



**Knight Capital Group, Inc.
Keefe, Bruyette & Woods
2008 Securities Brokerage Conference
November 5, 2008**



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, 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, integration, performance and operation of businesses recently acquired, or that may be acquired in the future, by the Company, and risks associated with the unprecedented current market conditions and the resulting volatility, credit tightening and counterparty risk, as well as the negative effect on performance and assets under management in our Asset Management business and the suspension of redemptions and withdrawals announced in the Form 8-K filed by the Company on October 30, 2008. 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 herein. Readers 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, 2007, 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, 2007, 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 revenues and pre-tax income (loss) amounts for certain reporting periods before operating results of Direct Edge ECN and after minority interest expense to assist the reader 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.

Knight Capital Group, Inc.

Knight Capital Group, Inc. (Nasdaq: NITE) is a leading capital markets firm that provides electronic and voice access to the capital markets across multiple asset classes for buy-side, sell-side and corporate clients.

In Global Markets, we provide market access and trade execution services in nearly every U.S. equity security and a large number of international securities, fixed income, foreign exchange, futures and options. We also provide related capital markets services to corporate issuers.

In Asset Management, Knight owns a 51 percent stake in Deephaven Capital Management Holdings with Deephaven Partners controlling the remaining 49 percent as of February 1, 2008. Deephaven (www.deephavenfunds.com) is a global, multi-strategy alternative investment manager serving institutions and private clients.



Our Accomplishments

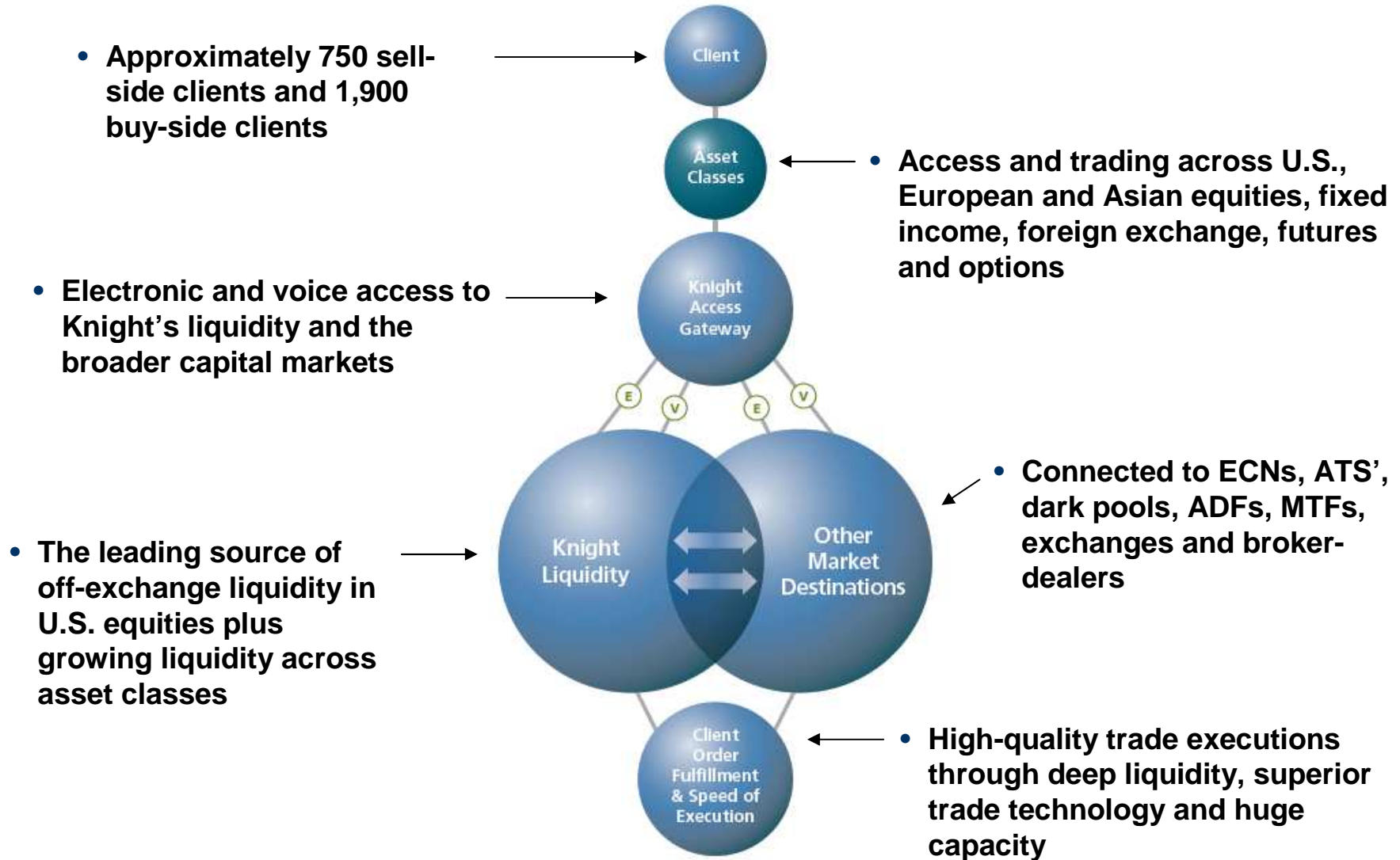
- Automated processes to increase internal trading efficiencies
- Established the hybrid market model with dual electronic and voice capabilities
- Grew sell-side and buy-side client base
- Added asset classes beyond U.S. equities
- Diversified revenues across clients, order flow, products and services
- Implemented high-velocity algorithmic trading models to optimize order routing and trade execution
- Set the stage for expansion in Europe and Asia

Our Key Differentiators

- Client-centered philosophy
- Deep, natural liquidity in our virtual exchange
- Hybrid Market Model offers dual electronic and voice capabilities
- Expertise in sourcing liquidity across fragmented markets
- Reliable, efficient and scalable trade technology infrastructure
- Client network connectivity
- Multi-asset class market access and trade execution services
- High-quality trade executions according to regulatory and client-defined measures



Global Markets: Our Virtual Exchange



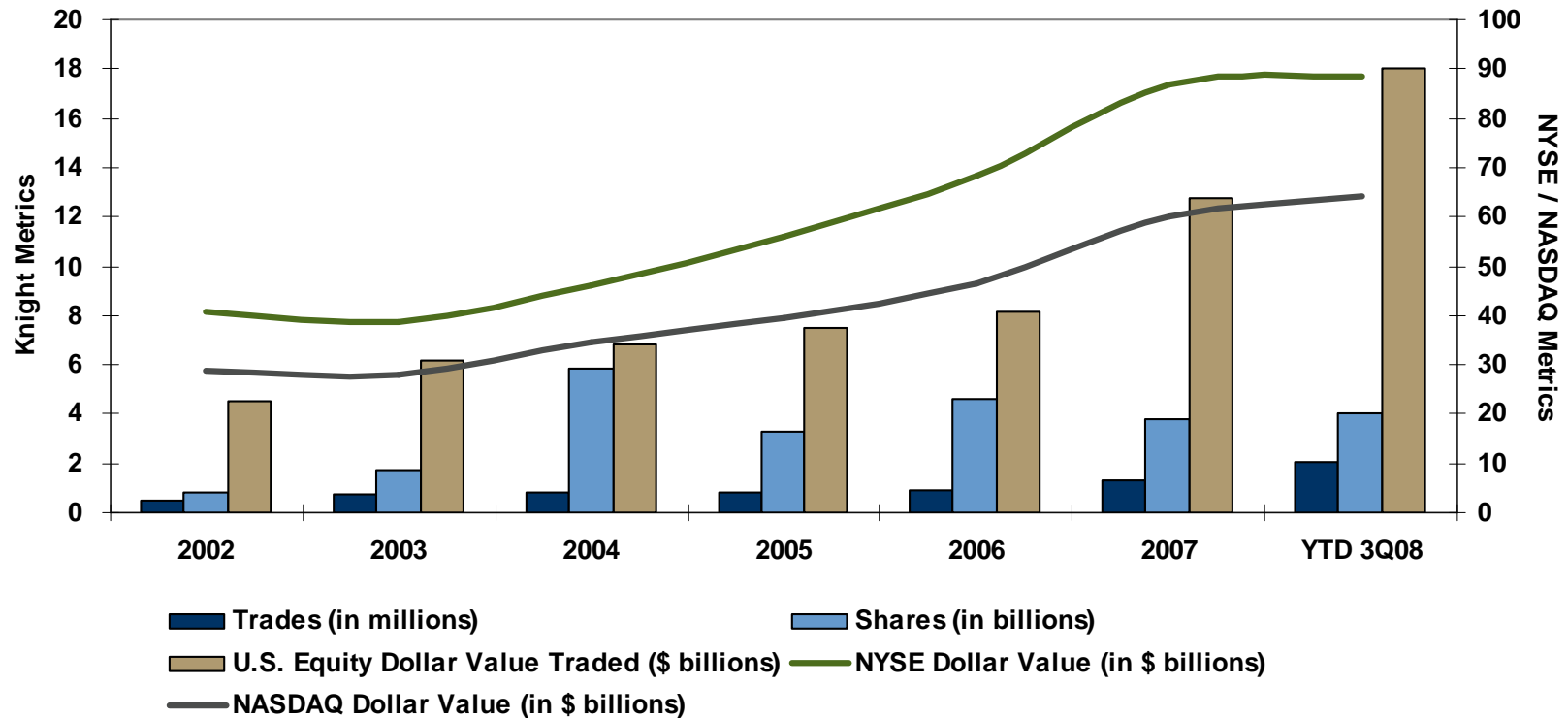
Global Markets: Our Hybrid Market Model

E Electronic Access **V** Voice Access **S** Settlement



Global Markets: Our Average Daily U.S. Equity Volume

Average Daily Volume Statistics



- From 2005 through the third quarter of 2008, average daily U.S. equity trades increased 155%, dollar value traded rose 142% and shares traded are up 23%



Global Markets: U.S. Equities Market Share

All Listed Securities

Rank	Firm	Advertised Volume	% of Total
1	UBS	68,071,575	12.07%
2	Morgan Stanley	61,108,794	10.83%
3	Merrill Lynch	60,339,608	10.70%
4	Knight	53,161,993	9.42%
5	Credit Suisse	40,394,195	7.16%
6	Deutsche Bank	36,361,579	6.45%
7	Citigroup	34,694,145	6.15%
8	JPMorgan	27,913,583	4.95%
9	Lehman	25,731,680	4.56%
10	Instinet	18,728,379	3.32%
11	RBC Capital Markets	15,447,572	2.74%
12	Goldman Sachs	14,267,494	2.53%
13	Banc of America Securities	13,453,415	2.38%
14	ITG	10,018,244	1.78%
15	Jefferies	8,731,252	1.55%
Subtotal		419,436,138	86.35%

All NASDAQ Securities*

Rank	Firm	Advertised Volume	% of Total
1	Knight	35,832,567	12.77%
2	UBS	33,055,901	11.78%
3	Morgan Stanley	28,436,736	10.13%
4	Merrill Lynch	20,100,742	7.16%
5	Credit Suisse	16,940,933	6.04%
6	Citigroup	16,327,193	5.82%
7	Lehman Brothers	13,310,709	4.74%
8	JPMorgan	13,026,258	4.64%
9	Instinet	12,421,394	4.43%
10	Goldman Sachs	10,171,831	3.63%
11	Deutsche Bank	10,037,448	3.58%
12	Banc of America Securities	8,439,851	3.01%
13	Jefferies	5,639,850	2.01%
14	RBC Capital Markets	5,403,289	1.93%
15	ITG	3,931,239	1.40%
Subtotal		666,759,692	91.69%

Source: Based on advertised volume through AutEx, YTD as of Oct. 30, 2008

* Does not include shares traded of OTC Bulletin Board and other securities

Global Markets: Our Deep, Natural Liquidity in U.S. Equities

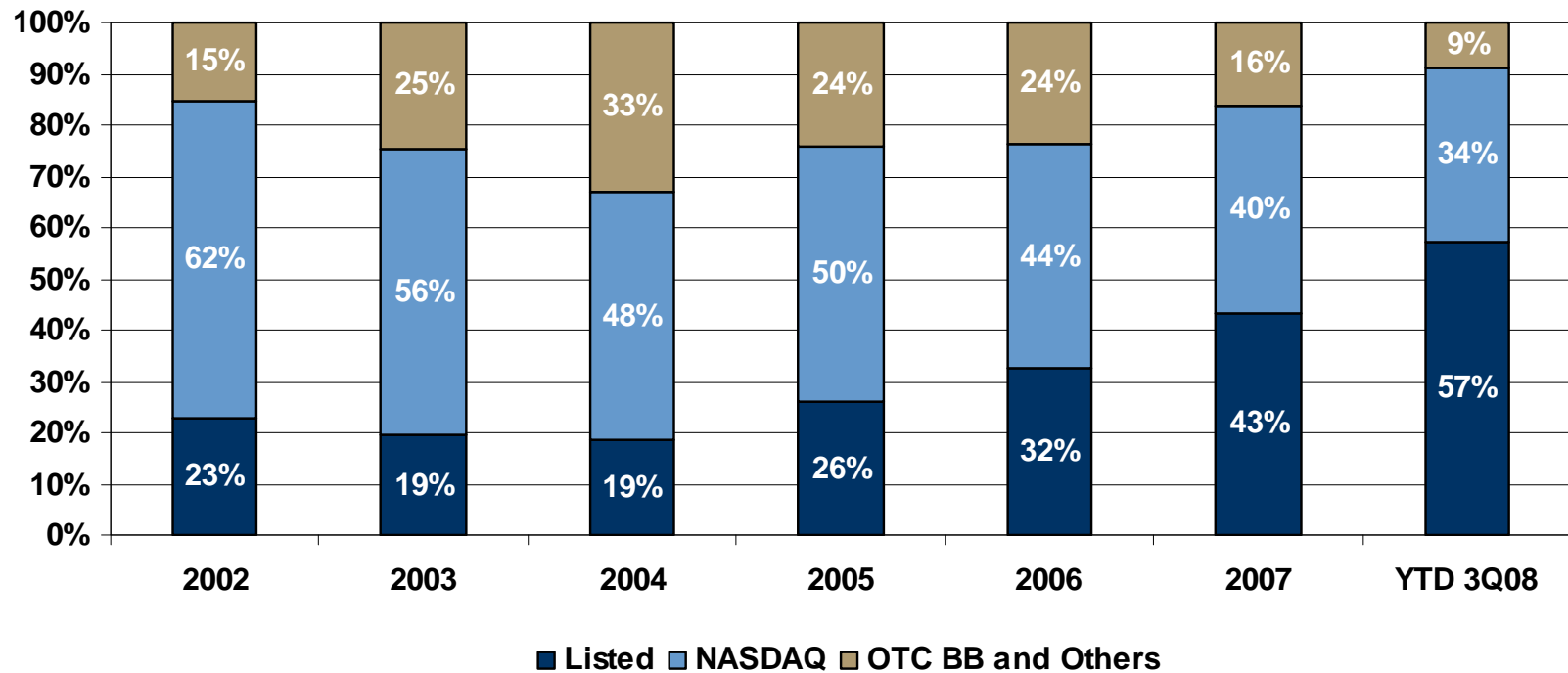
- YTD as of September 30, 2008:
 - Knight executed more than 389 million trades or 2.1 million trades per day, 318,000 trades per hour, 5,297 trades per minute or 88 trades per second
 - Knight traded approximately 757 billion shares or 4.01 billion shares per day, 617 million shares per hour, 10.3 million shares per minute or 172,000 shares per second
 - Knight's dollar value traded was approximately \$3.4 trillion or \$18.0 billion per day, \$2.8 billion per hour, \$46 million per minute or \$771,000 per second
- Record Day on October 10, 2008:
 - 7,410,875 trades in a single day or 317 trades per second
 - \$42,884,063,807 traded in a single day or \$1.8 million traded every second
- YTD Market Leadership:
 - # 1 in cumulative shares traded of Listed, NASDAQ (GSM, GM, CM) and BB securities
 - # 1 in shares traded in 8,491 stocks
 - # 1 in shares traded in NASDAQ (GSM, GM, CM) and BB securities
 - # 4 in shares traded in Listed securities

Source: Based on advertised volume through AutEx, YTD as of Sept. 30, 2008



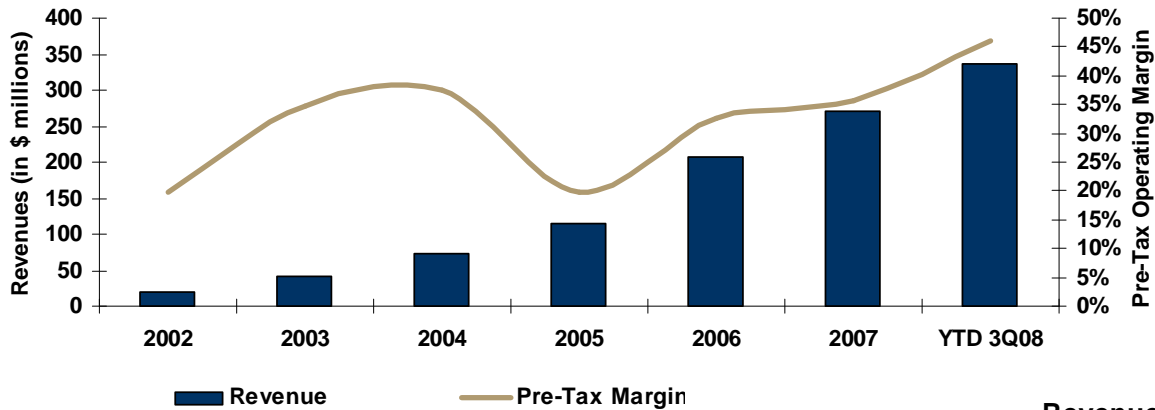
Global Markets: Core U.S. Equity Revenue Composition

Core U.S. Equity Revenue Composition

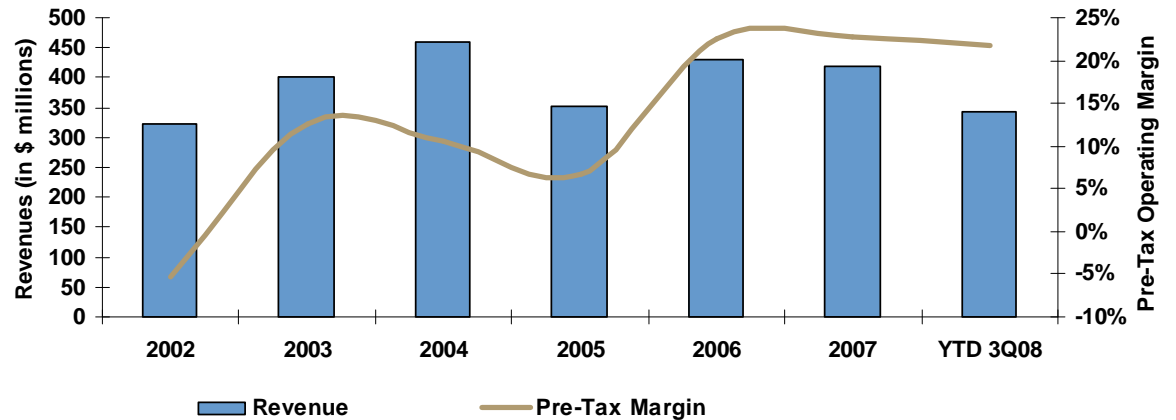


Global Markets: Electronic and Voice Access

**Revenue Growth and Pre-Tax Margins
Electronic Access**



**Revenue Growth and Pre-Tax Margins
Voice Access**



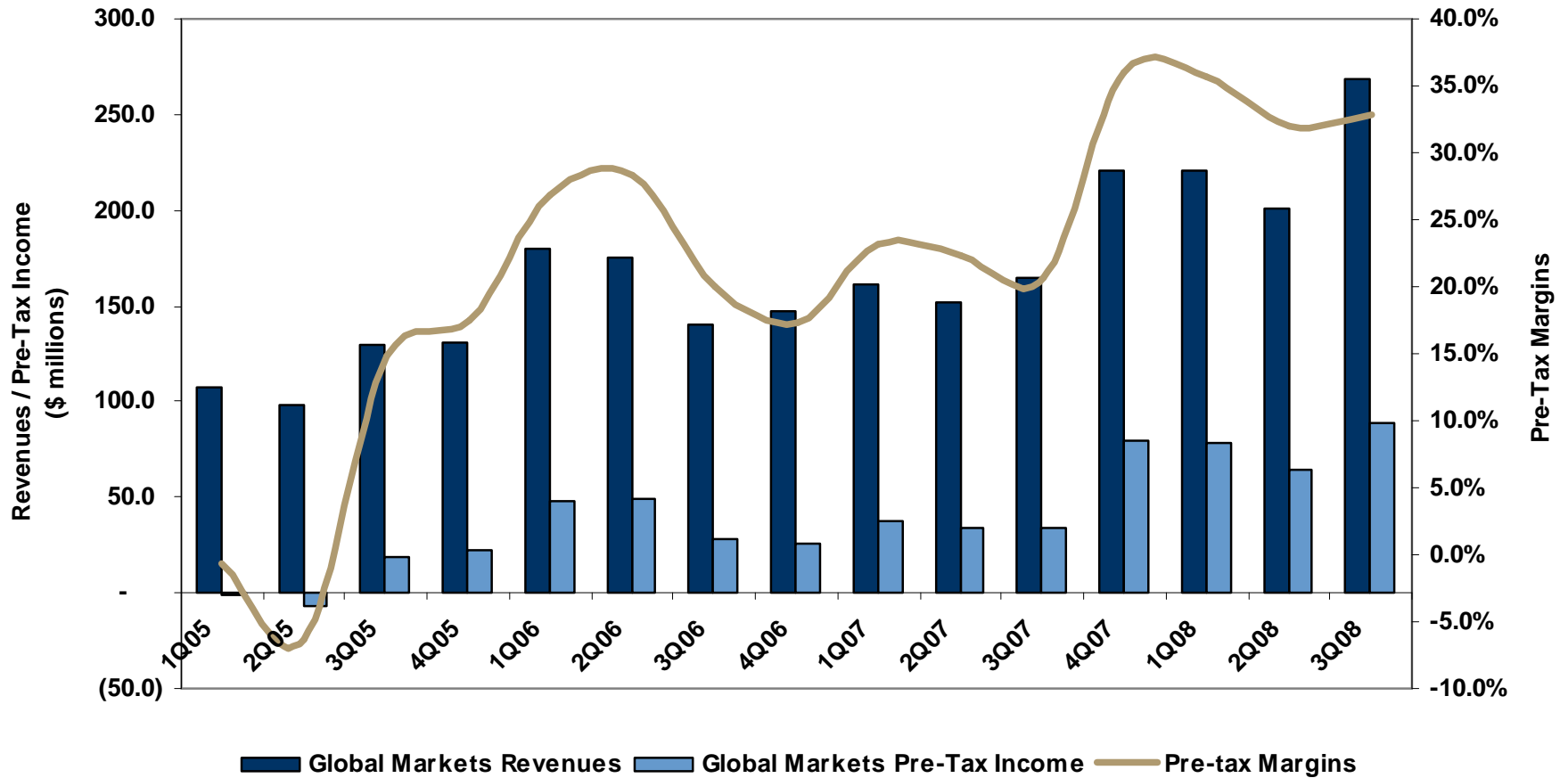
NOTE: Metrics exclude the results of Direct Edge



Global Markets: Asset Class Expansion

- **Fixed income**
 - **Knight Libertas** provides institutional clients with investment research and voice access and trading across a broad range of fixed income securities
 - **Knight BondPoint** provides broker-dealers with electronic access to centralized liquidity and automated, cost-efficient trade executions
- **Foreign exchange**
 - **Hotspot FXi** is an institutional spot foreign exchange ECN providing centralized liquidity, real-time price discovery, anonymity, rapid trade executions and actionable market data for best execution and transaction cost analysis
- **Futures, options and derivatives**
 - Market access, trade execution and settlement services for institutional clients covering direct electronic access, order routing to exchanges and electronic settlement

Global Markets: Financial Performance



NOTE: Metrics exclude the results of Direct Edge



Global Markets: Acquisitions Recap

Acquisitions

- Donaldson (December 2003)
- Knight Direct
 - Direct Trading Institutional (June 2005)
 - EdgeTrade (January 2008)
- Hotspot (April 2006)
- Knight BondPoint
 - ValuBond (October 2006)
- Knight Libertas
 - Libertas Partners (July 2008)

Total Cost of Acquisitions was \$326 million

- Revenues of \$136 million YTD as of September 30, 2008 or 20% of total Global Markets revenues
- Pre-tax margins of 12% YTD as of September 30, 2008
- Pre-Tax margins excluding non-cash related deal costs of 16% as of September 30, 2008

Asset Mgmt: Deephaven Capital Management LLC

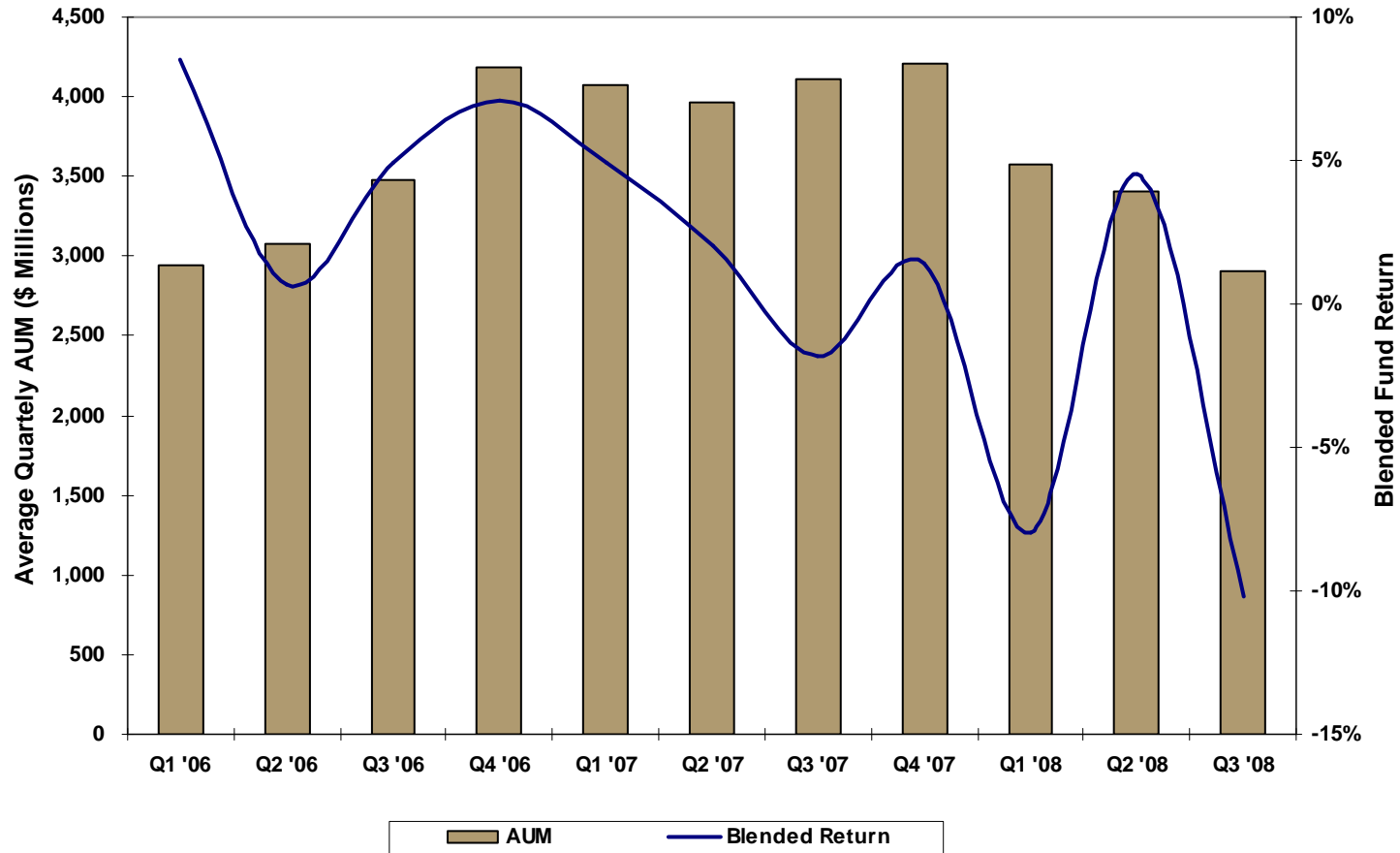
- A global, multi-strategy alternative investment manager
 - Founded in 1994 with offices in Minnetonka, London and Hong Kong
- Blended fund performance of $-11.7\%^*$ for the nine-month period ended September 30, 2008
- AUM of approximately \$2.7 billion as of October 1, 2008
- Multi-strategy funds
 - Deephaven Global Multi-Strategy Fund**
- Single-Strategy Funds
 - Deephaven Credit Opportunities Fund
 - Deephaven Global Value Partners Fund
 - Deephaven International Volatility Strategies Fund**
 - Deephaven European Event Fund
- Clients include banks, insurance companies, funds of hedge funds, corporate and public pension plan sponsors, trusts, endowments, foundations and private clients

* Excluding performance of the Deephaven Event Fund for which Deephaven is no longer taking fees

** Please refer to the Knight Capital Group, Inc. Form 8-K filed on October 30, 2008

Asset Mgmt: Deephaven's AUM vs. Blended Returns

Assets Under Management vs Blended Returns

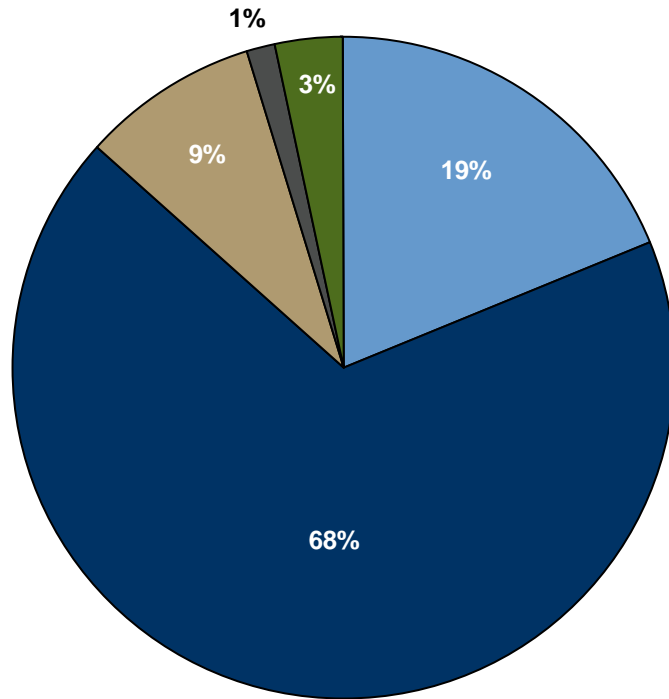


NOTE: Blended returns for Q2 '08 and Q3 '08 exclude the performance of the Event Fund

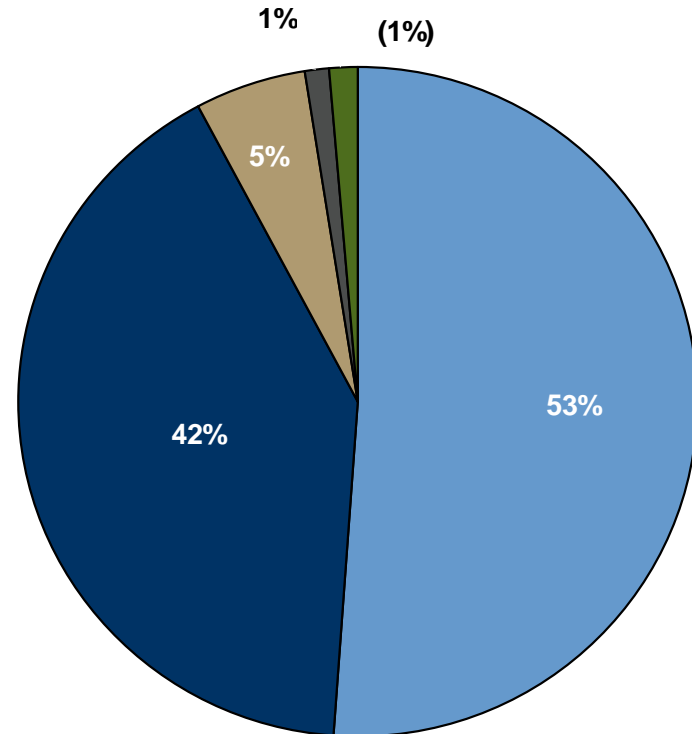


Financials: Consolidated Revenue Diversification

2002 Revenues



YTD 3Q08 Revenues



■ Commissions and fees
 ■ Net trading revenue
 ■ Asset management fees, net
■ Interest, net
 ■ Investment income and other, net



Financials: Consolidated Overview

	2006	2007	9 mos. 2008
Revenues:			
Global Markets	\$ 642.0	\$ 697.9	\$ 691.4
Asset Management	214.9	118.2	38.2
Corporate	66.9	35.8	(11.5)
Total Revenues	<u>\$ 923.8</u>	<u>\$ 851.9</u>	<u>\$ 718.0</u>
Pre- Tax			
Global Markets	\$ 151.5	\$ 184.4	\$ 231.7
Asset Management	74.8	16.5	(19.8)
Corporate	31.4	4.3	(44.9)
Total Pre-Tax	<u>\$ 257.8</u>	<u>\$ 205.2</u>	<u>\$ 167.0</u>

NOTE: Metrics exclude the results of Direct Edge

Financials: Consolidated Margin Trend Analysis

Trend Analysis

% of Revenue	2006	2007	YTD 3Q08
Employee compensation	38	40	39
Execution and clearance	10	10	11
Payments for order flow	3	4	4
Soft dollar and commission recapture	8	7	7
Other operating expenses	13	14	15
Pre-tax operating income	29	24	23

Note: Metrics exclude the results of Direct Edge

Note: Employee compensation for YTD 2008 includes \$4.3 million of minority interest related to the Deephaven Partners

Financials: Strong Consolidated Balance Sheet

Balance sheet as of Sept. 30, 2008

- \$296 million in cash
- 60% of assets readily convertible to cash
- Over \$200 million in available capital
- Shareholders' equity of \$945 million
- Debt to equity ratio of 0.15
- Book value of \$10.49 per diluted share



Financials: Buyback Summary and ROE Analysis

Buyback Summary

- Share repurchase program as of Sept. 30, 2008
 - Repurchased 66.8 million shares for \$746 million since inception
 - Average cost of shares repurchased is \$11.16
 - \$254 million remaining under the \$1 billion program

Return on Equity

- Annualized ROE of 14.0% YTD as of September 30, 2008 compared to 13.0% in 2007
- Annualized Tangible ROE of 21.4% YTD as of September 30, 2008 compared to 17.8% in 2007



Review & Outlook: Global Markets 2002

Regions	North America		Europe	Japan
Asset Classes	U.S. Equities NASDAQ Listed Market Making BB/Pinks International Listed Block Trading	Options U.S. Market Making	NASDAQ Listed International Equities	Japanese securities
Products	Voice Broker-Dealer Cash Trading Institutional Block Trading Institutional Sales Trading Program Trading		Voice Institutional Block Trading Institutional Sales Trading Broker-Dealer Cash Trading	Voice Broker-Dealer Market Making
Services	Soft Dollars			Joint Venture with Nikko Securities
Client Base	Equities Online Broker-Dealers Institutions	Options Broker-Dealers	Institutions Broker-Dealers	Broker-Dealer Market Makers
Client Order Flow & Composition	Nasdaq 98%			

Review & Outlook: Global Markets 2008

Regions	North America		Europe		Asia-Pacific (Q109)
Asset Classes	Equities North America, Europe, Asia-Pacific Futures/Options U.S. Fixed Income U.S. and International Foreign Exchange and Precious Metals Credit Derivatives		Equities North America, Europe, Asia-Pacific Futures/Options U.S. Fixed Income U.S. and International Foreign Exchange and Precious Metals		Equities North America, Europe, Asia-Pacific Fixed Income Foreign Exchange and Precious Metals
Products	Electronic Knight Direct EMS Edge Trade Algos Knight Match Knight Link KnightBondPoint HotSpotFX Direct Edge (19.9%)	Voice Broker-Dealer Cash Trading Institutional Block Trading Program Trading Special Situations Knight Libertas	Electronic Knight Direct EdgeTrade Algos (Q109) KnightLink (Q109) HotSpot	Voice Institutional Block Trading Knight Libertas	Voice Institutional Block Trading Knight Libertas Hotspot
Services	Commission Management, Knight Transition Management, Corporate Access, Corporate Services, Knight Portfolio Access, Knight Capital Partners, NetDelta				
Client Base	Broker- Dealer Institutions	Broker- Dealer Institutions	Institutions	Institutions	Institutions
Client Order Flow & Composition	Nasdaq, Listed, Corporate Clients and Street				

Review & Outlook: 2009 Goals

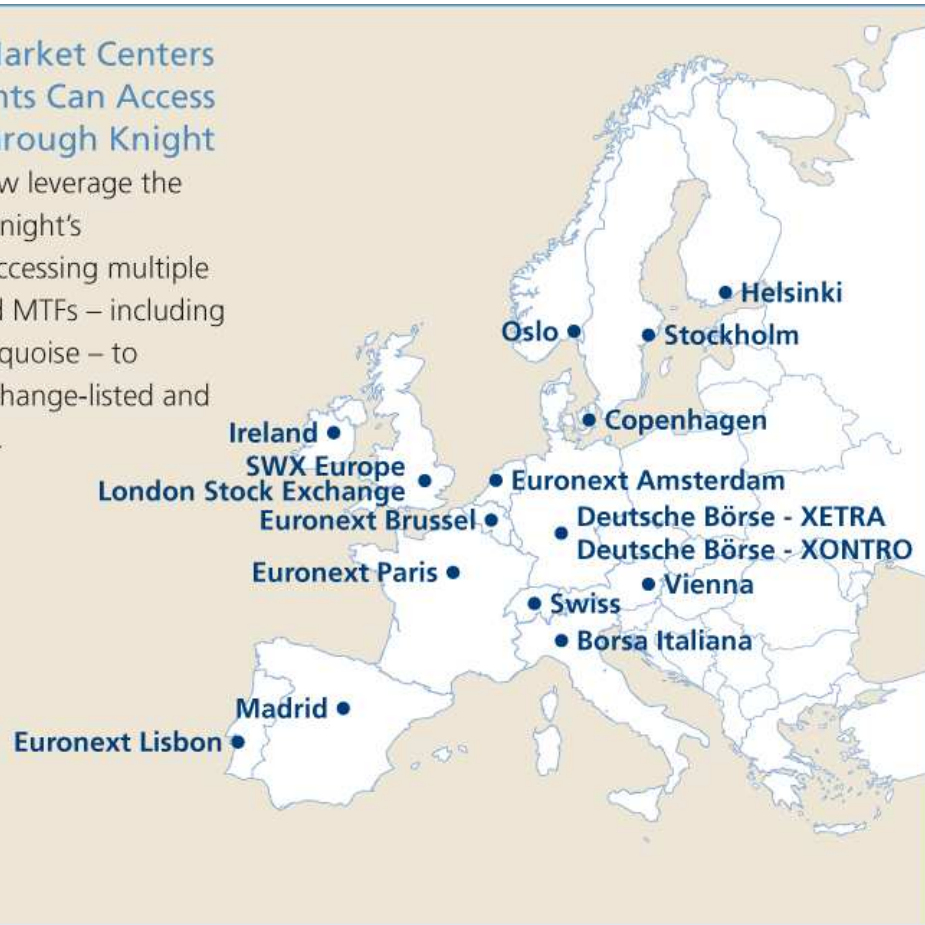
- Grow market share in global equities
- Build new pools of liquidity across asset classes
- Expand electronic access and trading capabilities
- Continually develop and refine algorithmic models to enhance trading
- Increase cross-selling to buy- and sell-side clients
- Establish electronic access and trading in Europe
- Establish voice access and trading in Asia
- Continue to add sell-side, buy-side and corporate issuer clients
- Expand capital markets services for corporate issuers
- Retain clients and assets under management



Review & Outlook: 2009 European Goals

Available Market Centers Where Clients Can Access Liquidity Through Knight

Clients can now leverage the full depth of Knight's resources by accessing multiple exchanges and MTFs – including Chi-X and Turquoise – to trade both exchange-listed and OTC securities.



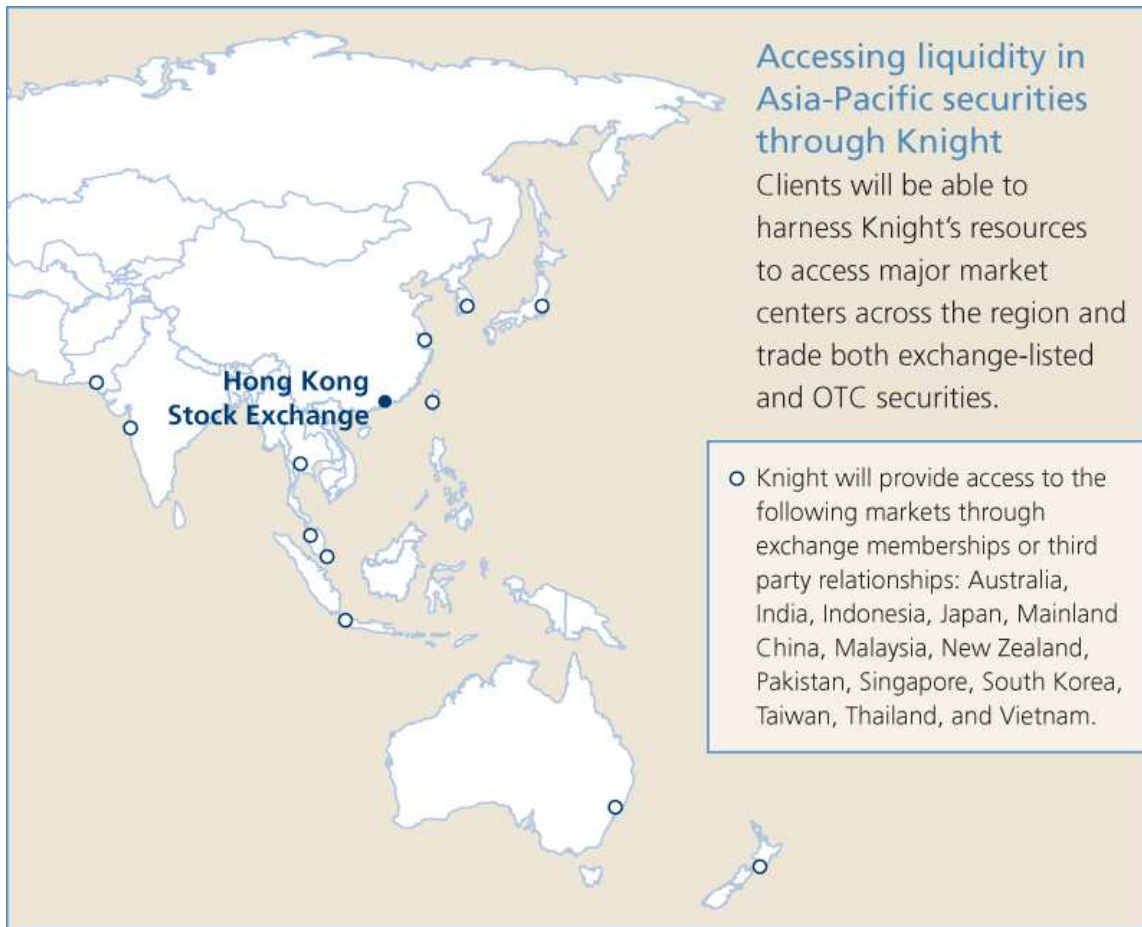
Completed

- Profitable institutional sales and trading team (voice) based in London
- Connected to multiple European exchanges, MTFs and other liquidity venues
- Hired Head of Institutional Electronic Sales in Europe

Planned

- Expanding electronic access and trading in Europe
 - Knight Link
 - Knight Direct
 - Knight EdgeTrade algorithms

Review & Outlook: 2009 Asia-Pacific Goals



Completed

- Hired Head of Institutional Equities in Asia-Pacific

Planned

- Establishing institutional sales and trading team (voice) in Hong Kong
- Securing select exchange memberships across the region
- Will begin trading Asia-Pacific equities on behalf of existing U.S. and European clients
- Will begin adding Asia-Pacific clients
- Introduce electronic access and trading in Asia-Pacific

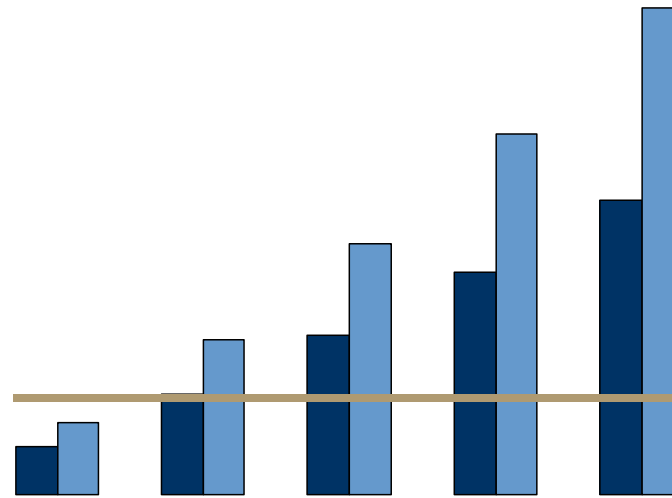


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Review & Outlook: Global Markets Goal By 2014

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 EMS Edge Trade Algos Knight Match Knight Link KnightBondPoint HotSpotFX Direct Edge (19.9%)	Voice Broker-Dealer Cash Trading Institutional Block Trading Program Trading Special Situations Knight Libertas	Electronic Knight Direct EMS Edge Trade Algos Knight Match Knight Link KnightBondPoint HotSpotFX Direct Edge (19.9%)	Voice Broker-Dealer Cash Trading Institutional Block Trading Program Trading Special Situations Knight Libertas	Electronic Knight Direct EdgeTrade Algos KnightLink HotSpot	Voice Institutional Block Trading Knight Libertas	Voice Institutional Block Trading Knight Libertas Hotspot FX Options Self-Clearing Transaction Cost Analysis
	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		
Services	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	Nasdaq, Listed, Corporate Clients, Street						

Review & Outlook: Our Five-Year Financial Goals



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 8.5%
 - Five-year CAGR on overall revenue growth on 14.6%

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Appendix



Reconciliation of GAAP Revenues to Non-GAAP Revenues

9 Months ending September 30, 2008	Global Markets	Asset Management	Corporate	Consolidated
GAAP Revenues	\$ 691	\$ 38	\$ (11)	\$ 718
Direct Edge Revenues	-	-	-	-
Revenues, excluding Direct Edge	<u>\$ 691</u>	<u>\$ 38</u>	<u>\$ (11)</u>	<u>\$ 718</u>

2007	Global Markets	Asset Management	Corporate	Consolidated
GAAP Revenues	\$ 751	\$ 118	\$ 36	\$ 905
Direct Edge Revenues	(54)	-	-	(54)
Revenues, excluding Direct Edge	<u>\$ 698</u>	<u>\$ 118</u>	<u>\$ 36</u>	<u>\$ 852</u>

2006	Global Markets	Asset Management	Corporate	Consolidated
GAAP Revenues	\$ 675	\$ 215	\$ 67	\$ 956
Direct Edge Revenues	(33)	-	-	(33)
Revenues, excluding Direct Edge	<u>\$ 642</u>	<u>\$ 215</u>	<u>\$ 67</u>	<u>\$ 923</u>

Reconciliation of GAAP Income to Non-GAAP Income

9 Months ending September 30, 2008	Global Markets	Asset Management	Corporate	Consolidated
GAAP Pre-Tax Income	\$ 232	\$ (16)	\$ (45)	\$ 171
Minority Interest	-	(4)	-	(4)
Pre-Tax Income after minority interest	<u>\$ 232</u>	<u>\$ (20)</u>	<u>\$ (45)</u>	<u>\$ 167</u>
2007				
	Global Markets	Asset Management	Corporate	Consolidated
GAAP Pre-Tax Income	\$ 180	\$ 17	\$ 4	\$ 201
Direct Edge Pre-Tax Loss	4	-	-	4
Pre-Tax Income, excluding Direct Edge	<u>\$ 184</u>	<u>\$ 17</u>	<u>\$ 4</u>	<u>\$ 205</u>
2006				
	Global Markets	Asset Management	Corporate	Consolidated
GAAP Pre-Tax Income	\$ 150	\$ 75	\$ 31	\$ 257
Direct Edge Pre-Tax Loss	1	-	-	1
Pre-Tax Income, excluding Direct Edge	<u>\$ 152</u>	<u>\$ 75</u>	<u>\$ 31</u>	<u>\$ 258</u>

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