



3rd Quarter 2011
Financial and Operating Results

October 27, 2011

Special Note Regarding Forward-Looking Information

In addition to historical information, this presentation contains "forward-looking" statements that reflect management's expectations for the future. A variety of important factors could cause results to differ materially from such statements. These factors are noted throughout GAIN Capital's annual report on Form 10-K, as filed with the Securities and Exchange Commission on March 30, 2011, and include, but are not limited to, the actions of both current and potential new competitors, fluctuations in market trading volumes, financial market volatility, evolving industry regulations, errors or malfunctions in our systems or technology, rapid changes in technology, effects of inflation, customer trading patterns, the success of our products and service offerings, our ability to continue to innovate and meet the demands of our customers for new or enhanced products, our ability to successfully integrate assets and companies we have acquired, changes in tax policy or accounting rules, fluctuations in foreign exchange rates, adverse changes or volatility in interest rates, as well as general economic, business, credit and financial market conditions, internationally or nationally, and our ability to continue paying a quarterly dividend in light of future financial performance and financing needs. The forward-looking statements included herein represent GAIN Capital's views as of the date of this release. GAIN Capital undertakes no obligation to revise or update publicly any forward-looking statement for any reason unless required by law.

Overview

Glenn Stevens, CEO

3Q 2011 Overview

- Q3 market conditions conducive to FX trading
- High levels of client activity and engagement throughout the quarter
- Strong financial and operating results, with year-over-year net revenue growth of approximately 5% and an EBITDA margin of approximately 29%

3rd Quarter 2011 Results Overview

- 3Q 2011 Financial Summary
 - Net Revenue: \$53.9 million
 - EBITDA⁽¹⁾: \$15.6 million (29% margin)
 - Adjusted Net Income⁽²⁾: \$9.3 million (17% margin)
 - Adjusted EPS (Diluted)⁽³⁾: \$0.24
 - GAAP EPS (Diluted): \$0.20
- Operating Metrics⁽⁴⁾
 - Total trading volume up 99% to \$708 billion
 - Retail volume increased 44% to \$448 billion
 - Institutional volume grew to \$260 billion
 - Traded retail accounts for trailing 12 months up 8% to 65,401
 - Funded retail accounts up 9% to 77,013
 - Client assets of \$286 million, up 29%

Note: All growth compared to 3Q 2010.

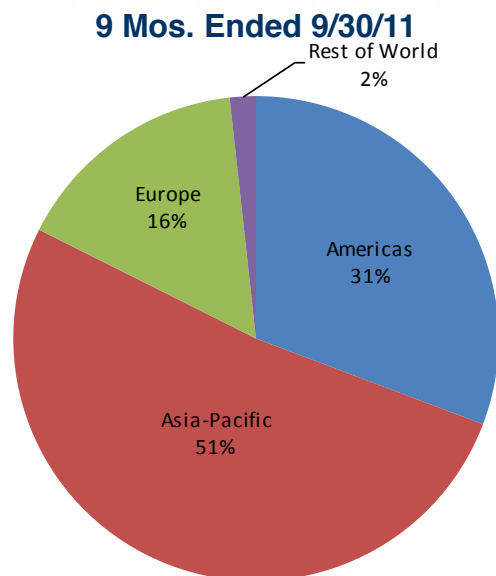
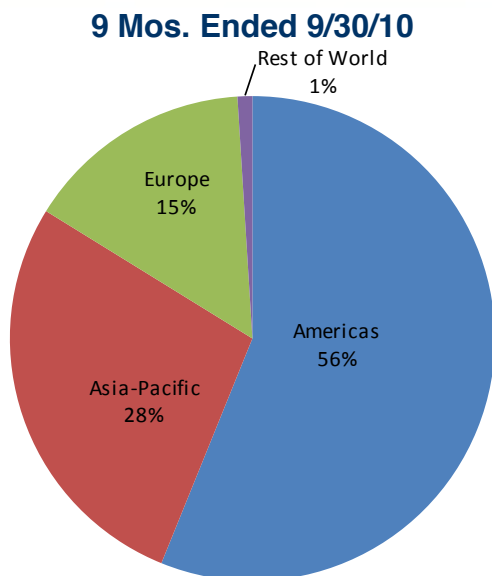
(1) EBITDA is a non-GAAP financial measure that represents our earnings before interest, taxes, depreciation and amortization. A reconciliation of net income to EBITDA and EBITDA margin is available in the appendix to this presentation.

(2) Adjusted net income is a non-GAAP financial measure that prior to the closing of our initial public offering in December 2010 represented our net income/(loss) excluding the change in fair value of the embedded derivative in our preferred stock and purchase intangible amortization. With the consummation of our IPO, all outstanding shares of our preferred stock converted into common stock and in 2011 and in future periods adjusted net income will no longer reflect an adjustment related to the embedded derivative. A reconciliation of net income to adjusted net income and adjusted net income margin is available in the appendix to this presentation.

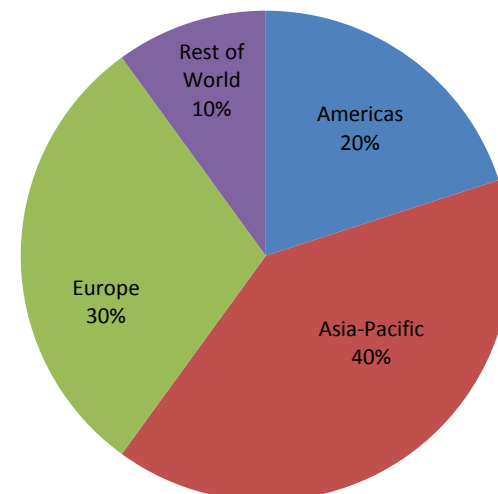
(3) Reconciliation of EPS to adjusted EPS available in appendix.

(4) Definitions for all our operating metrics are available in the appendix to this presentation.

Retail Trading Volume by Geography⁽¹⁾



Global Retail FX Market (FY 2010)⁽²⁾



<u>Country/Region</u>	<u>9 Mos. 9/30/10</u>	<u>9 Mos. 9/30/11</u>	<u>% Growth</u>
Americas	\$537.9	\$371.4	(31%)
Asia-Pacific	265.3	623.7	135%
Europe	145.8	191.5	31%
Rest of World	9.4	21.0	122%
Total Retail Trading Volume	\$958.5	\$1,207.5	26%

Note: Dollars in billions.

(1) Definitions for all our operating metrics are available in the appendix to this presentation.

(2) Source: Sankar, S. *Retail FX: Entering a Phase of Mature Growth*. Boston: Celent, 2011.

International Expansion

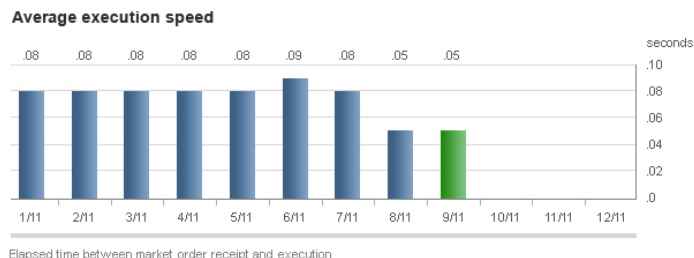
- Middle East
 - Enhanced Arabic offering
 - Increased indirect sales team
 - **268% growth in volume (to \$97B)**
- China Region
 - Hong Kong presence
 - CBRC license; new Beijing representative office
 - **307% growth in volume (to \$77B)**
- Korea
 - Seoul representative office
 - Expansion primarily via omnibus white-labels
 - **124% growth in volume (to \$109B)**
- Japan
 - Tokyo operation
 - **125% growth in volume (to \$169B)**
- Australia/NZ
 - Sydney office
 - **98% growth in volume (to \$64B)**
- Europe
 - Expanding to other large, high-growth European markets – i.e. Germany

New Products & Services

- GAIN GTX specialty execution desk operational
- Metals & NDFs now offered on GTX institutional ECN
- New commodity CFD products introduced via FOREX.com
 - Range of CFDs now available to international retail customers - Equity Indices, Energies, Metals, Softs/Ags
 - Approximately 25% of active accounts traded CFDs in September 2011
 - 15% of international retail volume
- iPad app released
 - Nearly 600% increase in mobile trading volume over last 12 months
 - Mobile trades represented 12% of volume and 14% of all retail trades in September

Transparent Pricing & Execution

- Execution Scorecard updated monthly; 2011 Scorecard now available with nine months of historical data
- Internal focus on improving execution quality – recent technology investments reduced average execution speed by 30% to .05 seconds



September 2011⁽¹⁾

Execution Speed	
% of trades executed in less than 1 second Represents all market and instant execution orders	99.7%
Average execution speed Elapsed time between market order receipt and execution	.05 seconds
Execution Price	
% of limit orders price improved Limit orders executed at a price better than the requested price	71.8%
Average price improvement per limit order Pip difference between requested and executed price of price improved limit orders (currencies only)	1.72 pips
% of limit orders filled "at or better" Limit orders executed at the requested rate or better	100%
Execution Rate	
% of trades successfully executed Includes all valid market, instant execution, limit and stop order requests	99.5%

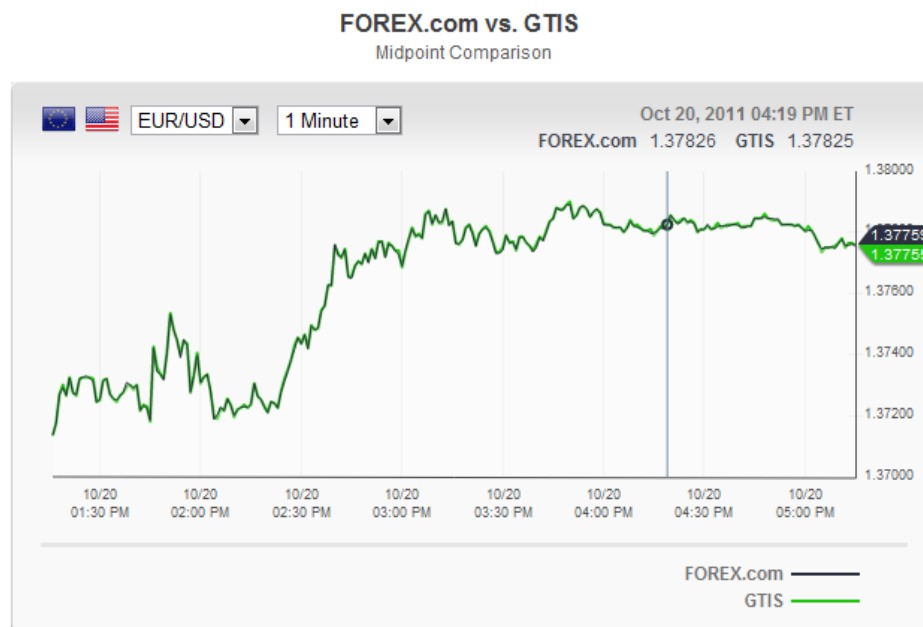
We believe our voluntary execution and pricing stats demonstrate our execution advantage and provide customers with greater transparency

(1) FOREX.com's execution statistics represent orders executed on FOREX.com's FOREXTrader platforms during market hours between August 31, 2011 17:00 ET and September 30, 2011 17:00 ET

New Transparency Initiative

Third party price comparison demonstrates the accuracy of FOREX.com pricing relative to the larger OTC FX marketplace

- Compares FOREX.com midpoint prices to an independent FX rate feed from Interactive Data Corporation, GTIS
- GTIS is a proxy for the larger FX market - represents the best bid and offer from over 150 global contributors, including many of the world's leading banks
- Complements FOREX.com's existing pricing info and execution scorecard



Strong Liquidity and Capital Allocation

- \$61mm of average excess net capital⁽¹⁾
- Increased revolver availability from \$20mm to \$50mm
- 850,121 shares repurchased for approximately \$5mm to date at an average price of \$5.88
- \$0.05 per share quarterly dividend announced
 - Record Date: December 10
 - Payment Date: December 23

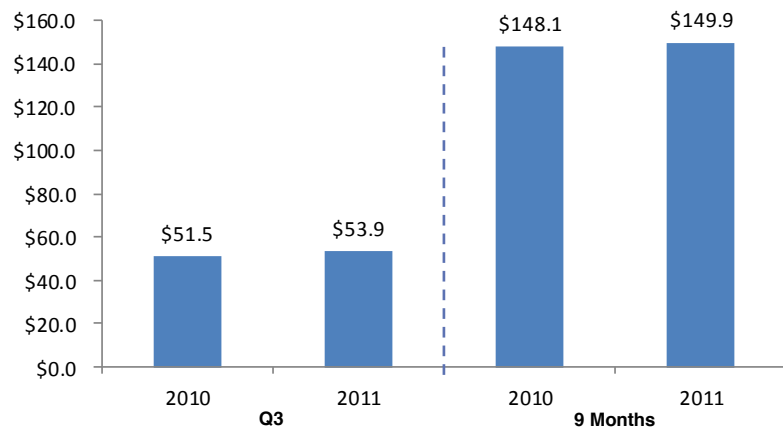
(1) For the quarter ended September 30, 2011.

Financial and Operating Metric Review

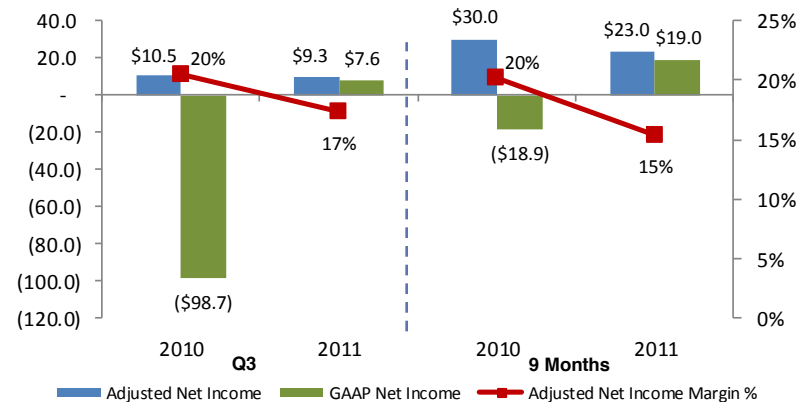
Henry Lyons, CFO

Financial Results

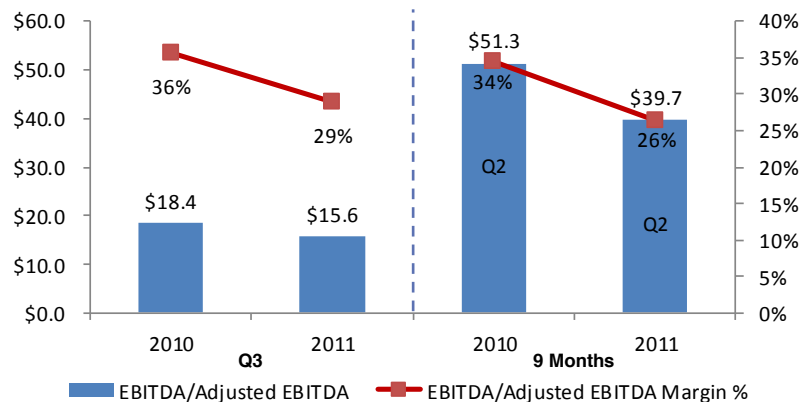
Revenue



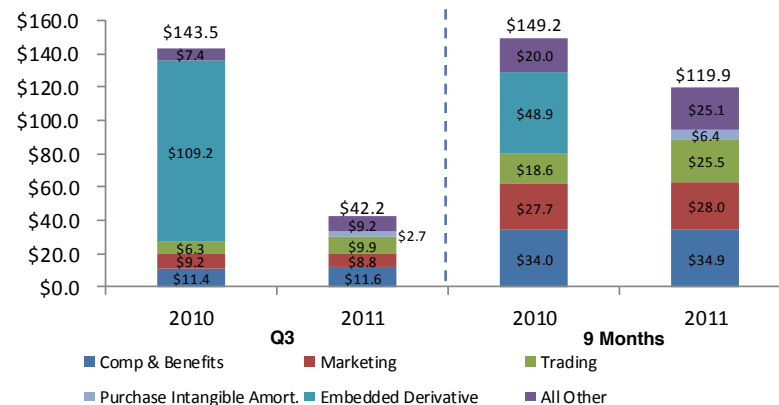
GAAP & Adjusted Net Income & Margin %⁽¹⁾



EBITDA (Adjusted EBITDA in 2010) & Margin %⁽²⁾



Total Expenses



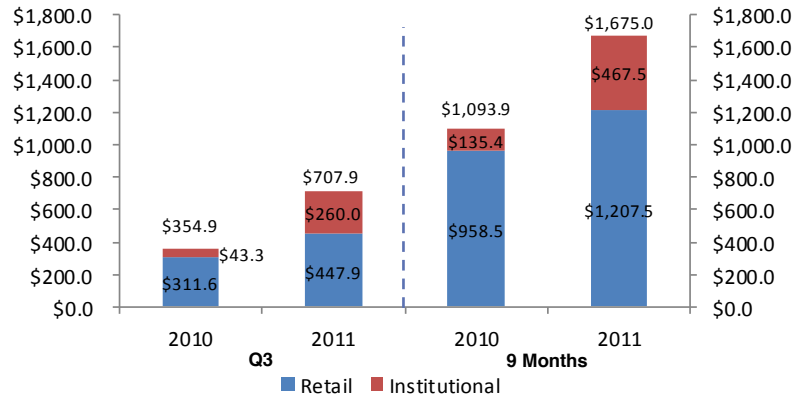
Note: Dollars in millions.

(1) Reconciliation of net income to adjusted net income and adjusted net income margin available in appendix.

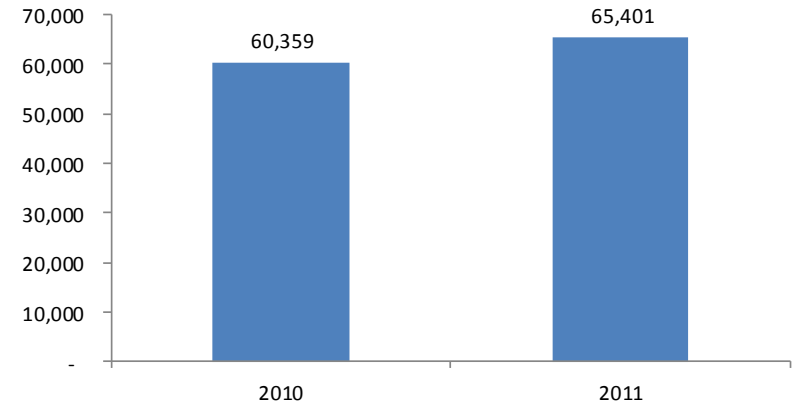
(2) Adjusted EBITDA is a non-GAAP financial measure that prior to the closing of our initial public offering in December 2010 represented our earnings before interest, taxes, depreciation and amortization and excluded the change in fair value of the embedded derivative in our preferred stock. With the consummation of our IPO, all outstanding shares of our preferred stock converted into common stock. Accordingly, in 2011 we no longer adjusted EBITDA for the embedded derivative. A reconciliation of net income to adjusted EBITDA and adjusted EBITDA margin is available in the appendix to this presentation.

Operating Metrics⁽¹⁾

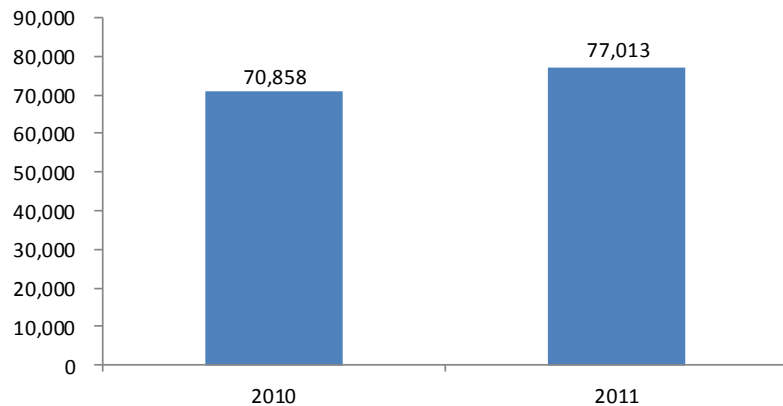
Total Trading Volume⁽²⁾



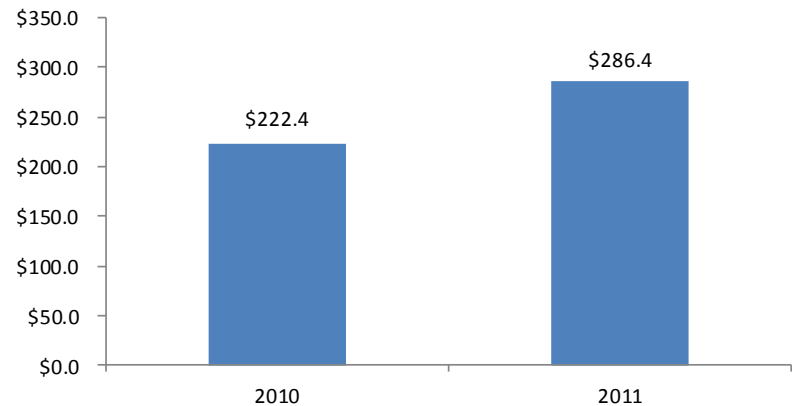
Traded Retail Accounts (Last 12 Months)⁽²⁾



Funded Retail Accounts⁽³⁾



Client Assets⁽³⁾



Note: Trading volume in billions. Client assets in millions.

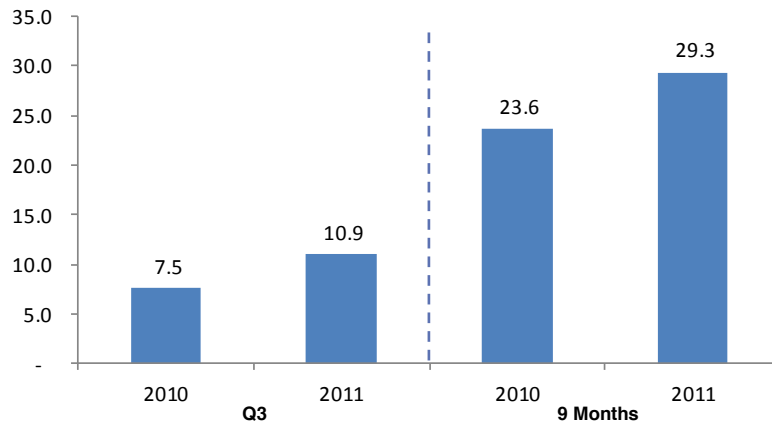
(1) Definitions for all our operating metrics are available in the appendix to this presentation.

(2) For periods ending September 30.

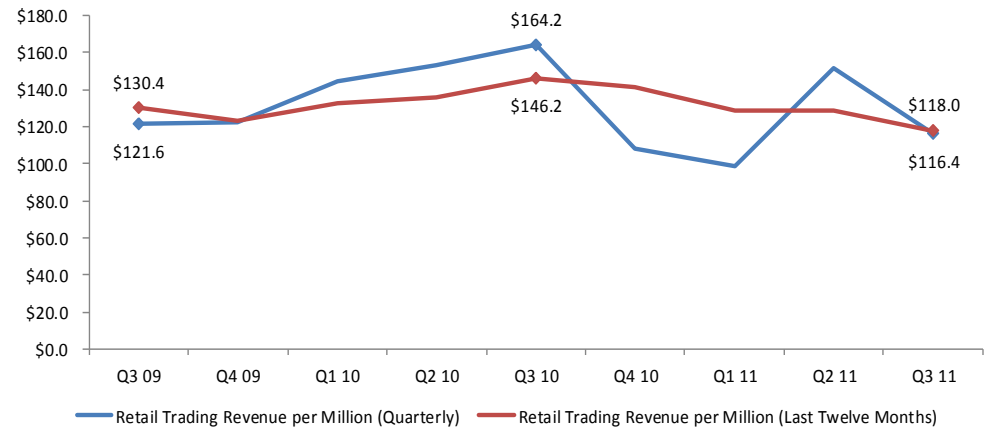
(3) As of September 30.

Operating Metrics (cont.)⁽¹⁾

Trades⁽²⁾



Retail Trading Revenue per Million⁽²⁾



Note: Trades in millions.

(1) Definitions for all our operating metrics are available in the appendix to this presentation.

(2) For periods ending September 30.

Closing Remarks

- Continued financial and operational strength as evidenced Q3 data
- Ongoing international expansion
- New products being developed and released
- Providing customers increased transparency into our business
- Strong balance sheet for M&A and shareholder return

Appendix

Condensed Consolidated Statements of Operations

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Revenue				
Trading revenue	\$ 52.2	\$ 51.2	\$ 146.1	\$ 147.7
Other revenue	2.0	0.7	4.6	1.9
Total non-interest revenue	54.2	51.9	150.7	149.6
Interest revenue	0.1	0.1	0.3	0.2
Interest expense	(0.4)	(0.5)	(1.1)	(1.7)
Total net interest expense	(0.3)	(0.4)	(0.8)	(1.5)
Net Revenue	53.9	51.5	149.9	148.1
Expenses				
Compensation and benefits	11.6	11.4	34.9	34.0
Selling and marketing	8.8	9.2	28.0	27.7
Trading expenses and commissions	9.9	6.3	25.5	18.6
Bank fees	1.3	1.0	3.4	3.2
Depreciation and amortization	1.0	0.9	2.9	2.5
Purchase intangible amortization	2.7	-	6.4	-
Communication and data processing	0.7	0.8	2.1	2.2
Occupancy and equipment	1.2	1.1	3.5	3.0
Bad debt provision	0.2	0.2	0.8	0.5
Professional fees	1.9	0.5	3.8	1.5
Product development, software and maintenance	1.0	0.9	3.0	2.5
Change in fair value of convertible, redeemable preferred stock embedded derivative ⁽¹⁾	-	109.2	-	48.9
Other	1.9	2.0	5.6	4.6
Total	42.2	143.5	119.9	149.2
Income before income tax expense and equity in earnings of equity method investment	11.7	(92.0)	30.0	(1.1)
Income tax expense	4.1	6.7	11.0	18.2
Net income	7.6	(98.7)	19.0	(19.3)
Net loss applicable to non-controlling interest	-	-	-	(0.4)
Net income applicable to GAIN Capital Holdings, Inc.	\$ 7.6	\$ (98.7)	\$ 19.0	\$ (18.9)
Earnings per share⁽²⁾:				
Basic	\$ 0.22	\$ (32.38)	\$ 0.55	\$ (6.31)
Diluted	\$ 0.20	\$ (32.38)	\$ 0.49	\$ (6.31)
Weighted averages shares outstanding⁽²⁾:				
Basic	34,625,525	3,047,974	34,313,987	3,001,057
Diluted	38,916,038	38,839,487	39,025,699	37,375,690

Note: Dollars in millions.

(1) For the periods prior to the closing of our initial public offering in December 2010, in accordance with Financial Accounting Standards Board Accounting Standards Codification 815, *Derivatives and Hedging*, we accounted for an embedded derivative liability attributable to the redemption feature of our previously outstanding preferred stock and amortization of purchase intangibles. This redemption feature and the associated embedded derivative liability was no longer required to be recognized following the conversion of all of our preferred stock to common stock in connection with our IPO.

(2) In connection with the completion of our initial public offering in December 2010 (the "IPO"), the our board of directors approved a 2.29-for-1 stock split of our common stock to be effective immediately prior to the completion of the IPO. The 2.29-for-1 stock split, after giving effect to the receipt by us of 407,692 shares of common stock from all of our pre-IPO common stockholders (on a pro-rata basis) in satisfaction of previously outstanding obligations owed by such stockholders to us, resulted in an effective stock split of 2.26-for-1. Accordingly, all references to share and per share data have been retroactively restated for the three and nine months ended September 30, 2010 to reflect the effective 2.26-for-1 stock split.

Balance Sheet

	<u>September 30,</u> <u>2011</u>	<u>December 31,</u> <u>2010</u>
Assets		
Cash and cash equivalents	\$ 371.2	\$ 284.2
Short term investments	0.1	0.1
Trading securities	-	20.1
Receivables from brokers	78.6	98.1
Property and equipment, net	7.3	7.3
Prepaid assets	10.4	9.9
Goodwill	3.1	3.1
Intangible assets, net	13.0	9.1
Other assets	11.5	11.2
Total assets	<u>\$ 495.2</u>	<u>\$ 443.1</u>
Liabilities and shareholders' equity		
Payables to brokers, dealers, FCM'S and other regulated entities	\$ 15.6	\$ 6.1
Payable to customers	270.9	250.6
Accrued compensation & benefits payable	3.1	5.1
Accrued expenses and other liabilities	16.6	10.5
Income tax payable	7.0	2.6
Notes payable	10.5	18.4
Total liabilities	<u>\$ 323.7</u>	<u>\$ 293.3</u>
Shareholders' equity	<u>171.5</u>	<u>149.8</u>
Total liabilities and shareholders' equity	<u>\$ 495.2</u>	<u>\$ 443.1</u>

Note: Dollars in millions.

Adjusted Net Income / Margin Reconciliation

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Revenue	\$ 53.9	\$ 51.5	\$ 149.9	\$ 148.1
Net income/(loss) applicable to GAIN Capital Holdings, Inc.	7.6	(98.7)	19.0	(18.9)
Change in fair value of convertible, redeemable preferred stock embedded derivative	-	109.2	-	48.9
Plus: Purchase intangible amortization (net of tax)	1.7	-	4.0	-
Adjusted Net Income	<u>\$ 9.3</u>	<u>\$ 10.5</u>	<u>\$ 23.0</u>	<u>\$ 30.0</u>
Adjusted Earnings per Share ⁽¹⁾				
Basic	<u>\$ 0.27</u>	<u>\$ 3.45</u>	<u>\$ 0.67</u>	<u>\$ 10.01</u>
Diluted	<u>\$ 0.24</u>	<u>\$ 0.27</u>	<u>\$ 0.59</u>	<u>\$ 0.80</u>
Net Income Margin %	14%	NM	13%	NM
Adjusted Net Income Margin %	17%	20%	15%	20%

Note: Dollars in millions.

(1) In connection with the completion of our initial public offering in December 2010 (the "IPO"), the our board of directors approved a 2.29-for-1 stock split of our common stock to be effective immediately prior to the completion of the IPO. The 2.29-for-1 stock split, after giving effect to the receipt by us of 407,692 shares of common stock from all of our pre-IPO common stockholders (on a pro-rata basis) in satisfaction of previously outstanding obligations owed by such stockholders to us, resulted in an effective stock split of 2.26-for-1. Accordingly, all references to share and per share data have been retroactively restated for the three and nine months ended September 30, 2010 to reflect the effective 2.26-for-1 stock split.

EBITDA/Adjusted EBITDA / Margin Reconciliation

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Revenue	\$ 53.9	\$ 51.5	\$ 149.9	\$ 148.1
Interest on Note Payable	0.2	0.3	0.4	1.0
Revenue (ex. Interest on Note)	<u>\$ 54.1</u>	<u>\$ 51.8</u>	<u>\$ 150.3</u>	<u>\$ 149.1</u>
Net income/(loss) applicable to GAIN Capital Holdings, Inc.	\$ 7.6	\$ (98.7)	\$ 19.0	\$ (18.9)
Change in fair value of convertible, redeemable preferred stock embedded derivative	-	109.2	-	48.9
Plus: Depreciation & amortization	1.0	0.9	2.9	2.5
Plus: Purchase intangible amortization	2.7	-	6.4	-
Plus: Interest expense of note payable	0.2	0.3	0.4	1.0
Plus: Income tax expense	4.1	6.7	11.0	18.2
Less: Net loss applicable to non-controlling interest	-	-	-	(0.4)
EBITDA/Adjusted EBITDA ⁽¹⁾	<u>\$ 15.6</u>	<u>\$ 18.4</u>	<u>\$ 39.7</u>	<u>\$ 51.3</u>
EBITDA/Adjusted EBITDA Margin % ⁽¹⁾	29%	36%	26%	34%

Note: Dollars in millions.

(1) EBITDA is not adjusted in 2011 since the embedded derivative relating to our previously outstanding preferred stock was extinguished in connection with our IPO.

Adjusted EPS (Diluted) Reconciliation

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
GAAP Earnings per Share (Diluted)	\$ 0.20	\$ (32.38)	\$ 0.49	\$ (6.31)
Change in fair value of convertible, redeemable preferred stock embedded derivative	-	32.65	-	7.11
Plus: Purchase intangible amortization ⁽¹⁾	0.04	-	0.10	-
Adjusted Earnings per Share (Diluted) ⁽²⁾	<u>\$ 0.24</u>	<u>\$ 0.27</u>	<u>\$ 0.59</u>	<u>\$ 0.80</u>

(1) Net of tax.

(2) In connection with the completion of our initial public offering in December 2010 (the "IPO"), the our board of directors approved a 2.29-for-1 stock split of our common stock to be effective immediately prior to the completion of the IPO. The 2.29-for-1 stock split, after giving effect to the receipt by us of 407,692 shares of common stock from all of our pre-IPO common stockholders (on a pro-rata basis) in satisfaction of previously outstanding obligations owed by such stockholders to us, resulted in an effective stock split of 2.26-for-1. Accordingly, all references to share and per share data have been retroactively restated for the three and nine months ended September 30, 2010 to reflect the effective 2.26-for-1 stock split.

Q3 2011 Financial Summary

	3 Mos. Ended September 30,		9 Mos. Ended September 30,		'11 v '10 % Change	
	2011	2010	2011	2010	Q3	YTD
Revenue	\$53.9	\$51.5	\$149.9	\$148.1	5%	1%
Interest Expense on Note Payable	0.2	0.3	0.4	1.0	(47%)	(55%)
Revenue (ex. Interest on Note)	\$54.1	\$51.8	\$150.3	\$149.1	4%	1%
Operating Expenses	38.5	33.4	110.6	97.8	15%	13%
EBITDA/Adjusted EBITDA ⁽¹⁾	\$15.6	\$18.4	\$39.7	\$51.3	(15%)	(23%)
GAAP Net Income	\$7.6	(\$98.7)	\$19.0	(\$18.9)	(108%)	(201%)
Adjusted Net Income ⁽²⁾	9.3	10.5	23.0	30.0	(11%)	(23%)
GAAP EPS (Diluted)	\$0.20	(\$32.38)	\$0.49	(\$6.31)	(101%)	(108%)
Adjusted EPS (Diluted) ⁽³⁾	0.24	0.27	0.59	0.80	(12%)	(26%)
EBITDA/Adjusted EBITDA Margin % ⁽¹⁾	29%	36%	26%	34%	(7 pts)	(8 pts)
Net Income Margin %	14%	NM	13%	NM	NA	NA
Adjusted Net Income Margin % ⁽²⁾	17%	20%	15%	20%	(3 pts)	(5 pts)

Note: Dollars in millions, except per share data.

(1) See page 21 for a reconciliation of GAAP net income to adjusted EBITDA. EBITDA is not adjusted in 2011 since the embedded derivative relating to our previously outstanding preferred stock was extinguished in connection with our IPO.

(2) See page 20 for a reconciliation of GAAP net income to adjusted net income.

(3) See page 22 for a reconciliation of GAAP EPS to adjusted EPS.

Q3 2011 Operating Metrics

	3rd Quarter		9 Months		'11 v '10 % Change	
	2011	2010	2011	2010	Q3	YTD
<u>For Period Ending September 30,</u>						
Total Trading Volume (billions)	\$707.9	\$354.9	\$1,675.0	\$1,093.9	99%	53%
Retail	447.9	311.6	1,207.5	958.5	44%	26%
Institutional	260.0	43.3	467.5	135.4	500%	245%
Traded Retail Accounts (Period)	36,927	32,976	56,247	52,467	12%	7%
Traded Retail Accounts (Last 12 Months)	65,401	60,359	65,401	60,359	8%	8%
New Retail Accounts	7,852	8,879	24,764	29,493	(12%)	(16%)
Net Deposits from Retail Customers	\$64.8	\$68.7	\$189.9	\$206.4	(6%)	(8%)
Trades	10,949,800	7,535,907	29,339,268	23,586,007	45%	24%
Retail Trading Revenue per Million	\$116.4	\$164.2	\$121.0	\$154.1	(29%)	(21%)
<u>As of September 30,</u>						
Funded Retail Accounts	77,013	70,858	77,013	70,858	9%	9%
Client Assets	\$286.4	\$222.4	\$286.4	\$222.4	29%	29%
Average Excess Net Capital ⁽¹⁾	\$60.7	\$63.7	\$55.5	\$61.2	(5%)	(9%)

Note: Dollars in millions, except retail trading revenue per million.

(1) Average calculated using excess net capital balance at month-end.

Monthly Operating Metrics⁽¹⁾

Month	Funded Retail Accts.⁽²⁾	New Retail Accounts⁽³⁾	Client Assets⁽²⁾
Oct 2010	81,793	3,345 ⁽⁴⁾	\$241.6
Nov 2010	84,985	3,054	263.2
Dec 2010	85,562	2,525	256.7
Jan 2011	86,236	2,902	277.0
Feb 2011	87,049	2,874	286.3
Mar 2011	85,698	3,132	283.0
Apr 2011	80,915	2,801	239.2
May 2011	79,623	2,775 ⁽⁵⁾	290.8
Jun 2011	78,379	2,428	293.1
Jul 2011	78,082	2,350	283.4
Aug 2011	77,140	2,886	303.7
Sep 2011	77,013	2,616	286.4

Note: Dollars in millions.

(1) Definitions for all our operating metrics are available in the appendix to this presentation.

(2) As of period ended.

(3) For period ended.

(4) Excludes 13,091 accounts from GAIN Capital's acquisition of CMS Forex.

(5) Excludes 1,650 accounts from GAIN Capital's acquisition of dbFX.

Quarterly Operating Metrics⁽¹⁾

<u>Quarter</u>	<u>Volume</u>		<u>Traded Retail Accts. (Period)</u>	<u>Net Deposits From Retail Customers</u>	<u>Trades</u>
	<u>Retail</u>	<u>Institutional</u>			
Q4 10	\$366.3	\$103.9	36,241	\$61.4	8,161,012
Q1 11	402.5	110.1	36,570	60.7	9,025,828
Q2 11	357.2	97.4	36,868	64.3	9,363,640
Q3 11	447.9	260.0	36,927	64.8	10,949,800

Note: For period ended. Volume in billions. Net deposits in millions.

(1) Definitions for all our operating metrics are available in the appendix to this presentation.

Definition of Metrics

- **Total Trading Volume**
 - Represents the U.S. dollar equivalent of notional amounts traded
- **Traded Retail Accounts**
 - Retail accounts who executed a transaction during a given period
- **Funded Retail Accounts**
 - Retail accounts who maintain a cash balance
- **Client Assets**
 - Represents amounts due to clients, including customer deposits and unrealized gains or losses arising from open positions
- **New Retail Accounts**
 - The number of customer accounts that have initially opened and funded their accounts
- **Net Deposits from Retail Customers**
 - Represents customers' deposits less withdrawals for a given period
- **Trades**
 - The number of transactions retail customers have completed for a given period
- **Retail Trading Revenue per Million**
 - The revenue we realize from our forex, CFDs and metals trading activities per one million of U.S. dollar-equivalent trading volume
- **Excess Net Capital**
 - Represents the excess funds held over the regulatory minimum capital requirements, as defined by the regulatory bodies that regulate our operating subsidiaries



3rd Quarter 2011
Financial and Operating Results

October 27, 2011