$570	\$486	\$249	\$344	\$565	\$197	\$211	+ 7%
<i>Adjusted EBITDA Margin⁴</i>	44.3%	72.6%	72.6%	72.6%	68.7%	75.4%	77.6%	57.7%	59.5%	+ 1.7 pts
Long Term Debt (at end of period)	\$1,957	\$1,670	\$1,957	\$1,769	\$1,669	\$1,670	\$1,667	\$1,631	\$1,631	+ 0.0%
<i>Debt / LTM Adjusted EBITDA²</i>	4.5x	1.0x	2.2x	1.4x	1.2x	1.0x	1.0x	1.2x	1.2x	+ 3%
Normalized Adjusted EPS²	\$0.96	\$5.76	\$2.05	\$1.73	\$0.81	\$1.18	\$2.04	\$0.63	\$0.70	+ 11%

Major Market Metrics



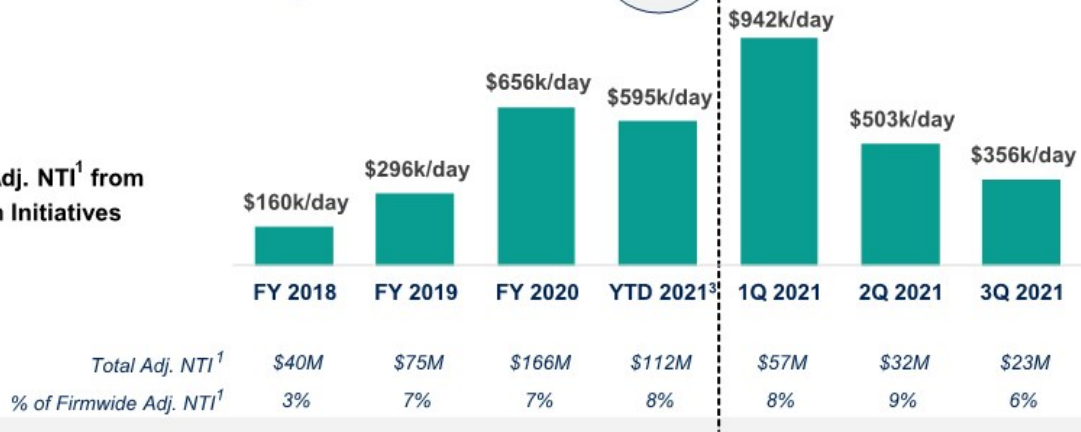
	FY 2019	FY 2020	FY 2021	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	3Q 2021 v 2Q 2021	4Q 2021 v 3Q 2021
Market Metrics (Average Daily)													
Volume Metrics													
US Equity Consolidated Volume (M shares)	7,031	10,924	11,404	10,972	12,352	9,942	10,454	14,650	10,559	9,763	10,762	- 0%	+ 10%
IBKR Retail Equity Volume (M shares)	668	1,216	3,047	966	1,045	1,378	1,899	5,019	2,721	2,689	1,835	- 1%	- 32%
OCC ADV (M contracts)	19.4	29.5	39.2	28.0	28.2	29.5	32.2	42.0	36.4	37.6	40.8	+ 3%	+ 9%
CME FX ADV (K contracts)	862	861	798	1,078	725	829	818	850	770	776	800	+ 1%	+ 3%
Hotspot ADV FX (\$M)	32,533	34,724	33,514	43,530	31,753	30,208	33,635	36,889	32,598	31,926	32,956	- 2%	+ 3%
Volatility Metrics													
S&P 500 Index Realized Volatility	12.4	30.4	13.0	57.3	31.9	17.0	16.4	15.8	11.2	11.1	14.0	- 1%	+ 26%
SX5E Realized Volatility	13.0	30.1	14.8	47.3	33.0	19.5	21.3	13.6	12.9	14.6	17.9	+ 14%	+ 22%
NKY Realized Volatility	13.7	24.1	18.5	38.1	28.5	15.7	14.5	20.1	19.1	16.2	18.8	- 16%	+ 16%
CVIX Realized Volatility	40.5	75.6	29.3	146.4	46.7	74.1	36.8	32.1	25.0	30.3	29.8	+ 21%	- 2%
GS Comm Realized Volatility	13.3	19.0	11.7	16.3	36.1	13.1	10.8	8.4	5.4	8.0	24.9	+ 48%	+ 211%

Organic Business Growth



CAGR²
+ 61%

Daily Average Adj. NTI¹ from Organic Growth Initiatives



- **Options Market Making:** Growing options business faced with flat market volumes and a decline in realized volatility; continues to demonstrate relative strong performance as we increase symbol and venue coverage and invest in growing the team.
- **Crypto:** Dedicated team trading ~20 products across spot, futures, and ETFs; now connected to all principal venues.
- **Virtu Capital Markets:** Continues to utilize execution and distribution expertise to deliver liquidity to corporate issues.
- **Block ETF:** Increasing competitiveness; we are now a top 5 liquidity provider as measured by winning hit rates and total notional volume dealt.



Strong Baseline Cash Flow Generation

- Significant cash flow, low leverage and high interest coverage at all observed cyclical levels of revenues
- Modest required CapEx and capital needs

Operating Expense Discipline

- Disciplined expense management results in consistently strong EBITDA margin through the cycle, with additional upside when the market backdrop improves
 - 3Q21 EBITDA margin¹ of 60% up from 58% in 2Q21
- Realized synergies from the KCG and ITG acquisitions in excess of original public guidance

Opportunistically Return Cash Flow to Shareholders While Remaining Well Capitalized

- Current levels of debt are manageable across various market environments
- As long as leverage remains within historical parameters, remaining excess cash flow after the dividend distributed through share repurchases

Virtu Has Multiple Levers to Drive Growth



**Virtu
Through-
the-Cycle
Earnings**



**Organic
Business
Growth**

Normalized Historical Results		
	Normalized Pro Forma ANTI/Day ^{1,2}	Adjusted EBITDA ³
Median	\$5.5M	\$834M

Impact of Growth Initiatives		
	Incremental ANTI/Day ⁴	Incremental Adj. EBITDA ⁵
High	\$1,500K	\$227
Low	\$500K	\$76



Combined Earnings Power		
	Pro Forma ANTI/Day ⁶	Pro Forma Adj. EBITDA ⁶
Median	\$6.5M	\$986
<i>Implied Growth</i>	+18%	+18%

Illustrative Range of Outcomes Based on 2021 Expense Guidance			
Adj. NTI per Day (M) ⁷	Full Year Adj. NTI (M) ⁷	Full Year Adj. EBITDA (M) ⁷	Target Debt / Adj. EBITDA ⁸
\$6.00	\$1,512	\$952	1.9x
\$7.00	\$1,764	\$1,180	1.6x
\$8.00	\$2,016	\$1,415	1.3x
\$9.00	\$2,268	\$1,642	1.1x
\$10.00	\$2,520	\$1,857	1.0x
\$11.00	\$2,772	\$2,071	0.9x

Pro forma results for Virtu + KCG + ITG result in through-the-cycle Adj. NTI per day of ~\$5.5M annually -- **before** the benefits of growth initiatives and integration

Organic growth initiatives, together with our stable cost structure, result in an estimated \$76 to \$227 of incremental Adj. EBITDA annually, or ~18% **growth from median EBITDA** (based on midpoint of ranges)

Illustrative leverage pro-forma for the contemplated debt transaction

⁷Figures are shown for illustrative purposes only to illustrate range of potential outcomes for a full year (consisting of 252 trading days) assuming the Company performs in accordance with 2021 Adj. Operating Expense guidance, with nominally higher cash compensation estimates when Adjusted Net Trading Income per Day is in excess of \$6.0M. Figures do not represent affirmation of such prior guidance nor do they represent the view of the Company. The Company's actual fourth quarter results are expected to be announced on or around February 9, 2022.

Analyst Coverage Q4 2021¹

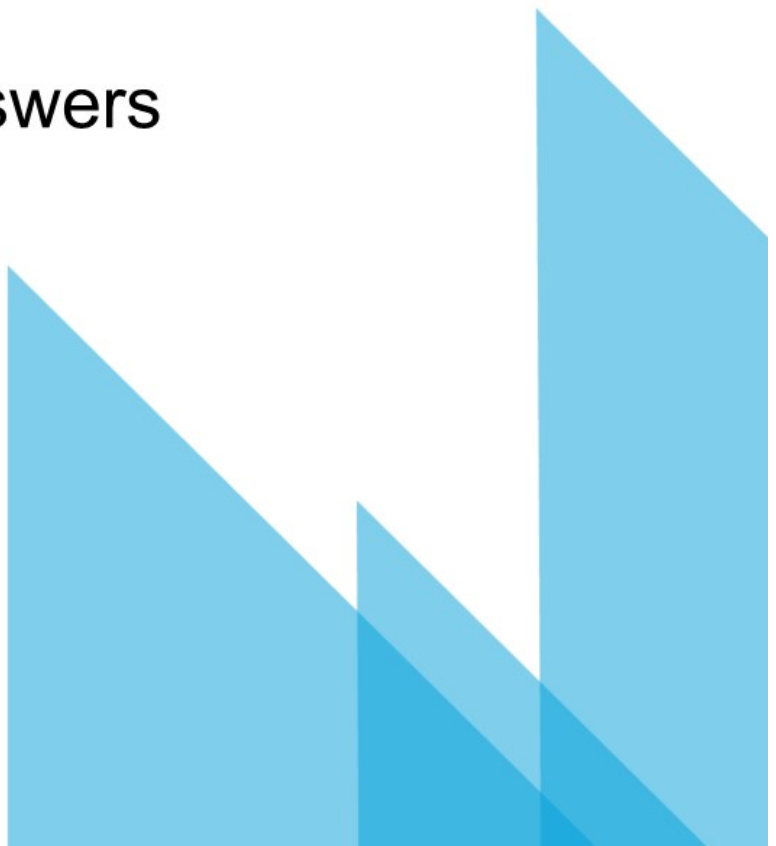


Firm	Daily Average Adj. NTI 4Q 2021E (mm)
Citi Research	5.32
Compass Point	5.62
Evercore	5.75
Goldman Sachs	5.40
Jefferies	5.70
JP Morgan	4.81
Morgan Stanley	5.20
Piper Sandler	5.55
Rosenblatt	5.34
UBS	5.23
Analyst Mean	\$5.39

Q4 results are anticipated to reflect the overall positive operating environment, consistent core business performance and further progress on organic growth initiatives.

¹The fourth quarter estimates reflected on this slide are the opinions of research analysts associated with the financial institutions named above as published on or prior to January 3, 2022 which may be updated or amended from time to time, and do not represent the views of the Company. The Company's actual fourth quarter results are expected to be announced on or around February 9, 2022.

Questions and Answers



Appendix



Income Statement



Income Statement (\$mm)	FY 2018	FY 2019 ¹	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2020	1Q 2021	2Q 2021	3Q 2021
Trading income, net	\$1,267	\$912	\$802	\$744	\$441	\$505	\$2,493	\$813	\$385	\$394
Commissions, net and technology services	184	499	171	148	134	148	601	192	143	136
Interest and dividend income	88	109	27	9	11	15	62	7	10	10
Direct Expenses:										
(-) Brokerage, exchange and clearance fees	376	387	174	204	196	185	759	259	171	159
(-) Interest and dividends expense	142	158	41	29	27	28	126	24	25	27
Adjusted Net Trading Income	\$1,020	\$975	\$784	\$669	\$362	\$456	\$2,271	\$728	\$342	\$354
(+) Other income	340	(2)	1	5	70	8	83	1	11	4
Indirect Expenses:										
(-) Employee compensation and payroll taxes	216	384	170	121	36	66	394	105	84	85
(-) Communications and data processing	176	209	55	56	52	51	214	52	53	56
(-) Operations and administrative	67	104	27	22	25	21	95	26	22	18
(-) Depreciation and amortization	61	66	17	17	17	16	67	17	16	17
(-) Amortization of purchased intangibles and acquired capitalized software	26	71	19	19	18	18	74	18	18	17
(-) Termination of office leases	23	66	0	0	0	9	10	1	4	0
(-) Debt issue cost related to debt refinancing and prepayment	12	41	4	13	10	2	29	2	2	1
(-) Transaction fees and expenses	11	26	0	0	2	0	3	(0)	(0)	0
(-) Financing interest expense	72	122	26	22	20	20	88	19	20	20
Income (Loss) Before Income Taxes	\$696	(\$116)	\$466	\$405	\$253	\$260	\$1,383	\$490	\$135	\$145
Provision for income taxes (benefit)	76	(12)	78	69	53	62	262	81	26	22
Net Income (Loss)	\$620	(\$104)	\$388	\$335	\$200	\$198	\$1,121	\$409	\$109	\$123

Adjusted EBITDA & Normalized Adjusted EPS



Adj. EBITDA / Normalized Adj. EPS (\$M)	FY 2018	FY 2019 ¹	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2020	1Q 2021	2Q 2021	3Q 2021
Income (Loss) Before income taxes	\$696	(\$116)	\$466	\$405	\$253	\$260	\$1,383	\$490	\$135	\$145
(+) Financing interest expense	72	122	26	22	20	20	88	19	20	20
(+) Debt issue cost related to debt refinancing and prepayment	12	41	4	13	10	2	29	2	2	1
(+) Depreciation and amortization	61	66	17	17	17	16	67	17	16	17
(+) Amortization of purchased intangibles and acquired capitalized software	26	71	19	19	18	18	74	18	18	17
EBITDA	\$867	\$183	\$532	\$475	\$318	\$315	\$1,640	\$546	\$192	\$200
<i>EBITDA Margin</i>	<i>85.0%</i>	<i>18.8%</i>	<i>67.9%</i>	<i>71.1%</i>	<i>87.7%</i>	<i>69.1%</i>	<i>72.2%</i>	<i>75.0%</i>	<i>56.0%</i>	<i>56.5%</i>
(+) Severance	11	103	4	(0)	3	3	10	2	1	2
(+) Transaction fees and expenses	11	26	0	0	2	0	3	(0)	(0)	0
(+) Termination of office leases	23	66	0	0	0	9	10	1	4	0
(+) Share-based compensation	35	51	26	17	(5)	22	60	13	13	13
(+) Reserve for legal matters	2	1	4	(1)	(0)	0	3	4	-	-
(+) Coronavirus one time costs & donations	-	-	3	0	0	1	5	0	-	0
(-) Other	(340)	2	(1)	(5)	(70)	(8)	(83)	(1)	(11)	(4)
Adjusted EBITDA	\$620	\$432	\$570	\$486	\$249	\$344	\$1,648	\$565	\$197	\$211
<i>Adjusted EBITDA Margin</i>	<i>60.8%</i>	<i>44.3%</i>	<i>72.6%</i>	<i>72.6%</i>	<i>68.7%</i>	<i>75.4%</i>	<i>72.6%</i>	<i>77.6%</i>	<i>57.7%</i>	<i>59.5%</i>
(-) Financing interest expense	72	122	26	22	20	20	88	19	20	20
(-) Depreciation and amortization	61	66	17	17	17	16	67	17	16	17
Normalized Adjusted Pre-Tax Income	\$487	\$244	\$527	\$447	\$212	\$308	\$1,494	\$528	\$161	\$174
(-) Normalized provision for income taxes	112	59	126	107	51	74	358	127	39	42
Normalized Adjusted Net Income	\$375	\$186	\$400	\$340	\$161	\$234	\$1,135	\$402	\$122	\$132
Weighted average fully diluted shares outstanding	191.3	192.6	195.0	197.1	198.1	197.5	196.9	197.0	194.8	190.1
Normalized Adjusted EPS	\$1.96	\$0.96	\$2.05	\$1.73	\$0.81	\$1.18	\$5.76	\$2.04	\$0.63	\$0.70

Debt Capitalization



Debt Structure at September 30, 2021

Debt Description (\$M)	Maturity	Rate	Balance	Annual Interest
First Lien Debt - Floating	Mar 2026	L + 3.00%	\$75	\$2.3
First Lien Debt - Fixed with 4.565% swap ²	Mar 2026	4.565%	\$1,000	\$45.7
First Lien Debt - Fixed with 4.465% swap ³	Mar 2026	4.465%	\$525	\$23.4
Japannext ⁴	Jan 2023	5.00%	\$32	\$1.6
Total⁵		4.47%	\$1,631	\$73.0
LTM Adjusted EBITDA¹			\$1,317	
Debt / LTM Adjusted EBITDA¹				1.2x

Balance Sheet & Trading Capital



Assets (\$M)	9/30/2021	Liabilities and Equity (\$M)	9/30/2021
Cash and cash equivalents	684	Short-term borrowings	313
Cash and securities segregated under regulations and other	70	Securities loaned	1,017
Securities borrowed	1,278	Securities sold under agreement to repurchase	583
Securities purchased under agreements to resell	170	Payables to broker dealers and clearing organizations	1,095
Receivables from broker dealers and clearing organizations	1,452	Payables to customers	183
Financial instruments owned, at market	3,978	Financial instruments sold, not yet purchased, at market	2,872
Receivables from customers	414	Accounts payable and accrued expenses and other liabilities	414
Property, equipment and capitalized software, net	104	Operating lease liabilities	293
Operating lease right-to-use of assets	248	TRA payment liability	255
Goodwill	1,149	Long-term borrowings	1,604
Intangibles, net of accumulated amortization	403	Total Liabilities	\$ 8,629
Deferred tax assets	176	Equity	1,801
Other assets	303	Total Liabilities and Equity	\$ 10,429
Total Assets	\$ 10,429		

Invested Capital (\$M)	As of:	Invested Capital											
		3/31/19 ¹	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	
Trading Capital²		1,714	1,631	1,637	1,604	1,997	2,141	1,981	2,075	2,266	2,089	1,984	
(-) Cash reserved for operations, taxes payable, and other accrued and unpaid liabilities ³		(20)	(35)	(56)	(77)	(496)	(463)	(303)	(338)	(418)	(246)	(170)	
Invested Capital		1,694	1,596	1,581	1,527	1,501	1,678	1,678	1,737	1,848	1,843	1,814	

GAAP Income Statement



Income Statement (\$mm)	FY 2018	FY 2019 ¹	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2020	1Q 2021	2Q 2021	3Q 2021
Trading income, net	\$1,267	\$912	\$802	\$744	\$441	\$505	\$2,493	\$813	\$385	\$394
Commissions, net and technology services	184	499	171	148	134	148	601	192	143	136
Interest and dividends income	88	109	27	9	11	15	62	7	10	10
Other, net	340	(2)	1	5	70	8	83	1	11	4
Total Revenues	\$1,879	\$1,517	\$1,001	\$906	\$656	\$677	\$3,239	\$1,013	\$549	\$544
Brokerage, exchange, clearance fees and payments for order flow, net	376	387	174	204	196	185	759	259	171	159
Communications and data processing	176	209	55	56	52	51	214	52	53	56
Employee compensation and payroll taxes	216	384	170	121	36	66	394	105	84	85
Interest and dividends expense	142	158	41	29	27	28	126	24	25	27
Operations and administrative	67	104	27	22	25	21	95	26	22	18
Depreciation and amortization	61	66	17	17	17	16	67	17	16	17
Amortization of purchased intangibles and acquired capitalized software	26	71	19	19	18	18	74	18	18	17
Termination of office leases	23	66	0	0	0	9	10	1	4	0
Debt issue cost related to debt refinancing and prepayment	12	41	4	13	10	2	29	2	2	1
Transaction fees and expenses	11	26	0	0	2	0	3	(0)	(0)	0
Financing interest expense	72	122	26	22	20	20	88	19	20	20
Total Operating Expenses	\$1,182	\$1,633	\$534	\$501	\$404	\$417	\$1,856	\$523	\$414	\$399
Income (Loss) Before income taxes	\$696	(\$116)	\$466	\$405	\$253	\$260	\$1,383	\$490	\$135	\$145
Provision for income taxes (benefit)	76	(12)	78	69	53	62	262	81	26	22
Net Income (Loss)	\$620	(\$104)	\$388	\$335	\$200	\$198	\$1,121	\$409	\$109	\$123

Adjusted Net Trading Income Reconciliation

Operating Segments



Adjusted Net Trading Income Reconciliation (\$M)	Total						
	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021
Trading income, net	802	744	441	505	813	385	394
Commissions, net and technology services	171	148	134	148	192	143	136
Brokerage, exchange, clearance fees and payment for order flow, net	(174)	(204)	(196)	(185)	(259)	(171)	(159)
Interest and dividends, net	(15)	(20)	(16)	(13)	(17)	(15)	(17)
Adjusted Net Trading Income	784	669	362	456	728	342	354

Adjusted Net Trading Income Reconciliation (\$M)	Market Making						
	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021
Trading income, net	803	745	442	466	801	381	389
Commissions, net and technology services	1	(1)	9	43	14	9	9
Brokerage, exchange, clearance fees and payment for order flow, net	(137)	(173)	(178)	(176)	(223)	(145)	(135)
Interest and dividends, net	(15)	(19)	(16)	(12)	(17)	(13)	(15)
Adjusted Net Trading Income	652	552	257	321	575	232	249

Adjusted Net Trading Income Reconciliation (\$M)	Execution Services						
	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021
Trading income, net	(0)	(1)	(1)	39	11	4	5
Commissions, net and technology services	170	148	124	105	178	134	127
Brokerage, exchange, clearance fees and payment for order flow, net	(37)	(31)	(19)	(9)	(36)	(26)	(24)
Interest and dividends, net	(0)	(0)	(0)	(0)	0	(3)	(2)
Adjusted Net Trading Income	132	117	105	135	153	110	106

Adjusted Net Trading Income Reconciliation

Organic Growth Initiatives



Adjusted Net Trading Income Reconciliation (\$M)	Organic Growth Initiatives					
	2018	2019	2020	1Q 2021	2Q 2021	3Q 2021
Trading income, net	36	77	246	62	35	28
Commissions, net and technology services	7	11	23	13	7	7
Brokerage, exchange, clearance fees and payment for order flow, net	(2)	(9)	(88)	(12)	(7)	(7)
Interest and dividends, net	(1)	(4)	(15)	(6)	(4)	(5)
Adjusted Net Trading Income	40	75	166	57	32	23

Adjusted Operating Expense Reconciliation



Adjusted Operating Expense Reconciliation (\$M)	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021	FY 2019 ¹	FY 2020
Employee compensation and payroll taxes	\$170	\$121	\$36	\$66	\$105	\$84	\$85	\$384	\$394
Operations and administrative	\$27	\$22	\$25	\$21	\$26	\$22	\$18	\$104	\$95
Communications and data processing	\$55	\$56	\$52	\$51	\$52	\$53	\$56	\$209	\$214
Depreciation and amortization	\$17	\$17	\$17	\$16	\$17	\$16	\$17	\$66	\$67
Less:									
Severance	(\$4)	\$0	(\$3)	(\$3)	(\$2)	(\$1)	(\$2)	(\$103)	(\$10)
Share-based compensation	(\$26)	(\$17)	\$5	(\$22)	(\$13)	(\$13)	(\$13)	(\$51)	(\$60)
Other	(\$8)	\$1	(\$0)	(\$1)	(\$4)	-	(\$0)	(\$1)	(\$8)
Adjusted Operating Expense	\$232	\$200	\$130	\$128	\$180	\$161	\$160	\$608	\$690



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, if at all. 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 are 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: 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 in connection with the acquisition of ITG; 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, 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 Normalized Adjusted EPS, Adjusted Net Trading Income, Normalized Adjusted Net Income, Normalized Adjusted Pre-Tax Income, EBITDA, Adjusted EBITDA, Adjusted Operating Expense, LTM Debt / Adjusted EBITDA Ratio, and Adjusted EBITDA Margin. 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.

Industry and other statistical data

Industry and market data contained in this presentation were obtained through company research, surveys and studies conducted by third parties and industry and general publications. Certain information is based on studies, analyses and surveys prepared by the Bank for International Settlements, Bloomberg, Cboe Global Markets, Inc., the Futures Industry Association, the Investment Industry Regulatory Organization of Canada and the World Federation of Exchanges. While we are not aware of any misstatements regarding the industry data presented herein, estimates involve risks and uncertainties and are subject to change based on various factors.

End Notes



These notes refer to metrics and/or defined terms presented on:

Slide 5 Executive Summary

1. LTM 3Q 2021 Adj. Net Trading Income per day calculated using 252 trading days.
2. 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 <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>.
3. Adj. EBITDA Margin is calculated as Adjusted EBITDA divided by Adjusted Net Trading Income.

Slide 6 Sources & Uses / Pro Forma Capitalization

1. Virtu has already received commitments for the new \$250mm RCF associated with this transaction
2. 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 <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>.
3. Based on VIRT 12/30/2021 closing price of \$28.65 and ~182.2mm shares outstanding

Slide 14 Third Quarter Highlights

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 <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>.
2. 3Q 2021 Adj. Net Trading Income per day calculated using 64 trading days.
3. Adj. EBITDA Margin is calculated as Adjusted EBITDA divided by Adjusted Net Trading Income.
4. US TCV refers to US Equity Consolidated Share Volume; Canada TCV refers to IIROC All Trade All Listing Total Share Volume; Europe TCV refers to Pan-European € Notional Value (including Auctions).

Slide 15 Key Financial Metrics

1. ITG revenues and expenses included in financials beginning on March 1, 2019 close date.
 2. 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 <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>.
 3. Includes MatchNow revenues prior to sale in July 2020.
 4. Adj. EBITDA Margin is calculated as Adjusted EBITDA divided by Adjusted Net Trading Income.
- Note: # of trading days used in Adj. Net Trading Income per day calculations: 252, 253, 62, 63, 64, 64, 61, 63, and 64 for FY 2019, FY 2020, 1Q20, 2Q20, 3Q20, 4Q20, 1Q21, 2Q21, and 3Q21, respectively.

Slide 17 Organic Business Growth

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 <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>.
 2. Organic Growth Initiatives CAGR measures the annually-compounded rate of return of Organic Growth Initiatives Daily Average Adjusted Net Trading Income over the 2.75-year period from FY 2018 to YTD September 30, 2021.
 3. YTD as of September 30, 2021.
- Note: # of trading days used in Adj. Net Trading Income per day calculations: 251, 252, 253, 188, 61, 63, and 64 for FY 2018, FY 2019, FY 2020, YTD 2021, 1Q 2021, 2Q 2021, and 3Q 2021, respectively.

Slide 18 Consistent Earnings and Cash Flow

1. This reflects a non-GAAP measure. Please refer to slides at the end of this presentation for reconciliation to the equivalent GAAP measure.

End Notes—continued



These notes refer to metrics and/or defined terms presented on:

Slide 19 Virtu Has Multiple Levers to Drive Growth

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 <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>.
2. Normalized Historical Pro Forma ANTI/Day calculated as actual Pro Forma ANTI/Day less ANTI/Day from GQS, BondPoint, MatchNow, and Organic Growth Initiatives. Median Normalized Historical Pro Forma ANTI/Day calculated as the median of Normalized Historical Pro Forma ANTI/Day from 2015 through 2020.
3. Normalized Historical Adjusted EBITDA calculated as Median Normalized Historical Pro Forma ANTI/Day multiplied by 252 trading days less midpoint of 2021 Adjusted Cash Operating Expense Guidance (\$560M).
4. The range of Incremental ANTI/Day from Growth Initiatives reflects a Virtu management estimate of long-term steady-state ANTI from Growth Initiatives.
5. Incremental Adj. EBITDA from Growth Initiatives uses a trading day count of 252 to calculate full-year Incremental ANTI from Growth Initiatives and a 60% EBITDA margin.
6. Combined Pro Forma ANTI/Day calculated as the sum of Median Normalized Historical Pro Forma ANTI/Day and Median Incremental ANTI/Day from Growth Initiatives. Combined Pro Forma Adj. EBITDA calculated as the sum of Normalized Historical Adj. EBITDA and Median Incremental Adj. EBITDA from Growth Initiatives. Implied Growth compares Combined Pro Forma results to Normalized Historical results.
7. Figures are shown for illustrative purposes only to illustrate range of potential outcomes for a full year (consisting of 252 trading days) assuming the Company performs in accordance with 2021 Adj. Operating Expense guidance, with nominally higher cash compensation estimates when Adjusted Net Trading Income per Day is in excess of \$6.0M. Figures do not represent affirmation of such prior guidance nor do they represent the view of the Company. The Company's actual fourth quarter results are expected to be announced on or around February 9, 2022.
8. Assumes Debt of \$1,831 million.

Slide 20 Analyst Coverage 4Q 2021

1. The fourth quarter estimates reflected on this slide are the opinions of research analysts associated with the financial institutions named above as published on or prior to January 3, 2022 which may be updated or amended from time to time, and do not represent the views of the Company. The Company's actual fourth quarter results are expected to be announced on or around February 9, 2022.

Slide 23/24 Income Statement / Adjusted EBITDA & Normalized Adjusted EPS

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

Slide 25 Debt Capitalization

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 <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>.
2. Virtu entered into a fixed-for-floating interest rate swap ending February 2025.
3. Virtu entered into a fixed-for-floating interest rate swap ending October 2024.
4. 3.5 billion JPY.
5. Blended rate.

Slide 26 Balance Sheet and Trading Capital

1. ITG revenues and expenses included in financials beginning on March 1, 2019 close date.
2. 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 <https://ir.virtu.com/financials-and-filings/quarterly-results/default.aspx>.
3. Comprises cash anticipated to be used in the operations of the business, including cash anticipated to be paid to satisfy tax and compensation liabilities, payments of debt pursuant to debt covenants, as well as dividends and other distributions to equity owners.

Slide 27/30 GAAP Income Statement / Adjusted Operating Expense Reconciliation

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

Virtu Financial, Inc. Commences Marketing of New Senior Secured First Lien Term Loan

January 4, 2022

NEW YORK, Jan. 04, 2022 (GLOBE NEWSWIRE) -- Virtu Financial, Inc. (NASDAQ: VIRT) (the "Company") a global market maker, broker and leading provider of global financial services technology, today announced that its subsidiaries commenced marketing of a \$1.80 billion senior secured first lien term loan (the "Term Loan") due in 2029. The proceeds of the Term Loan will be used to repay its existing senior secured term loan in connection with a refinancing of its existing credit facilities, to fund share repurchases under the Company's authorized repurchase program and for general corporate purposes. The Term Loan will be guaranteed by Virtu Financial LLC, a subsidiary of the Company, and certain of its subsidiaries.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements. These forward-looking statements are subject to numerous uncertainties and factors relating to the Company's operations and business environment, as well as uncertainties relating to the Term Loan. Any forward-looking statements in this release are based upon information available to the Company on the date of this release. The Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any statements expressed or implied therein will not be realized.

About Virtu Financial, Inc.:

Virtu is a leading provider of financial services and products that leverages cutting-edge technology to deliver liquidity to the global markets and innovative, transparent trading solutions to its clients. Leveraging its global market making expertise and infrastructure, Virtu provides a robust product suite including offerings in execution, liquidity sourcing, analytics and broker-neutral, multi-dealer platforms in workflow technology. Virtu's product offerings allow clients to trade on hundreds of venues across 50+ countries and in multiple asset classes, including global equities, ETFs, foreign exchange, futures, fixed income and myriad other commodities. In addition, Virtu's integrated, multi-asset analytics platform provides a range of pre- and post-trade services, data products and compliance tools that clients rely upon to invest, trade and manage risk across global markets.

Contact:**Investor Relations and Media Contact:**

Andrew Smith
Virtu Financial, Inc.
(212) 418-0195
investor_relations@virtu.com
media@virtu.com
