

**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): **June 9, 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:

<u>Title of each class:</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered:</u>
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 other 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 as part of Piper Sandler’s Global Exchange and FinTech Conference on June 9, 2021 at 4:00 p.m. ET, and from time to time thereafter 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 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), 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

Exhibit No.	Description
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)

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: June 9, 2021

Piper Sandler Market Structure Conference



June 2021

Virtu Financial Update

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Multiple Growth Levers



Virtu
Through-
the-Cycle
Earnings

Normalized Historical Results			
	Pro Forma ANTI per Day ¹	Adj. EPS ¹	Adj. EBITDA ¹
Median	\$5.5	\$2.69	\$831



Organic
Business
Growth

Impact of Growth Initiatives		
	Incremental ANTI per Day ²	Adj. EPS ³
High	\$1,500k	\$1.02
Low	\$500k	\$0.34



Combined Earnings Power			
	Pro Forma ANTI per Day ⁴	Adj. EPS ⁴	Median Implied Growth ⁴
Median	\$6.5	\$3.46	ANTI: 18% EPS: 29%



Excess Cash
Flow Share
Repurchases

Illustrative Range of Outcomes based on 2021 Expense Guidance				
ANTI per Day ⁵	Full-Year Adj. NTI ⁵	Target Range Available for Share Repurchases	Shares (mm) Repurchased at Current Share Price ⁵	% Reduction in Current Share Count ⁵
\$6.00	\$1,512	\$120 - \$140	4.1	2.1%
\$7.00	\$1,764	\$200 - \$250	7.2	3.6%
\$8.00	\$2,016	\$300 - \$400	11.1	5.6%
\$9.00	\$2,268	\$400 - \$500	14.3	7.3%
\$10.00	\$2,520	\$500 - \$600	17.5	8.9%
\$11.00	\$2,772	\$600 - \$700	20.7	10.5%

Pro forma results for Virtu + KCG + ITG result in through-the-cycle Adj. NTI per day of ~\$5.50 million -- **before** the benefits of growth initiatives and integration

Organic growth initiatives, together with our stable cost structure, result in an estimated \$0.34 to \$1.02 of incremental Adj. EPS annually, or **~29% growth from median EPS** (based on midpoint of ranges)

Incremental EPS growth from annual reduction in share count

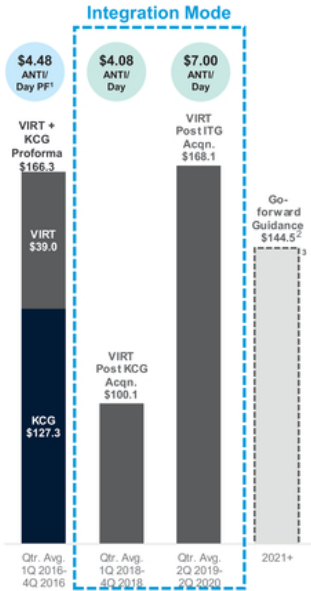
All numbers in millions, except per share numbers or unless otherwise stated. See endnotes at end of this supplement

Virtu is emerging from 'Integration-Mode' since mid-2017 (4+ years) to a steady state



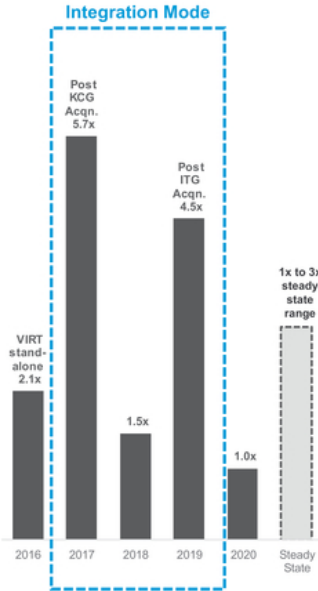
Operating Expenses

Quarterly Cash Expense Base
(Quarterly Average, \$mn)¹



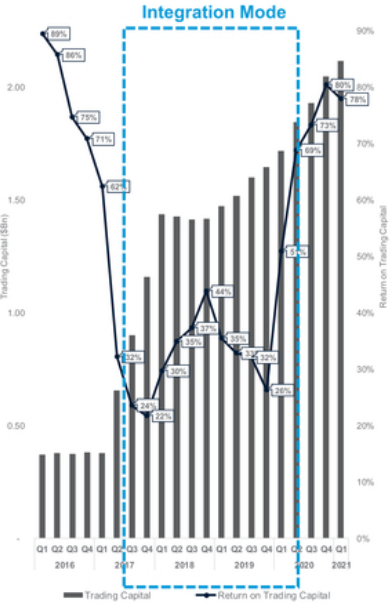
Capitalization

Leverage Multiple
(End of Period Debt to LTM Adj. EBITDA)¹



Capital Return

Return on Capital
(LTM Adj. EBITDA divided by LTM Trading Capital, %)¹

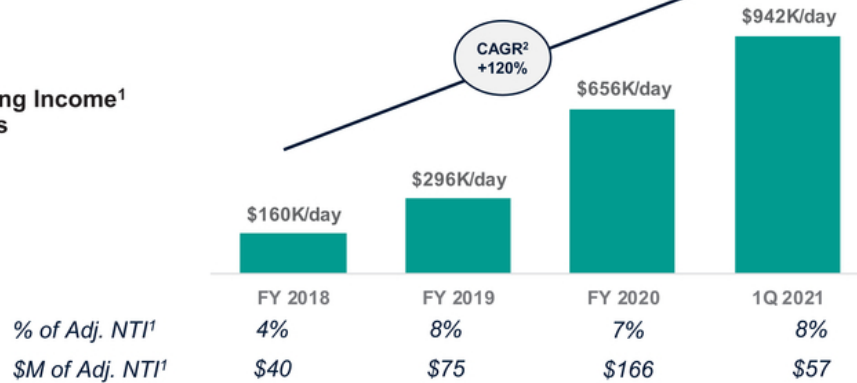


More predictable and stable cost base yields high level of certainty and significant buyback opportunity

Organic Initiatives Contribute to Growth and Strong Performance



Daily Average Adj. Net Trading Income¹ of Organic Growth Initiatives



% of Adj. NTI¹

FY 2018: 4% FY 2019: 8% FY 2020: 7% 1Q 2021: 8%

\$M of Adj. NTI¹

FY 2018: \$40 FY 2019: \$75 FY 2020: \$166 1Q 2021: \$57

Growth in Existing Markets

- Quant-style KCG strategies in new markets and asset classes improved over 70% per day (vs. 2020 average)
- Continued growth of our customer-facing ETF block franchise desk
- Launched big data analytics products, Open Intell and Open Python, for workflow and analytics clients
- Overhauled global client execution algos, enhancing transparency and alignment with trader intentions

Enter New Markets and Long-Term Drivers of Growth

- Options market making improved average daily ANTI by over 50% in 1Q21 (vs. 2020 average)
- Virtu Capital Markets raised nearly \$900M of capital in 1Q21 by leveraging our existing electronic execution capabilities for ATM offerings
- Designated Broker / Lead Market Maker in Bitcoin and Ether ETFs in Canada

See endnotes at end of this supplement

Virtu's Execution Ecosystem



Our Global Client Network

Our reach

- 50+ countries
- 250 + venues
- 25K + securities

Liquidity venues

- US, CAN, EMEA, APAC
- We handle ~30% US retail market share¹

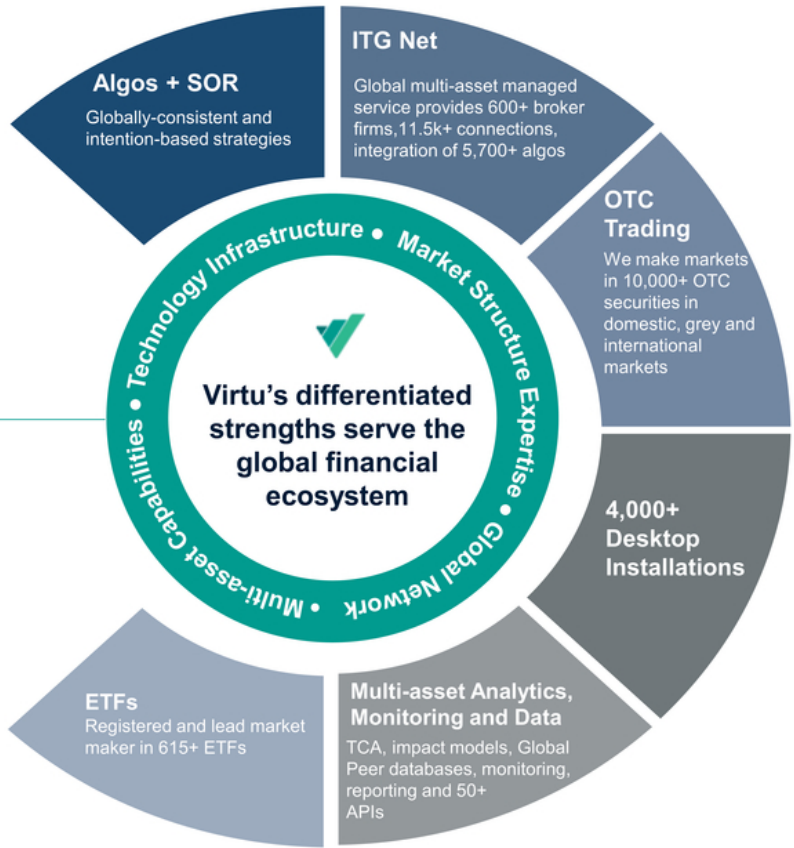


Global presence, local market expertise

- Americas
- EMEA
- APAC

Diverse client base

- Institutional
- Retail
- RIAs
- Asset Managers
- ETF Issuers



Please see notes at end of this supplement



Appendix and End Notes



Pro Forma Adjusted Normalized Historical Results



(\$mn)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Median
Standalone Adj. NTI							
Virtu Adj. NTI ¹	501	414	551	1,020	975	2,271	
KCG Adj. NTI ¹	835	700	287	-	-	-	
ITG Adj. NTI ¹	435	376	383	407	60	-	
(-) Discontinued Operations ¹	(149)	(86)	(65)	(8)	(7)	(4)	
(-) Impact of Growth Initiatives ¹	-	-	-	(40)	(75)	(166)	
Pro Forma Adj. NTI	\$ 1,621	\$ 1,404	\$ 1,156	\$ 1,380	\$ 953	\$ 2,101	\$ 1,392
<i>Per Day</i>	\$6.4	\$5.6	\$4.6	\$5.5	\$3.8	\$8.3	\$5.5
(-) Adjusted Cash Compensation ²	275	275	275	275	238	323	
(-) Adjusted Comms & Data + Overhead ²	286	286	286	286	286	286	
Adjusted EBITDA	\$ 1,061	\$ 843	\$ 595	\$ 819	\$ 429	\$ 1,493	\$ 831
Pro Forma Adj. EPS²	\$3.58	\$2.73	\$1.77	\$2.64	\$1.13	\$5.24	\$2.69

End Notes



Slide 2

1. This reflects a non-GAAP measure. Please see a reconciliation to the corresponding GAAP measure in the Virtu filed presentations, found here: <https://ir.virtu.com/events-and-presentations/default.aspx>. Please see the Appendix for the pro forma build.
2. This reflects a non-GAAP measure. Please see a reconciliation to the corresponding GAAP measure in the Virtu filed presentations, found here: <https://ir.virtu.com/events-and-presentations/default.aspx>. The range of Incremental ANTI per day due to growth initiatives reflects a Virtu management estimate of long term steady state ANTI from growth initiatives.
3. Incremental EPS uses a trading day count of 252 to calculate full-year ANTI, 80% pre-tax margin and a 24% tax rate.
4. Compares the results from the median Incremental ANTI to the median historical results. Share count used is the 1Q 2021 weighted average share count of 197mn shares. See Notes 1-4 on Slide 1 for a description of the historical and incremental results.
5. This reflects a non-GAAP measure. Figures are shown for illustrative purposes only. Current share price used is \$31.46. Current share count uses the 1Q 2021 weighted average share count of 197mn shares.

Slide 3

1. This reflects a non-GAAP measure. Please reference VIRT filed presentations for a reconciliation to the corresponding GAAP measure found here: <https://ir.virtu.com/events-and-presentations/default.aspx>.
2. Reflects the top of the range for 2021 operating expense guidance.

Slide 4

1. This reflects a non-GAAP measure. Please reference VIRT filed presentations for a reconciliation to the corresponding GAAP measure found here: <https://ir.virtu.com/events-and-presentations/default.aspx>.
2. Organic Growth Initiatives CAGR measures the annually-compounded rate of return of Organic Growth Initiatives Daily Average ANTI over the 2.25-year period from 1Q 2018 to 1Q 2021

Slide 5

1. Retail Order flow is based upon SEC Rule 605 data, Virtu Financial, April 2021. Source Virtu Financial

Slide 7

1. This reflects a non-GAAP measure. Please see a reconciliation to the corresponding GAAP measure in the Virtu filed presentations, found here: <https://ir.virtu.com/events-and-presentations/default.aspx>. Pro forma ANTI reflects the actual ANTI values of Virtu, as well as of KCG pre-acquisition for the years 2015-2016 and Jan-Aug 2017, and of ITG pre-acquisition for the years 2015-2018 and Jan-Feb 2019. Pro forma ANTI excludes asset sales BondPoint and MATCHNow, as well as the wind-down of the KCG strategy GQS. Pro forma ANTI excludes the actual impact to Virtu of the Growth Initiatives. The trading day count used to derive ANTI per Day from total ANTI is 252, 252, 251, 251, 252, and 253 for the periods 2015, 2016, 2017, 2018, 2019, and 2020, respectively.
2. This reflects a non-GAAP measure. Please see a reconciliation to the corresponding GAAP measure in the Virtu filed presentations, found here: <https://ir.virtu.com/events-and-presentations/default.aspx>. EBITDA for each period reflects the actual proforma ANTI reduced by the 2021 guidance cash expenses. Please reference Notes 1 of Slide 1 for a description of PF ANTI. Cash Compensation uses the 2021 midpoint guidance in each of the years 2015, 2016, 2017, and 2018. In 2019, cash compensation is 15% of ANTI due to lower performance in that period. Actual cash compensation of \$323mn is used in 2020, to reflect higher compensation due to higher performance in that period. EPS for each period takes into account the 2021 midpoint guidance D&A in each period of \$65mn, the financing interest reflecting the 1Q 2021 beginning debt amount of \$1670mn at a 4.30% annual interest rate, and a 24% tax rate for VF LLC. The share count used to calculate EPS is the 1Q 2021 weighted average share count of 197mn shares.