



Barclays Capital
Global Financial Services Conference
September 15, 2009



Safe Harbor & Regulation G

Safe Harbor

Certain statements contained herein may constitute "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, participants 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, integration, performance and operation of businesses recently acquired, or that may be acquired in the future, by the Company and risks related to the costs and expenses associated with the Company's exit from the Asset Management business. 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, participants 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 herein. Participants should carefully review the risks and uncertainties disclosed in the Company's reports with the U.S. Securities and Exchange Commission (SEC), including, without limitation, those detailed under the headings "Certain Factors Affecting Results of Operations" and "Risk Factors" in the Company's Annual Report on Form 10-K for the year-ended December 31, 2008, and in other reports or documents the Company files with, or furnishes to, the SEC from time to time. This information should also be read in conjunction with the Company's Consolidated Financial Statements and the Notes thereto contained in the Company's Annual Report on Form 10-K for the year-ended December 31, 2008, and in other reports or documents the Company files with, or furnishes to, the SEC from time to time.

Regulation G

In an effort to provide investors with additional information regarding the Company's results as determined by generally accepted accounting principles (GAAP), the Company also discloses certain non-GAAP information which management believes provides useful information to investors. Within this presentation, the Company has disclosed its pre-tax operating income amounts before discontinued operations, operations of Direct Edge ECN, the netting of soft dollar expenses and lease loss benefits to assist the participant in understanding the impact of these items on the Company's financial results, which management believes will facilitate more useful period-to-period comparisons of the Company's businesses.

A Prominent Foundation of the New Wall Street

<p>KNIGHT CAPITAL GROUP, INC. (NITE)</p> <ul style="list-style-type: none"> • Global capital markets firm ▪ market access and trade execution services ▪ multiple asset classes ▪ capital markets services 			
<p>EQUITIES</p> <ul style="list-style-type: none"> • Leading source of natural liquidity in U.S. equities* • Trade over 19,000 U.S. equities and expanding in the European and Asian equity markets • Connectivity to more than 100 market destinations worldwide – exchanges, ECNs, ATSSs, dark pools, ATFs, MTFs and broker-dealers • Deep, natural liquidity, superior trading technology and capital facilitation, when necessary 	<p>FOREIGN EXCHANGE, FUTURES & OPTIONS</p>		
<p>Broker-Dealer Market-Making</p> <ul style="list-style-type: none"> • One of the largest sell-side networks in the industry with over 700 broker-dealers • One of the most successful and innovative automated electronic trading systems • Executed an average of 10,000 U.S. equity trades per minute in the first half of 2009 	<p>Institutional Agency-Based Trading</p> <ul style="list-style-type: none"> • One of the largest, most experienced sales trading and block trading teams • Advanced smart order execution, benchmark and participation algorithms • A broker-neutral execution management system • Access to broker-dealer order flow for more than 1,700 institutional clients 	<p>FIXED INCOME</p> <ul style="list-style-type: none"> • Research, sales and trading for institutions <ul style="list-style-type: none"> – High Yield/Distressed, Investment Grade/Crossover, Bank Loans, Hybrid Securities, ABS/MBS and Convertible Bonds, Corporate and Sovereign Emerging Markets Debt – Actively trade with approximately 1,400 fixed income accounts worldwide – Research analysts, averaging 18 years experience, cover almost 80% of the tradable high yield and distressed bond universe • Fixed income ECN with centralized liquidity for broker-dealers 	
<p>CORPORATE</p> <ul style="list-style-type: none"> • Strategic investments in new ventures ▪ corporate investments ▪ corporate overhead expenses 			<p>CAPITAL MARKETS SERVICES</p> <ul style="list-style-type: none"> • A range of services for corporate issuers: <ul style="list-style-type: none"> – Equity and debt offerings – Private placements – Restricted share programs – Liability management – Equity buybacks – Debt repurchases

* Source: Based on advertised volumes through AutEx / Tradeweb year-to-date August 31, 2009.

Accomplishments and Differentiators

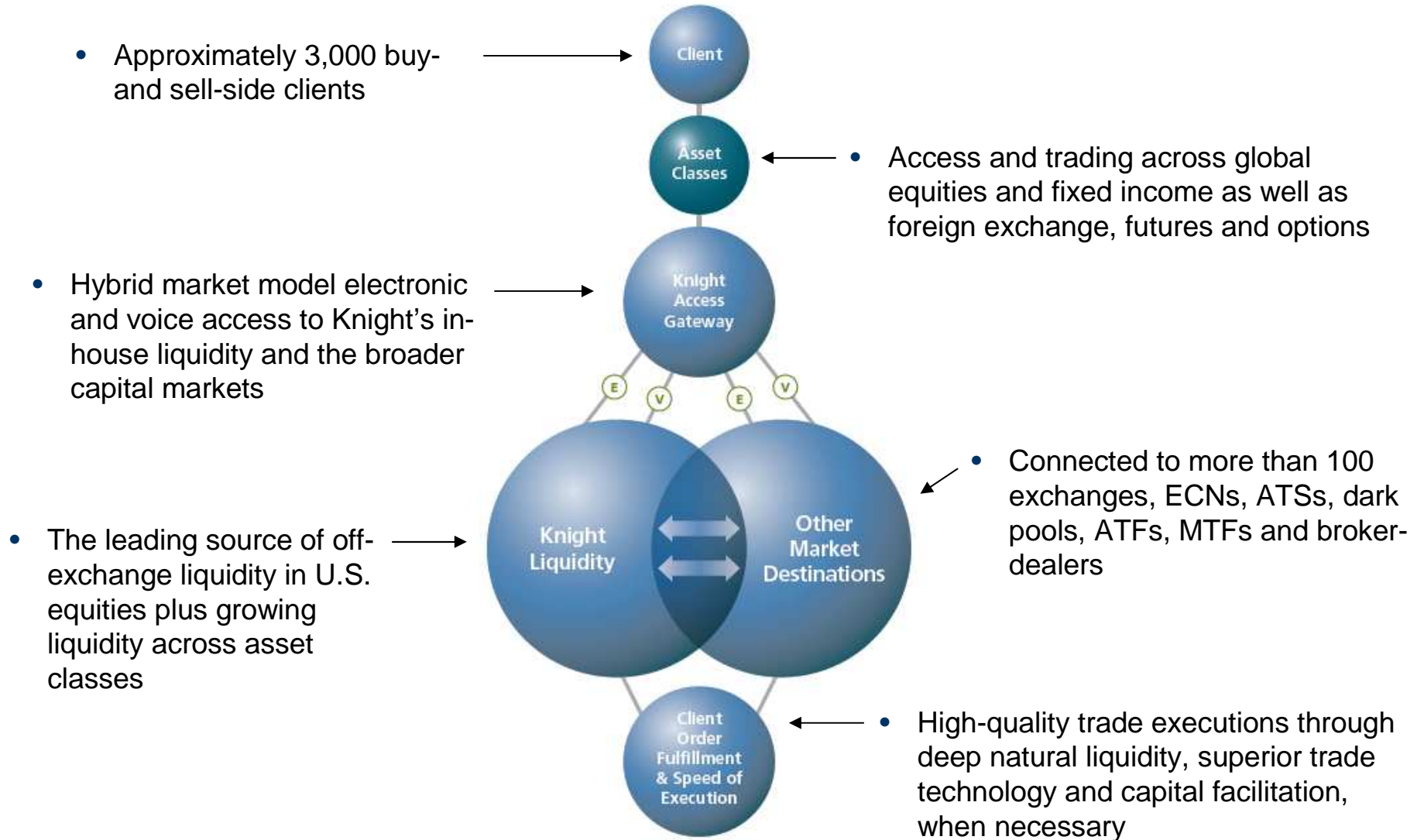
Accomplishments

- Developed superior trade technology to increase trade processing efficiencies
- Established hybrid market model electronic and voice capabilities
- Grew sell-side and buy-side client base
- Added asset classes beyond U.S. equities
- Developed algorithmic trading models for further trade processing efficiencies
- Built equity and debt distribution platform
- Diversified revenues across clients, order flow, products and services as well as asset classes
- Began expansion in Europe and Asia

Differentiators

- Client-centered philosophy
- The hybrid market model
- Diverse client base and network connectivity
- Expertise in sourcing liquidity across fragmented markets
- Reliable, efficient and scalable trade technology infrastructure
- Deep, natural liquidity in U.S. equities
- In-depth fixed income research
- High-quality trade executions according to client-defined measures
- Minimal leverage; low debt-to-equity ratio

Our Virtual Exchange



Broker-Dealer Equities Market-Making

- **A leading destination for trade execution services among broker-dealers**
- **Clients:**
 - National, regional and online broker-dealers as well as private wealth managers and Wall Street firms
- **Products and services:**
 - Electronic market-making
 - Cash trading
 - Relationship management
 - Knight Link electronic access to off-exchange liquidity
 - Knight BondPoint fixed income ECN
- **In 2009:**
 - Gained market share and handled record trade volumes
 - Continued growth of Knight Link in terms of clients and trade volumes
 - Established as a retail service provider (RSP) in the UK
 - Knight Link secured regulatory approvals and commenced trading in Europe

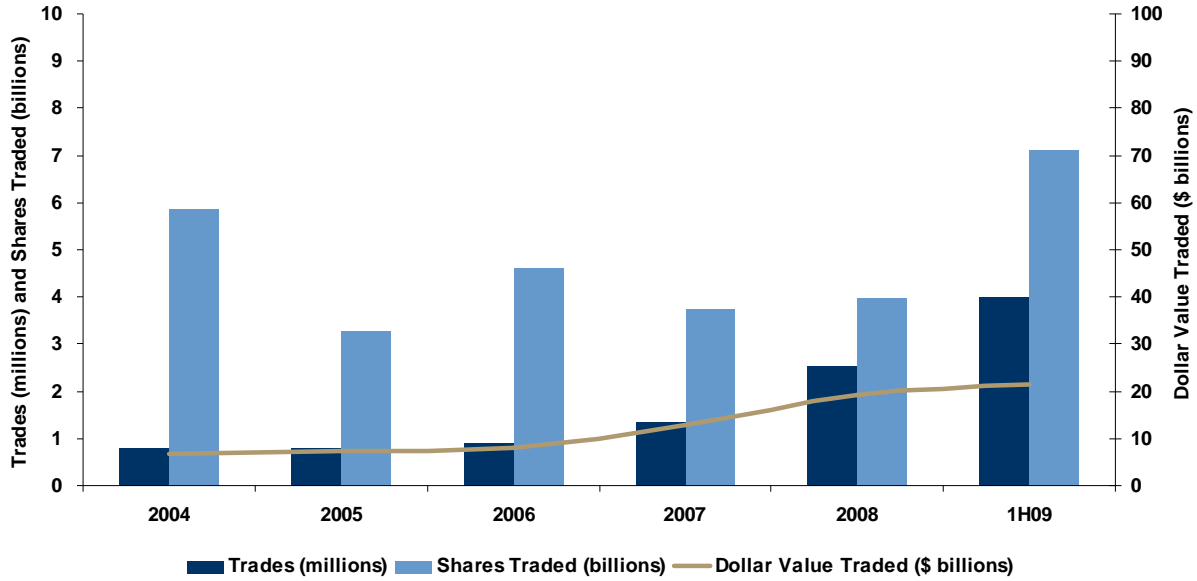
Institutional Agency-Based Equities Trading

- **Traditional sales and trading plus innovative electronic trading on an agency basis for institutions**
- **Clients:**
 - Mutual funds, pension funds, hedge funds, trusts, endowments, insurance companies and banks
- **Products and services include:**
 - U.S., European and Asian equities sales and trading plus block trading, program trading and special situations
 - U.S. and European ETFs
 - Knight Direct execution management system
 - EdgeTrade algorithms
 - Knight Match dark pool
 - Knight Transition Management
 - Commission management
 - Hotspot FXi foreign exchange ECN
- **In 2009:**
 - Launched European Algorithmic Suite and Oasis small- and mid-cap algorithm
 - Hired ETF Trading team
 - Established institutional sales and trading team in Hong Kong
 - Added trading capabilities on Knight Direct in complex options

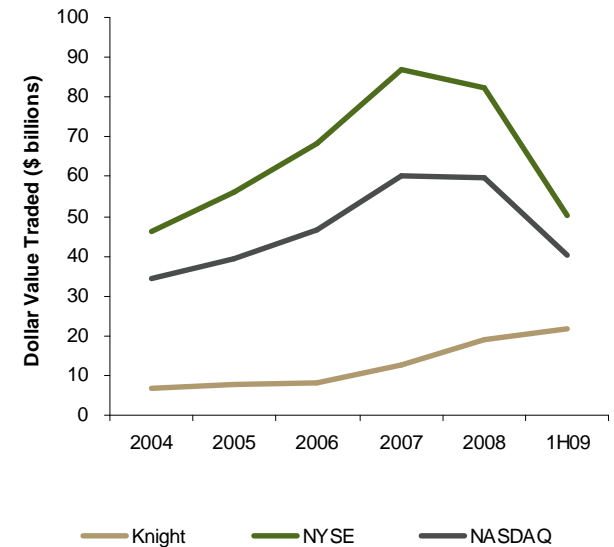
Growth in U.S. Equity Volumes

The growth of Knight's U.S. equity trade volumes demonstrates an increasing preference for off-exchange liquidity among retail and institutional investors.

Knight's Average Daily Volumes



Daily Dollar Value Traded vs. The NYSE, NASDAQ



Sources: SIFMA and Knight Capital Group, Inc.
Note: NYSE and NASDAQ volumes represent volumes in NYSE stocks and NASDAQ stocks, respectively.

The Leading Source of Off-Exchange Liquidity

Knight is the # 1 source of off-exchange liquidity across Listed (NYSE), NASDAQ and Bulletin Board securities according to AutEx.*

- Year-to-date through August 31, 2009, Knight executed:
 - An average of 8.6 billion shares per day
 - An average of 4.0 million trades per day
 - An average of \$22.0 billion dollar value traded per day

All Listed (NYSE) Securities YTD 2009				All NASDAQ Securities** YTD 2009				All Bulletin Board Securities YTD 2009			
Rank	Firm	Volume	% of Total	Rank	Firm	Volume	% of Total	Rank	Firm	Volume	% of Total
1	Knight	92,742,657	16.7	1	Knight	56,130,013	24.1	1	Knight	701,466,715	84.2
2	UBS	78,585,342	14.1	2	UBS	27,622,398	11.9	2	UBS	61,088,732	7.3
3	Citigroup	59,208,901	10.6	3	Citigroup	22,188,887	9.5	3	Citigroup	43,718,374	5.3
4	Credit Suisse	51,682,965	9.3	4	Morgan Stanley	17,594,791	7.6	4	Goldman Sachs	6,988,539	0.8
5	Merrill Lynch	47,459,109	8.5	5	Credit Suisse	15,976,342	6.9	5	Hudson Securities	5,584,205	0.7
6	Morgan Stanley	47,162,193	8.5	6	Merrill Lynch	13,412,697	5.8	6	Maxim	4,145,305	0.5
7	Deutsche Bank	22,655,963	4.1	7	JPMorgan	9,003,825	3.9	7	LaBranche	1,443,237	0.2
8	JPMorgan	22,345,101	4.0	8	Goldman Sachs	8,354,629	3.6	8	Morgan Stanley	1,376,871	0.2
9	Barclays	17,301,409	3.1	9	Deutsche Bank	6,217,361	2.7	9	Jefferies & Co.	699,642	0.1
10	Goldman Sachs	14,557,504	2.6	10	Barclays	6,069,091	2.6	10	Morgan Keegan	562,367	0.1

* Source: Based on advertised volumes through AutEx / Tradeweb year-to-date August 31, 2009.

** Note: Includes NASDAQ Global Market (GM), Capital Market (CM) and Global Select Market (GSM) segments.

Institutional Fixed Income Research, Sales and Trading

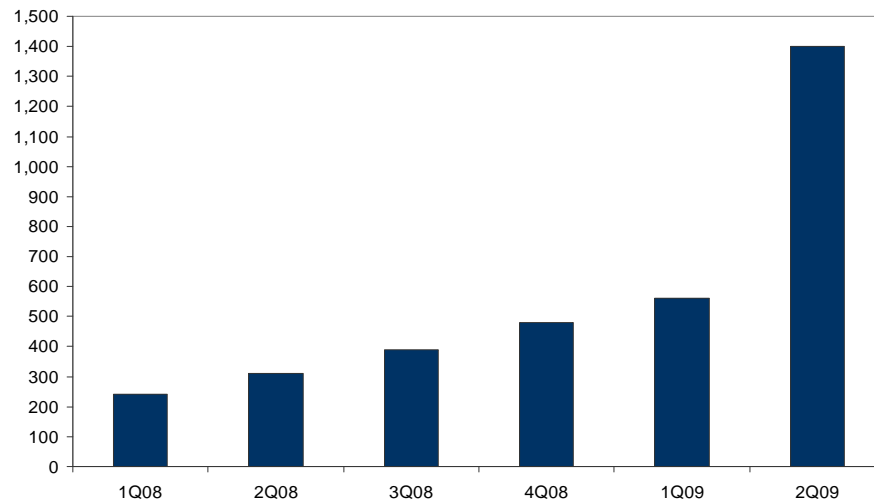
- **Fixed income research, sales and trading for institutions as well as capital markets services for corporate issuers**
- **Clients:**
 - Mutual funds, pension funds, hedge funds, insurance companies and banks as well as small- and mid-cap corporate issuers
- **Products and services include:**
 - Fundamental research that starts with valuation and reaches across an issuer's capital structure
 - Sales and trading covering High Yield / Distressed, Investment Grade / Crossover, Bank Loans, Hybrid Securities, ABS / MBS and Convertible Bonds as well as Corporate and Sovereign Emerging Markets Debt
 - Capital markets advisory and execution services across companies' capital structure, including debt and equity financing, balance sheet restructuring, private placements, restricted share programs and debt repurchases
- **In 2009:**
 - Hired individuals with capital markets experience
 - Hired European Credit team
 - Hired Global Emerging Markets team

Institutional Fixed Income Breadth and Experience

In-depth research reports covering the U.S. and Emerging Markets across several sectors					
Airlines	Automotive	Basic Industries	Beverages	Cable	Chemicals
Consumer Products	Energy	Financial	Food	IPPs	Industrials
Media	Metals	Mining	Newspapers	Packaging	Paper
Pipelines	REITs	Restaurants	Retail	Technology	Telecom
Tobacco	Utilities	Special Situations			

- Deep Industry Experience**
- **Research**
 - Analysts average 18 years experience
 - **Sales**
 - Professionals average 20 years experience
 - **Trading**
 - Traders average 16 years experience
 - **Capital markets**
 - Bankers average 20 years experience

Institutional Fixed Income Client Trading Relationships



Acquisitions and Organic Growth

Acquisitions

- **Fixed Income**
 - Knight Libertas (July 2008)
 - Knight BondPoint (October 2006)
- **Agency-only algorithms**
 - EdgeTrade (January 2008)
- **Foreign exchange**
 - Hotspot FX (April 2006)
- **Electronic communication network (ECN)**
 - Direct Edge (October 2005)
- **Execution management system**
 - Knight Direct (June 2005)

New Products and Services

- **Exchange-traded funds**
 - ETF Trading team (June 2009)
- **Fixed Income**
 - European Credit (June 2009)
 - Global Emerging Markets (May 2009)
- **Transition management**
 - Knight Transition Management (June 2008)
- **Dark pool**
 - Knight Match (September 2006)
- **Electronic access**
 - Knight Link (September 2006)

Our Expanding Global Distribution Platform

Market Access & Trade Execution Services	Algorithmic Solutions Cash Equities ETFs Futures/Options Program Trading Special Situations	ABS/MBS Bank Loans Convertible Bonds Emerging Markets Hybrid Securities High Yield/Distressed Investment Grade/Crossover	Electronic Spot
	Equities	Fixed Income	Foreign Exchange
U.S.	Institutional Sales Traders Institutional Block Traders Institutional Electronic Sales Institutional Relationship Management Broker-Dealer Sales Broker-Dealer Relationship Management Broker-Dealer Electronic Traders Broker-Dealer Market Makers Capital Markets Professionals 305	Institutional Fixed Income Sales Institutional Fixed Income Traders Fixed Income Research Analysts Fixed Income Desk Analysts Capital Markets Professionals Broker-Dealer Sales Broker-Dealer Relationship Management 104	Electronic Sales Broker-Dealer Electronic Traders 16
Europe	Institutional Sales Traders Institutional Block Traders Institutional Electronic Sales Broker-Dealer Sales Broker-Dealer Electronic Traders 41	Institutional Fixed Income Sales Institutional Fixed Income Traders Fixed Income Desk Analysts 17	Electronic Sales 5
Asia	Institutional Sales Traders Institutional Block Traders 11	Institutional Fixed Income Sales Institutional Fixed Income Traders 3	Electronic Sales 2
Total	357	124	23

Approach to Risk Management

- **Electronic market-making and institutional capital facilitation**
 - Primarily a function of facilitating client orders
 - Short holding periods
 - Inventory is highly liquid and marked-to-market daily
- **Risk controls**
 - Real-time monitoring
 - Risk limits by strategy and account
 - Risk committee
- **Target value at risk (VAR) of less than or equal to one day's revenues**
- **Minimal leverage**



Corporate Segment Overview and Recap

- **Strategic investments and gains**
 - Direct Edge: Total life-to-date pre-tax gain of \$70 million through June 30, 2009 on initial investment of approximately \$23 million in 2005; Knight retains a 19.9% ownership stake in Direct Edge
 - International Securities Exchange (ISE): Total pre-tax gain of \$64 million on initial investment of approximately \$5 million from 1998 to 2002
 - NASDAQ: Total pre-tax gain of \$22 million on initial investment of approximately \$17 million in 2000
- **Corporate investments in the former Deephaven Funds**
 - Since 2002, total earnings of \$82 million on an average balance of \$176 million
 - Knight maintains a balance of approximately \$29 million as of July 1, 2009 in the funds now managed by Stark Investments
- **Corporate overhead expenses averaged approximately \$11 million per quarter over the past two years**



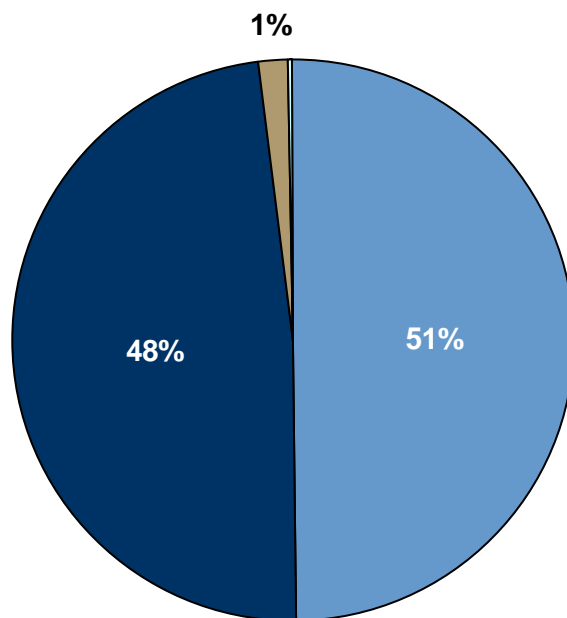
Consolidated Financials

	2006	2007	2008	1H08	1H09
Revenues					
Global Markets	\$ 571.3	\$ 636.5	\$ 937.8	\$ 387.8	\$ 560.5
Corporate	66.9	27.1	1.1	(4.0)	(1.3)
Total Revenues	<u>\$ 638.3</u>	<u>\$ 663.6</u>	<u>\$ 938.9</u>	<u>\$ 383.8</u>	<u>\$ 559.2</u>
Pre-Tax					
Global Markets	\$ 159.5	\$ 181.6	\$ 356.2	\$ 141.5	\$ 146.8
Corporate	31.4	4.3	(23.8)	(26.1)	(28.0)
Total Pre-Tax	<u>\$ 190.9</u>	<u>\$ 186.0</u>	<u>\$ 332.3</u>	<u>\$ 115.4</u>	<u>\$ 118.9</u>

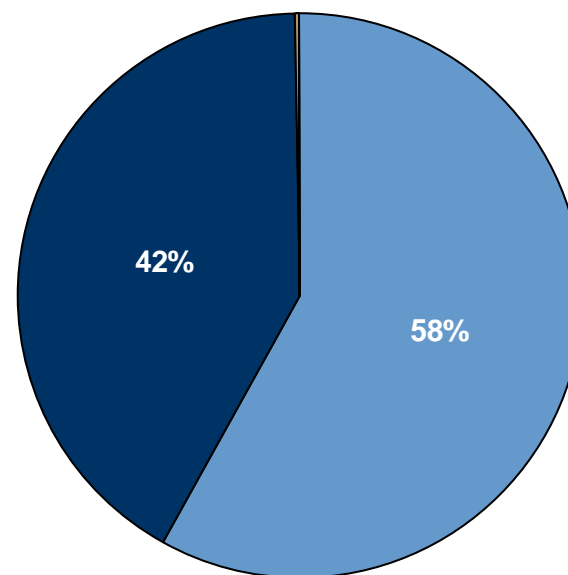
NOTE: Metrics exclude the results of Direct Edge as well as lease-loss charges and benefits.

Consolidated Revenue Diversification

1H08 Revenues



1H09 Revenues



■ Commissions and fees ■ Net trading revenue ■ Interest, net



Consolidated Margin Trend Analysis

Trend Analysis

% of Revenue	2006	2007	2008	1H09
Employee compensation	35	38	35	44
Execution and clearance	15	13	11	13
Payments for order flow	4	5	5	7
Other operating expenses	17	16	15	15
Pre-tax operating income	33	28	36	21

NOTE: Metrics exclude the results of Direct Edge as well as lease-loss charges and benefits.

Consolidated Balance Sheet

Balance Sheet as of June 30, 2009

- \$364 million in cash
- 69% of assets readily convertible to cash
- Over \$200 million in available capital
- Shareholders' equity of \$1.1 billion
- Debt of \$140 million in term credit facility
- Debt to equity ratio of 0.13
- Book value of \$11.97 per diluted share

Buyback Summary as of June 30, 2009

- Repurchased 67.1 million shares for \$750.4 million since 2002
- Average cost of shares repurchased was \$11.18
- \$249.6 million remaining under the \$1 billion program



Growth Strategy and Goals

Growth Strategy

- Expand market access and trade execution services
- Grow the client base of buy- and sell-side firms
- Capture an ever-greater share of client trade volume
- Continue building pools of liquidity across asset classes
- Bring our client offering and approach to trading to new geographies

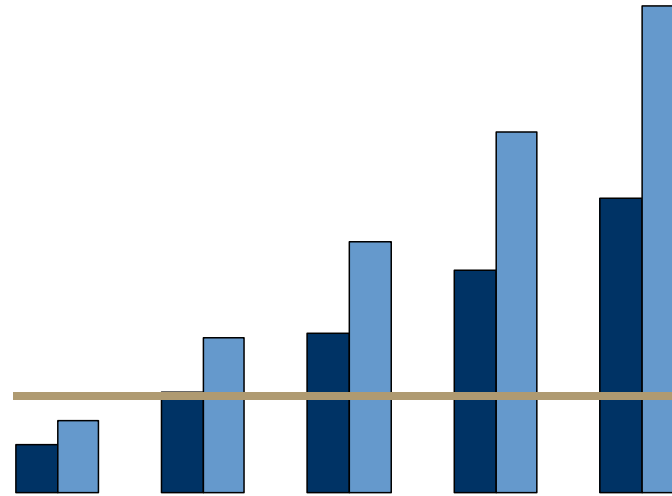
Goals

- Add market share in global equities and fixed income
- Expand capabilities in Europe
- Continue to build capital markets services for corporate issuers
- Grow trade volumes in ETFs and foreign exchange
- Expand capabilities in Asia for institutional firms
- Establish self-clearing capabilities
- Continue to add sell-side, buy-side and corporate issuer clients

Outlook for 2014

Regions	North America		Europe		Asia-Pacific		Latin America
Asset Classes	Equities North America, Europe, Asia-Pacific and Latin America Futures/Options Fixed Income Foreign Exchange and Precious Metals Credit Derivatives		Equities North America, Europe, Asia-Pacific and Latin America Futures/Options Fixed Income Foreign Exchange and Precious Metals Credit Derivatives		Equities North America, Europe, Asia-Pacific and Latin America Futures/Options Fixed Income Foreign Exchange and Precious Metals		Equities North America, Europe, Asia-Pacific and Latin America Fixed Income Foreign Exchange and Precious Metals
Products	Electronic Knight Direct EdgeTrade Algos Knight Match Knight Link Knight BondPoint Hotspot FXi Direct Edge (19.9%)	Voice Broker-Dealer Cash Trading Institutional Block Trading Program Trading Special Situations Knight Libertas	Electronic Knight Direct EdgeTrade Algos Knight Match Knight Link Knight BondPoint Hotspot FXi Direct Edge (19.9%)	Voice Broker-Dealer Cash Trading Institutional Block Trading Program Trading Special Situations Knight Libertas	Electronic Knight Direct EdgeTrade Algos Knight Link Hotspot FXi	Voice Institutional Block Trading Knight Libertas	Voice Institutional Block Trading Knight Libertas FX Options Self-Clearing Transaction Cost Analysis
Services	New Initiatives: Option MM Prop Trading Convertibles Electronic Fixed Income CDS Settlement FX Options Self-Clearing Prime Brokerage Risk Metrics Pollution /Energy Trading Transaction Cost Analysis		New Initiatives: Option MM Prop Trading CDS Settlement FX Options Self-Clearing Prime Brokerage Risk Metrics Transaction Cost Analysis Pollution /Energy Trading		New Initiatives: FX Options Prop Trading Self-Clearing Prime Brokerage Risk Metrics Transaction Cost Analysis Pollution /Energy Trading		
	Knight Commission Management, Knight Transition Management, Corporate Access, Corporate Services, Knight Portfolio Access, Knight Capital Partners, NetDelta						
Client Base	Broker-Dealer Institutions	Broker-Dealer Institutions	Broker-Dealer Institutions	Broker-Dealer Institutions	Broker-Dealer Institutions	Broker-Dealer Institutions	Broker-Dealer Institutions
Client Order Flow & Composition	North American, European, Asian and Latin American equities, Corporate Clients, Street						

Consolidated Financial Goals for 2014



10%

Revenue Growth

15%

Pre-Tax Growth

20%

Minimum Pre-Tax Margins

- Goal of \$2.2 billion in revenues for Global Markets by 2014
 - Five-year CAGR on organic growth of 12%
 - Five-year CAGR on overall revenue growth of 18%

Knight[®]

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- ▶ THE STANDARD OF TRUST



Appendix



Reconciliation of GAAP Revenues to Non-GAAP Revenues

YTD June 2009	Global Markets	Corporate	Consolidated
GAAP Revenues	\$ 561	\$ (1)	\$ 559
Direct Edge Revenues	-	-	-
Revenues, excluding Direct Edge	<u>\$ 561</u>	<u>\$ (1)</u>	<u>\$ 559</u>
YTD June 2008	Global Markets	Corporate	Consolidated
GAAP Revenues	\$ 388	\$ (4)	\$ 384
Direct Edge Revenues	-	-	-
Revenues, excluding Direct Edge	<u>\$ 388</u>	<u>\$ (4)</u>	<u>\$ 384</u>
2008	Global Markets	Corporate	Consolidated
GAAP Revenues	\$ 938	\$ 1	\$ 939
Direct Edge Revenues	-	-	-
Revenues, excluding Direct Edge	<u>\$ 938</u>	<u>\$ 1</u>	<u>\$ 939</u>
2007	Global Markets	Corporate	Consolidated
GAAP Revenues	\$ 690	\$ 27	\$ 717
Direct Edge Revenues	(54)	-	(54)
Revenues, excluding Direct Edge	<u>\$ 637</u>	<u>\$ 27</u>	<u>\$ 664</u>
2006	Global Markets	Corporate	Consolidated
GAAP Revenues	\$ 604	\$ 67	\$ 671
Direct Edge Revenues	(33)	-	(33)
Revenues, excluding Direct Edge	<u>\$ 571</u>	<u>\$ 67</u>	<u>\$ 638</u>

NOTE: In USD millions.

Reconciliation of GAAP Income to Non-GAAP Income

YTD June 2009	Global Markets	Corporate	Consolidated
GAAP Pre-Tax Income	\$ 160	\$ (28)	\$ 132
Lease Loss Benefit	(13)	-	(13)
Direct Edge Pre-Tax Loss	-	-	-
Pre-Tax Income, excluding Direct Edge and Lease Loss	<u>\$ 147</u>	<u>\$ (28)</u>	<u>\$ 119</u>
YTD June 2008	Global Markets	Corporate	Consolidated
GAAP Pre-Tax Income	\$ 143	\$ (26)	\$ 117
Lease Loss Benefit	(2)	-	(2)
Direct Edge Pre-Tax Loss	-	-	-
Pre-Tax Income, excluding Direct Edge and Lease Loss	<u>\$ 142</u>	<u>\$ (26)</u>	<u>\$ 115</u>
2008	Global Markets	Corporate	Consolidated
GAAP Pre-Tax Income	\$ 358	\$ (24)	\$ 334
Lease Loss Benefit	(1)	-	(1)
Direct Edge Pre-Tax Loss	-	-	-
Pre-Tax Income, excluding Direct Edge and Lease Loss	<u>\$ 356</u>	<u>\$ (24)</u>	<u>\$ 332</u>
2007	Global Markets	Corporate	Consolidated
GAAP Pre-Tax Income	\$ 180	\$ 4	\$ 185
Lease Loss Benefit	(3)	-	(3)
Direct Edge Pre-Tax Loss	4	-	4
Pre-Tax Income, excluding Direct Edge and Lease Loss	<u>\$ 182</u>	<u>\$ 4</u>	<u>\$ 186</u>
2006	Global Markets	Corporate	Consolidated
GAAP Pre-Tax Income	\$ 150	\$ 31	\$ 182
Lease Loss Accrual	8	-	8
Direct Edge Pre-Tax Loss	1	-	1
Pre-Tax Income, excluding Direct Edge and Lease Loss	<u>\$ 159</u>	<u>\$ 31</u>	<u>\$ 191</u>

NOTE: In USD millions.

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