

Earning Your Trust With Every Trade™

Knight



Hotspot FX, Inc - Acquisition Overview

January 24, 2006

Safe Harbor & Disclaimer Statements

Safe Harbor

The presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about the Company's industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, readers are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict including, without limitation, risks associated with the costs and integration, performance and operation of the businesses which have been acquired by the Company, including ATTAIN, and Direct Trading, and those businesses being acquired by the Company, including Hotspot FX. Since such statements involve risks and uncertainties, the actual results and performance of the Company may turn out to be materially different from the results expressed or implied by such forward-looking statements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Unless otherwise required by law, the Company also disclaims any obligation to update its view of any such risks or uncertainties or to announce publicly the result of any revisions to the forward looking statements made in this report. Additional factors that could cause the Company's results to differ materially from those described in the forward-looking statements can be found in the 2004 Annual Report on Form 10-K/A for the year ended December 31, 2004 and the Quarterly Report on Form 10-Q for the quarter ended September 30, 2005 of Knight Capital Group, Inc. filed with the Securities and Exchange Commission and available at the Securities and Exchange Commission Internet site (<http://www.sec.gov>).

Corporate Disclaimers

Knight Capital Group, Inc. offers its products and services through Knight Equity Markets, L.P., Direct Edge ECN LLC, Direct Trading Institutional, L.P. and Knight Capital Markets LLC, member SIPC and NASD; and Knight Equity Markets International Limited, regulated by the Financial Services Authority in the U.K. and member of the London Stock Exchange.

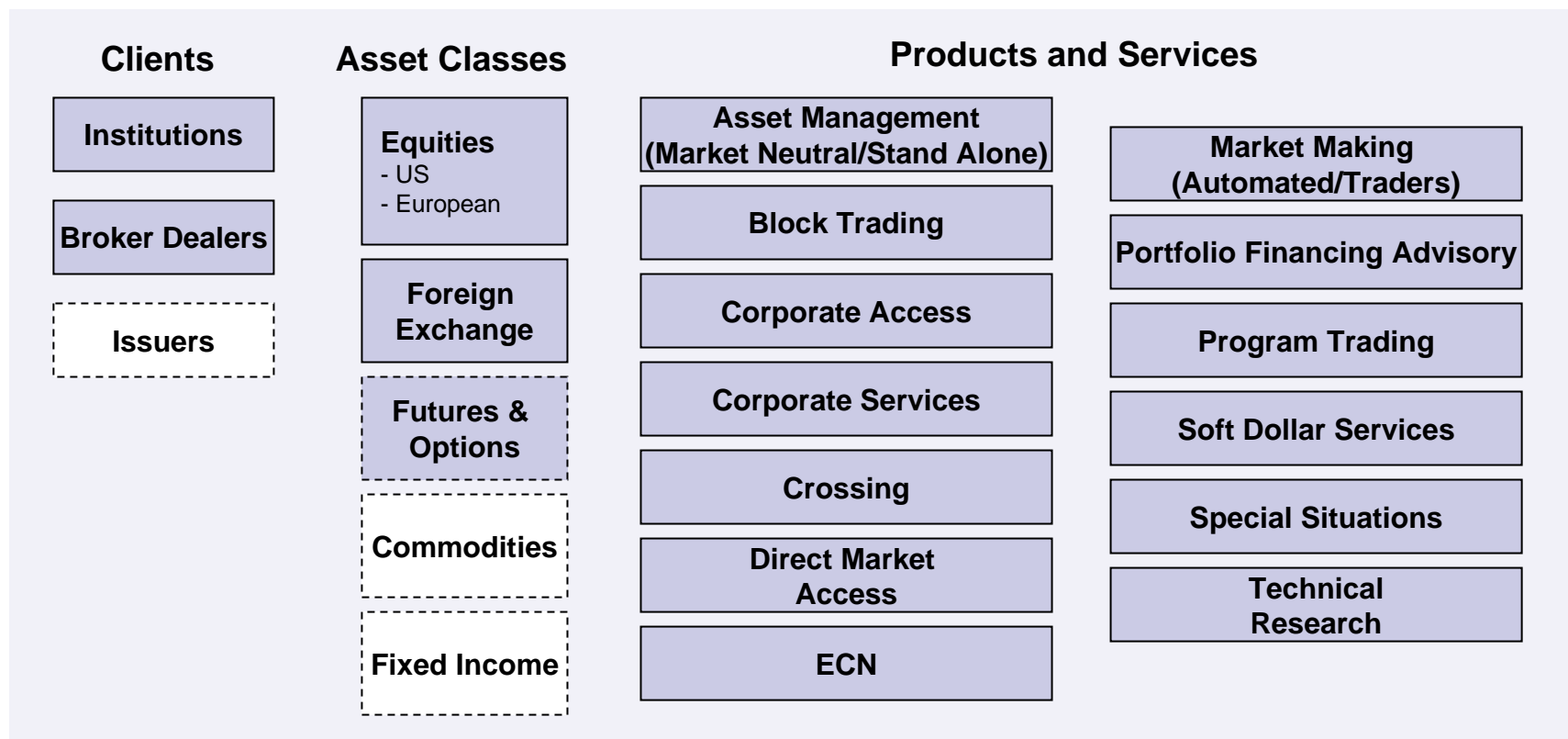
Deephaven Capital Management LLC is an affiliated company offering asset management services. S3 Asset Management is an unaffiliated company which provides outsourced portfolio financing for asset managers and hedge funds.

Agenda

- **Ambition: Building a Virtual Exchange**
- **Opportunity**
 - Foreign Exchange Marketplace
 - Electronic Spot FX Marketplace
- **Hotspot**
 - Corporate Overview
 - Transforming the FX Market
 - eFX ECN – The Right Model
 - Client and Volume Growth
- **The Right Fit: Strategically and Culturally**
- **Diversification: Revenue Stream**
- **Transaction: Summary**
- **Conclusions**
- **Questions and Answers**

Ambition: Building a Virtual Exchange

Creating a valued, centralized source for access to high-quality trade execution across asset classes



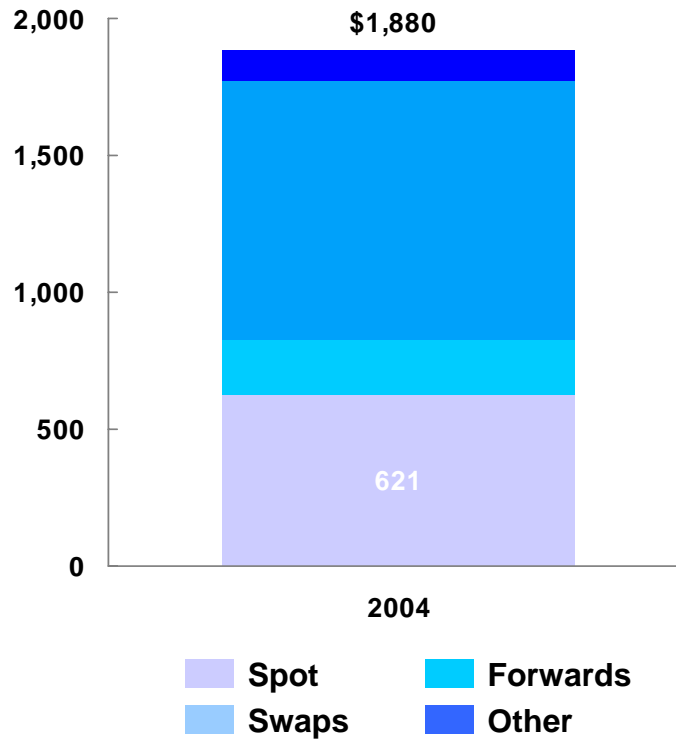
Existing Knight
Potential

Opportunity: Foreign Exchange Marketplace

The world's largest tradable market

Global FX Market

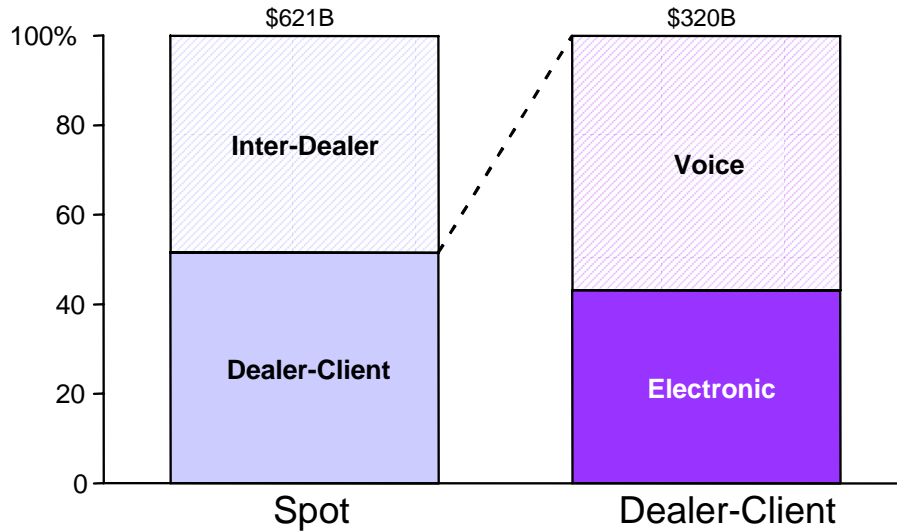
(\$Trillion Average Daily Volume Traded)



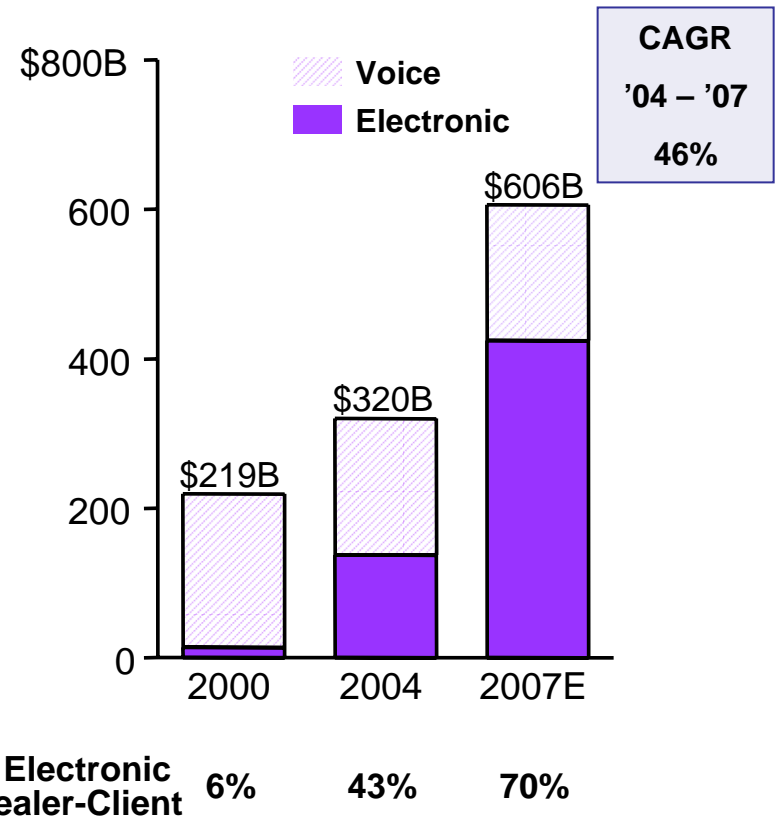
Source: Bank for International Settlements (BIS) – 2004 Survey

Opportunity: Electronic Spot FX Marketplace

**Dealer-Client Spot FX Market
Voice & Electronic**



**Dealer-Client Electronic Spot FX Market
Projected Growth**



Source: Celent Report, "More Money, More Platforms: Profiling the E-Trading Vendors in the Cash Forex Markets"; Triennial Central Bank Survey of Foreign Exchange and Derivatives Market Activity 2001,2004

Hotspot: Corporate Overview

- **Founded in 2000**
- **Private company headquartered in Watchung, NJ**
 - Offices in Boston, Chicago, London, Singapore and Beijing
- **200+ institutional clients**
- **Support of 22 industry-leading dealers and prime brokers**
- **Spot trading in 24 currency pairs**
- **Executes 5,000 to 10,000 FX spot trades per day**
- **Four key elements support the Hotspot model**
 - Market makers providing live streaming prices
 - Network of top-tier FX prime brokers providing credit intermediation and post-trade support
 - Clients, including hedge funds and commodity trading advisors, asset managers, corporate treasurers and regional banks
 - The platform's technology and market operations

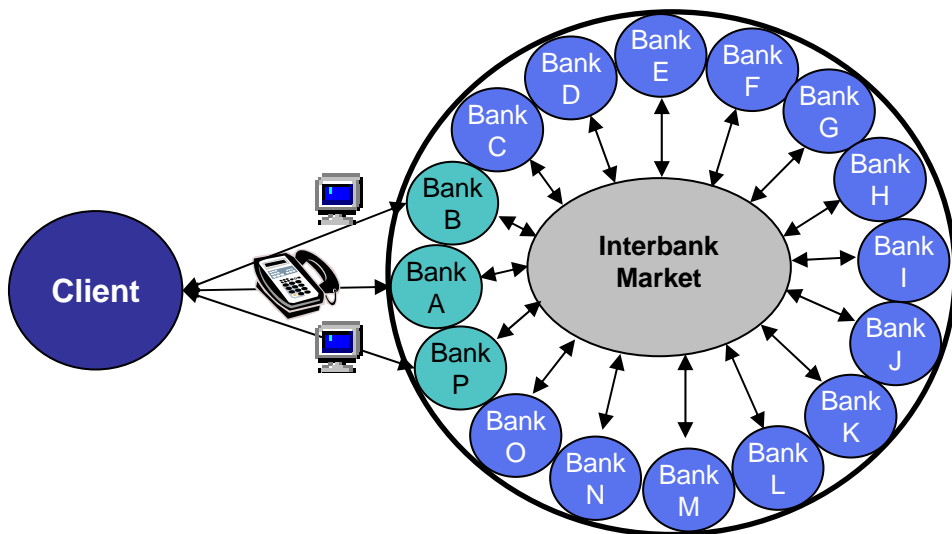
Hotspot: eFX ECN – The Right Model

Industry-leading, spot FX marketplace that provides institutions access to electronic FX trading through its Hotspot FXi ECN

- Deep liquidity
- Anonymity
- Neutrality
- Transparency
- Direct access through multiple channels
- Client control of trades
- Unique structure whereby clients may match with other clients
- Opportunity for price improvement
- High-speed, reliable trade executions on a fully electronic platform
- Around-the-clock trading
- Competitive pricing

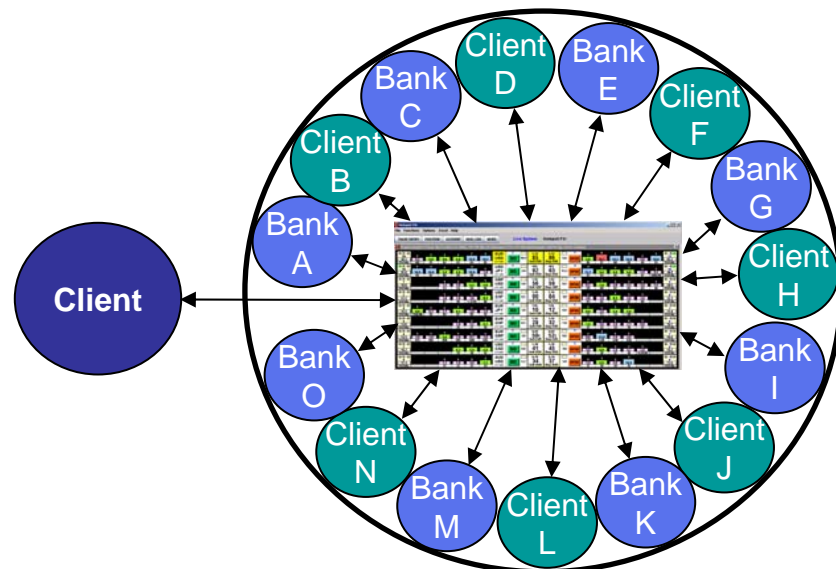
Hotspot: Transforming the FX Marketplace

Traditional Dealer Market Model



- Clients trade with banks
- Not anonymous
- Direct one-to-one relationship
- Less price transparency
- Banks provide liquidity, clients consume it
- Cumbersome

Hotspot FXi Marketplace Model



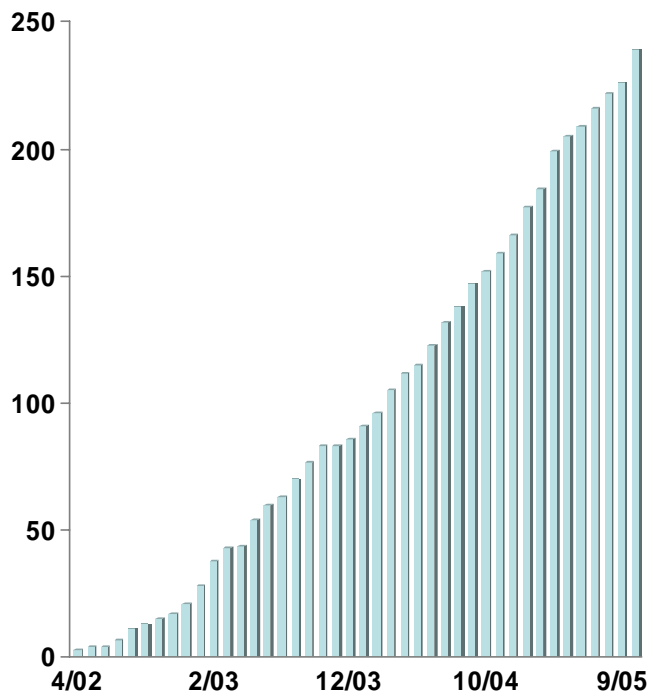
- Clients trade directly with market
- Anonymous
- Many-to-many
- Price Transparency
- Banks provide and consume liquidity
- Clients consume and provide liquidity
- Reduced friction

9

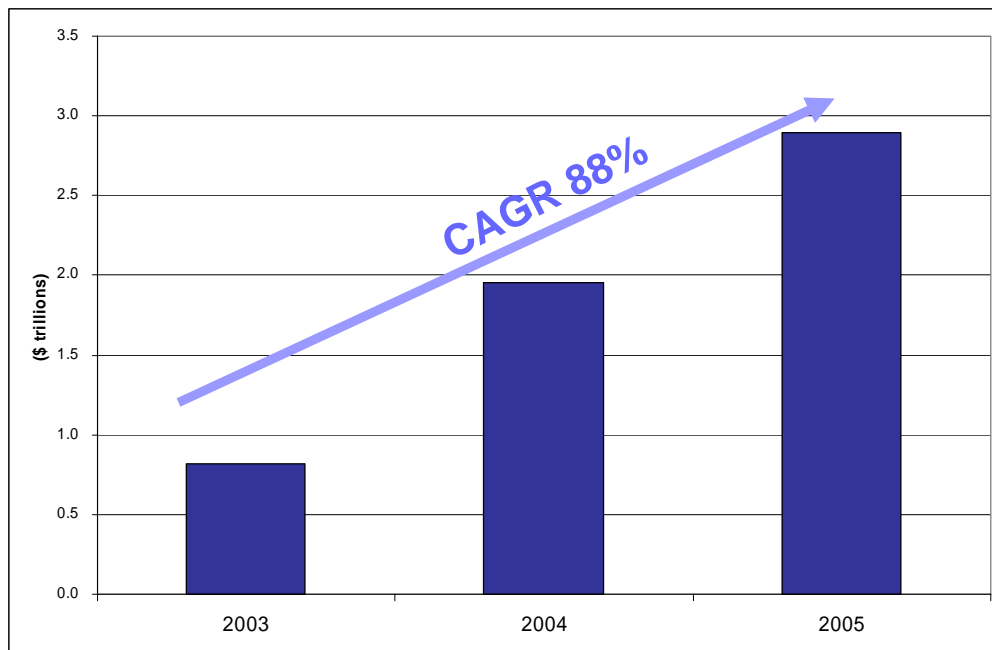
Source: Hotspot

Hotspot: Client and Volume Growth

Number of Hotspot Clients



Hotspot Total Annual Volumes

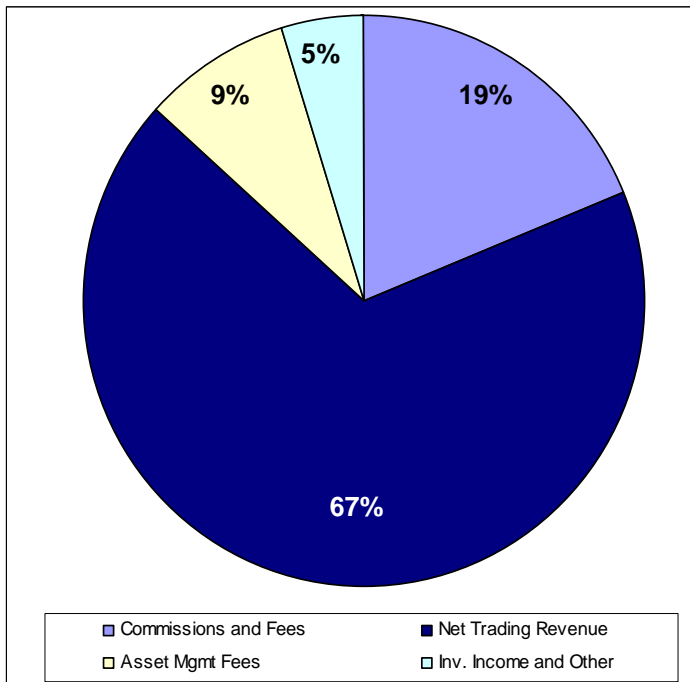


The Right Fit: Strategically and Culturally

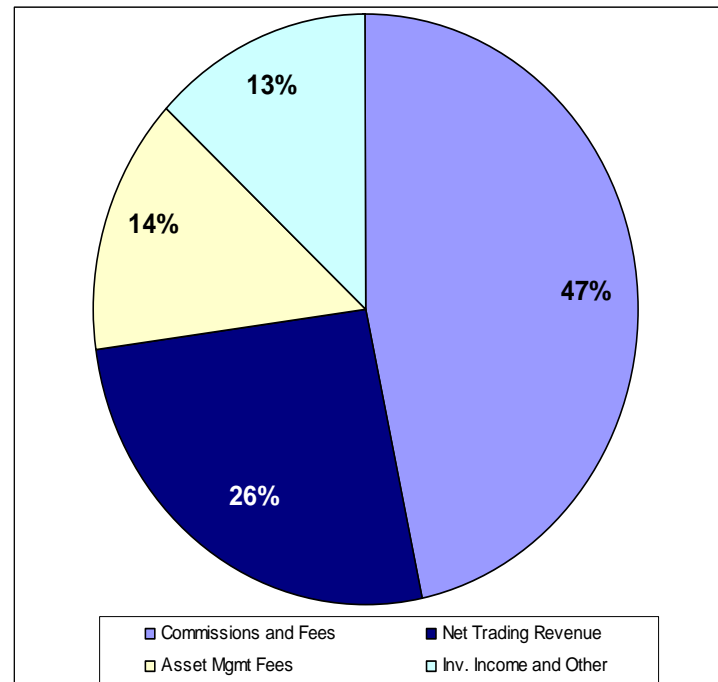
- **Cross-selling opportunities**
 - Knight's institutional sales traders
 - Direct Trading Institutional sales force
 - Hotspot's sales force
 - Little overlap between Knight's and Hotspot's client bases
- **Core values and strengths**
 - High-quality execution
 - Superior client service
 - Billions of dollars of natural liquidity daily in leading asset classes
 - Embrace financial technology
 - Histories of innovation as pioneers who changed the way trading is done in their respective markets
 - Offerings built around the client
- **Knight has the infrastructure to fuel Hotspot's continued growth**

Diversification: Revenue Stream

2002 Revenues



2005 Revenues





Transaction: Summary

- All cash deal for approximately \$77.5 million
- Expected to be cash flow positive immediately following the closing of the transaction
- Expected to be accretive in 2007; not expected to affect annual GAAP earnings forecast for 2006
- The close of the transaction is subject to receipt of appropriate regulatory approvals, which is expected within the next 90 days

Conclusions

- Delivers on Knight's ambition to become a centralized source for access to high-quality trade execution across multiple asset classes for our clients
 - Broadens Knight's reach to offer execution in a new asset class
- Aligns two pioneering, industry leaders that are each committed to high-quality trade execution and superior client service
- Diversifies Knight's offering and fee-based revenue stream



Questions and Answers

Earning Your Trust With Every Trade™

Knight



Hotspot FX, Inc - Acquisition Overview

January 24, 2006