

First Quarter 2014 Financial and Operating Results

April 2014 Operating Metrics

May 8, 2014



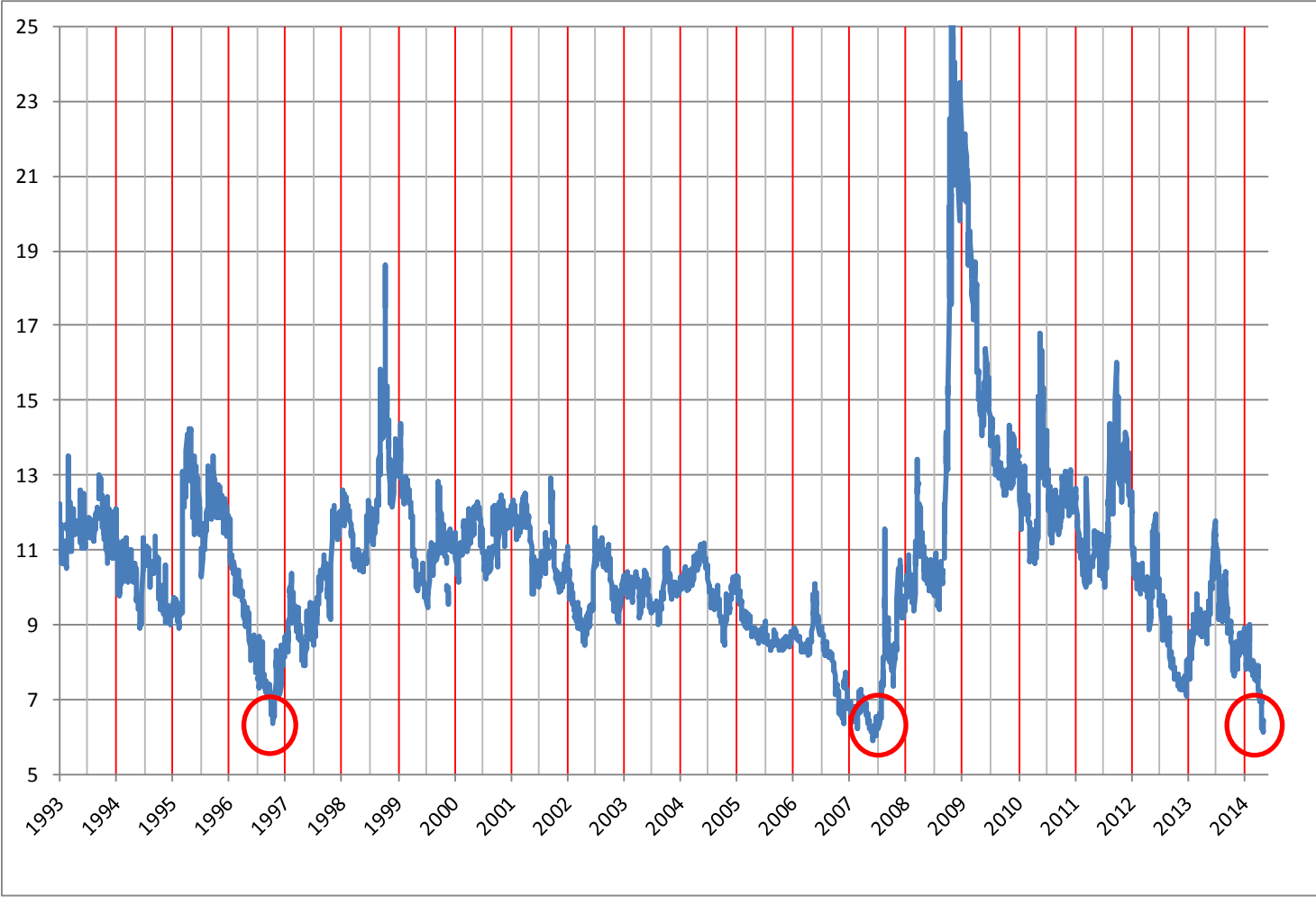
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Non-GAAP Financial Measures: This presentation presents certain non-GAAP financial measures. These measures should not be considered in isolation from, or as a substitute for, measures prepared in accordance with generally accepted accounting principles. See the appendix to this presentation for reconciliations of these non-GAAP financial measures to the most comparable measures calculated and presented in accordance with GAAP.

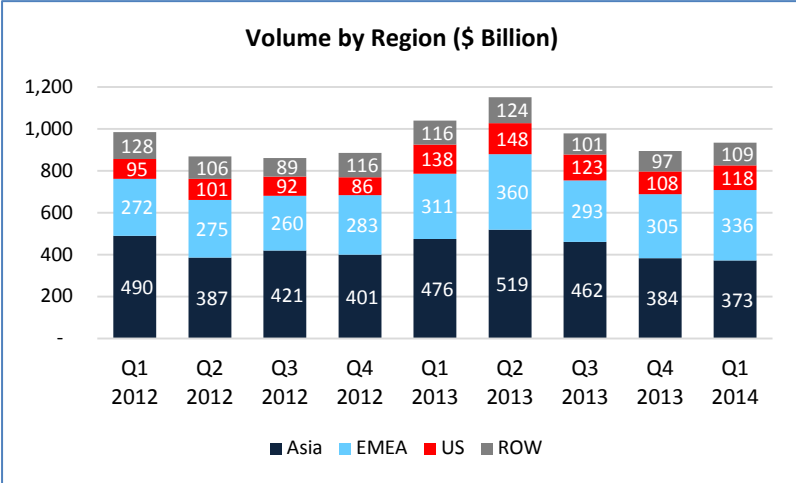
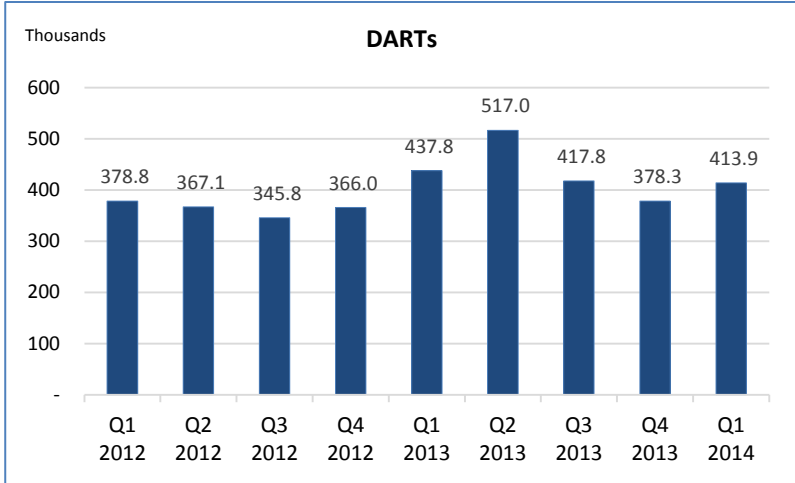
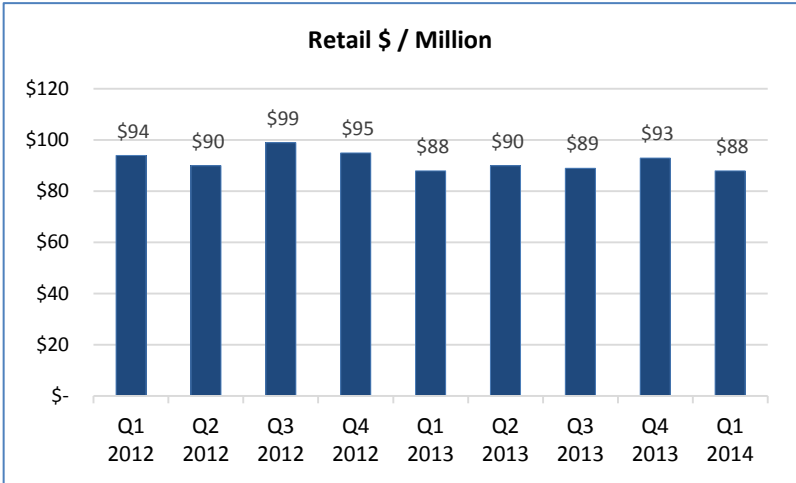
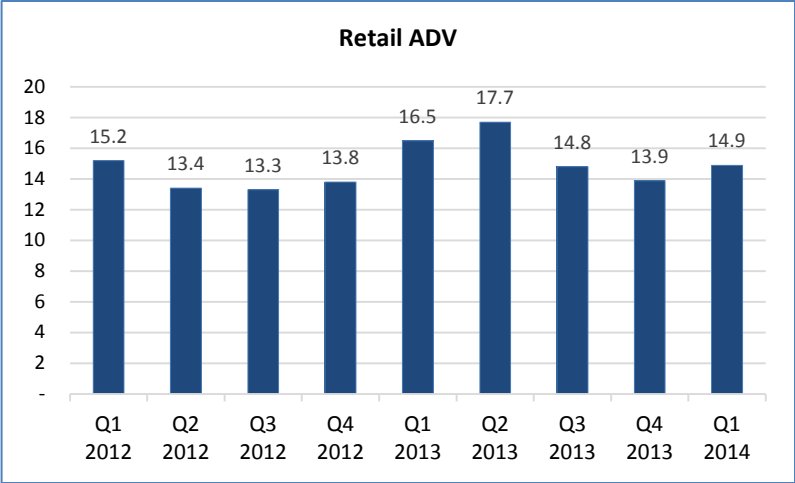
- **Adjusted Pro Forma revenues⁽¹⁾ of \$111.3 million vs. \$122.9 million (Q1/13) and \$107.6 million (Q4/13)**
- **Adjusted Pro Forma EBITDA⁽¹⁾ of \$24.6 million vs. \$43.8 million (Q1/13) and \$26.8 million (Q4/13)**
- **Adjusted Pro Forma EPS⁽¹⁾ of \$0.07 per diluted share vs. \$0.23 per diluted share (Q1/13) and \$0.10 per diluted share (Q4/13)**
 - Adding back tax-effected amortization and stock based compensation, Adjusted Pro Forma EPS would be \$0.11 vs. \$0.28 (Q1/13) and \$0.15 (Q4/13)
- **GAAP EPS of \$0.05 per diluted share vs. \$0.23 per diluted share (Q1/13) and \$0.08 per diluted share (Q4/13)**
- **Recently acquired V3 added \$4.6 million in revenues and \$4.9 million in operating costs in the quarter, excluding certain one-time items**
- **Retail revenue per million: \$88/million vs \$88/million (Q1/13) and \$93/million (Q4/13)**
 - Institutional revenue per million: \$12/million vs \$12/million (Q1/13) and \$12/million (Q4/13)

CVIX⁽¹⁾

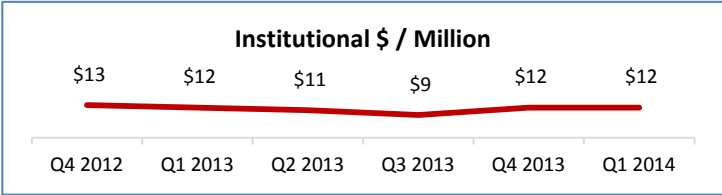
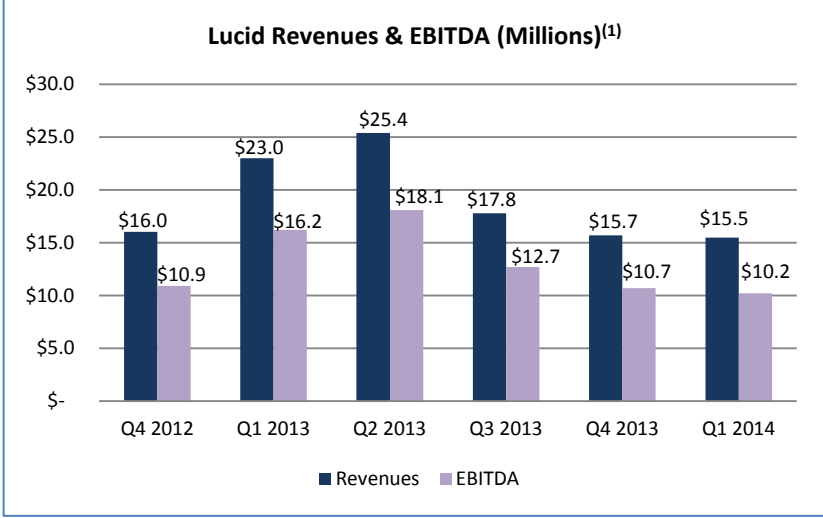
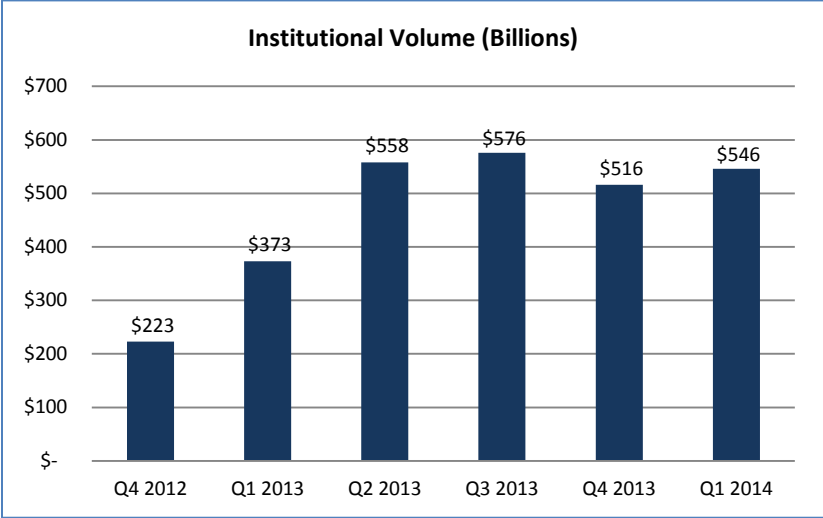


- CVIX now at lows only seen twice over past 20 years

⁽¹⁾ JPMorgan G7 Volatility Index



* Definitions of certain operating metrics are available in the appendix to this presentation.



- FXCM Pro & FastMatch institutional volumes showing continued progress and market share gains

- Flat quarter from Lucid in muted trading environment
- EBITDA margin of 66%

(1) Adjusted pro forma EBITDA for Lucid further excluding the \$781K /quarter in amortization of the value of liquidity restrictions put on the FXCM Class A common shares issuable to the Lucid sellers recorded under US GAAP as compensation expense.

- **FXCM concluded purchase of selected assets of Infinium at the end of January**
 - 50.1% FXCM and 49.9% Lucid principals
- **Still transitioning business as well as reducing expenses – e.g., rent going from \$280K/month to \$30K/month effective May 1st**
- **For February and March, V3 earned \$4.6M in revenues and had \$4.9M in expenses (excluding certain one-time acquisition costs in Q1/14)**
 - For February & March, trading costs were \$0.9M or ~20% of revenues
 - One-time acquisition costs in the quarter were \$1.2M and are eliminated in proforma results
- **Targeting \$1.5M in monthly run-rate expenses (excluding trading costs) by end of Q2/14**
- **Over next 6-12 months, upside from Lucid expertise being applied to V3 Markets**

- **Concluded purchase of retail US customers of FXDD for \$5.5M**
- **Acquiring approximately \$27 million in client equity and 7.3K active customers**
- **Attractive valuation - ~1.4x projected EBITDA**
- **Environment conducive to M&A**
- **M&A pipeline robust**

Potential Impact of Interest Rates on FXCM



Retail Trading Revenues

Institutional Trading Revenues

Interest Income

Other Income

Total FXCM Revenues

1. As interest rate differentials increase, customers increase their use of carry trade strategies. Potentially net open positions can increase from current ~\$5 billion held over night to much higher levels. FXCM makes a ~25% margin on net interest received and net interest paid

e.g., \$15 billion * 1% interest rate differential * 25% = \$38 million in additional revenues & EBITDA

2. Volumes increase (and FXCM earns a markup on each trade) as:

- a. Customers initiate positions before the end of each day to earn the carry trade differential
- b. Interest rates are a major input in most FX models. Currently this is minimal, however, as interest rate differentials and movements increase, models will have more of an impact on trading activity

e.g., 10% higher retail volume than 2013 or 400 billion * \$90/million = \$36 million in additional revenues

e.g., 10% higher institutional volume than 2013 or 200 billion * \$10/million = \$2 million in additional revenues

3. FXCM does not pay interest on most customers' accounts. As interest rates rise, FXCM earns greater interest income on it and its customers cash

e.g., At 3/31/14, FXCM had \$1.6 billion of company cash, customer cash and receivable at brokers, net of floating rate debt * 1% high interest rate on cash = \$16 million in additional interest income & EBITDA

FXCM Inc. Operating Costs

Adjusted proforma basis; excluding referring broker fees and depreciation & amortization (US\$ millions)

Consolidated (excl. V3 Markets)

	<u>Q1/14</u>	<u>Q4/13</u>	<u>Q3/13</u>	<u>Q2/13</u>	<u>Q1/13</u>	<u>Q4/12</u>	<u>Q3/12</u>
Compensation Expense							
Marketing Expense	26.3	24.0	23.2	24.5	21.5	21.6	22.0
Tech & Comm	6.5	7.3	6.3	6.2	7.4	7.6	7.5
Trading Costs	10.2	10.2	10.1	9.8	8.4	10.5	9.6
G&A	7.4	7.1	6.8	9.0	7.9	6.7	6.9
	<u>12.1</u>	<u>12.5</u>	<u>13.0</u>	<u>13.4</u>	<u>12.5</u>	<u>14.2</u>	<u>12.9</u>
	62.4	61.1	59.4	62.8	57.6	60.6	59.0

V3 Markets

	<u>Q1/14</u>
Compensation Expense	1.4
Marketing Expense	-
Tech & Comm	1.8
Trading Costs	0.9
G&A	<u>0.8</u>
	4.9

Consolidated

	<u>Q1/14</u>
Compensation Expense	27.7
Marketing Expense	6.5
Tech & Comm	12.0
Trading Costs	8.2
G&A	<u>12.9</u>
	67.3

Adjusted Pro Forma Income

3 Months Ended March 31, 2014 and 2013 (unaudited)



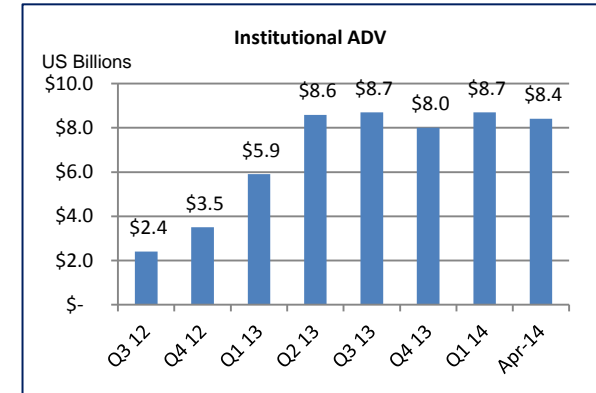
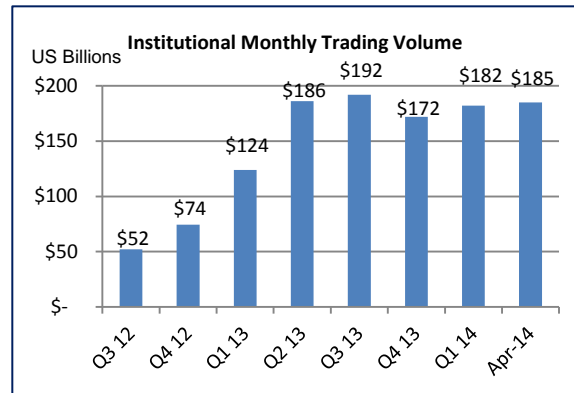
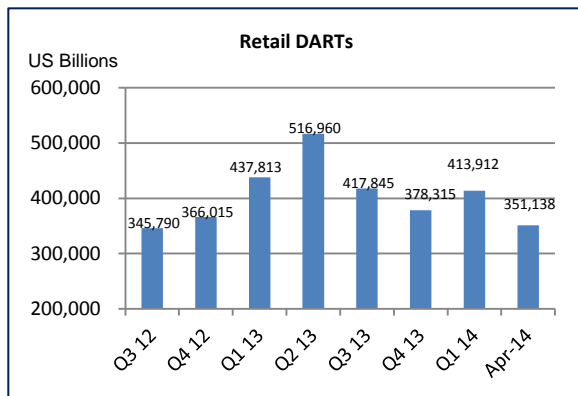
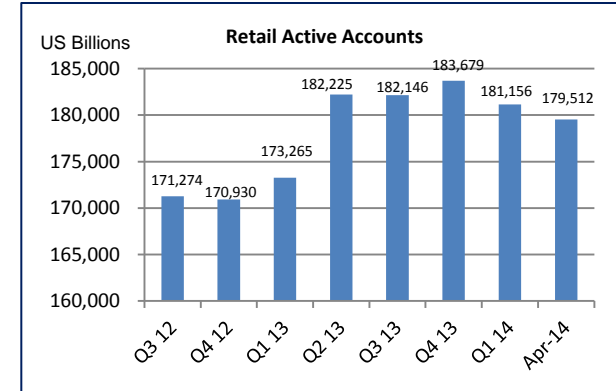
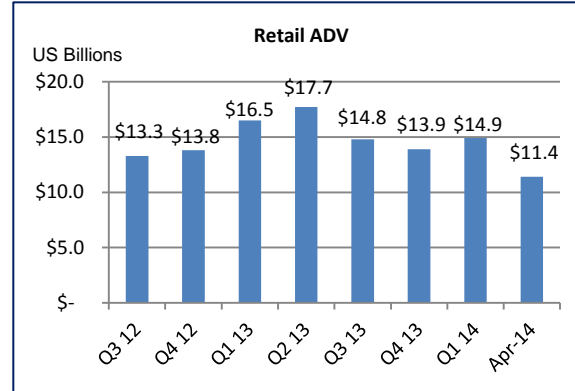
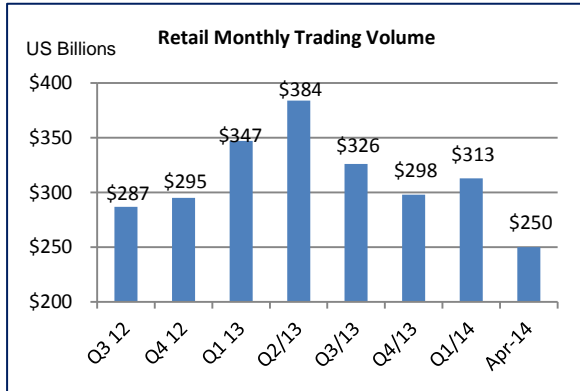
(\$ In Thousands)	Three Months Ended March 31,		% Change
	2014	2013	
Revenues			
Retail trading revenues	\$ 82,660	\$91,254	-9%
Institutional trading revenues	26,150	27,556	-5%
Trading revenue	108,810	118,810	-8%
Interest Income	563	679	-17%
Brokerage interest expense	(96)	(55)	75%
Net interest income	467	624	-25%
Other Income	2,059	3,430	-40%
Total net revenues	111,336	122,864	-9%
Referring broker fees	19,122	21,350	-10%
Net revenues	92,214	101,514	-9%
Expenses			
Compensation and benefits	27,716	21,471	29%
Allocation of net income to Lucid members for services provided	-	-	-
Total compensation and benefits	27,716	21,471	
Advertising and marketing	6,497	7,351	-12%
Communication and technology	12,013	8,355	44%
Trading costs, prime brokerage and clearing fees	8,206	7,938	3%
General and administrative	12,868	12,471	3%
Loss on equity method investments, net	310	148	109%
Total operating expenses	67,610	57,734	17%
EBITDA	24,604	43,780	-44%
Depreciation and amortization	12,630	11,974	5%
Interest on borrowings	2,997	817	267%
Income before income taxes	8,977	30,989	-71%
Income tax provision	2,179	9,596	-77%
Net income	6,798	21,393	-68%
Net income attributable to non-controlling interest in FXCM Holdings, LLC	-	-	-
Net income attributable to other non-controlling interests	1,604	3,878	-59%
Net income attributable to FXCM Inc.	\$ 5,194	\$17,515	-70%
Pro Forma fully exchanged, diluted weighted average shares outstanding	79,766	75,785	5%
Adjusted Pro Forma net income per fully exchanged, fully diluted weighted average shares outstanding	\$ 0.07	\$ 0.23	-72%

Balance Sheet

As of March 31, 2014 and December 31, 2013 (Condensed)



	(Unaudited) March 31, 2014	December 31, 2013	\$ Change
Assets			
Current assets			
Cash and cash equivalents	\$ 357,905	\$ 365,245	\$ (7,340)
Cash and cash equivalents, held for customers	1,245,341	1,190,880	54,461
Due from brokers	44,301	5,450	38,851
Other current assets	31,078	31,716	(638)
Total current assets	1,678,625	1,593,291	85,334
Office, communication and computer equipment, net	50,794	49,165	1,629
Goodwill and intangible assets, net	400,396	384,649	15,747
Other assets	210,483	196,842	13,641
Total assets	\$ 2,340,298	\$ 2,223,947	\$ 116,351
Liabilities and Equity			
Current liabilities			
Customer account liabilities	\$ 1,245,341	\$ 1,190,880	\$ 54,461
Due to brokers	633	8,652	(8,019)
Credit Agreement	50,000	-	50,000
Notes payable	9,800	9,800	-
Other current liabilities	89,354	88,285	1,069
Total current liabilities	1,395,128	1,297,617	97,511
Senior convertible notes	147,598	146,303	1,295
Other liabilities	146,306	144,646	1,660
Total liabilities	1,689,032	1,588,566	100,466
Commitments and Contingencies			
Stockholders' Equity			
Total stockholders' equity FXCM Inc.	265,871	256,882	8,989
Non-controlling interests	385,395	378,499	6,896
Total stockholders' equity	651,266	635,381	15,885
Total liabilities and stockholders' equity	\$ 2,340,298	\$ 2,223,947	\$ 116,351



* Definitions of certain operating metrics are available in the appendix to this presentation.

- **A number of initiatives set for 2014 should accelerate organic growth**
- **Historically quiet trading environment should lead to opportunities for players with scale like FXCM**
- **We remain optimistic on opportunities to expand platform via accretive acquisitions in 2014**
- **Longer term if interest rate differentials were to develop, impact meaningful on FXCM results**

Appendix

	Three Months Ended										
	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011
	(Dollars in thousands, except as noted)										
Net Tradable Account Additions ⁽¹⁾	1,133	(858)	(2,010)	4,631	5,412	(12,177)	(2,717)	4,401	2,104	23,287	181
Total Tradable Accounts ⁽²⁾	189,263	188,130	188,988	190,998	195,629	190,217	202,394	205,111	196,710	194,606	171,319
Total Active Accounts ⁽³⁾	181,156	183,679	182,146	182,225	173,265	170,930	171,274	174,218	171,296	163,094	156,053
Total Customer Trading Volume (dollars in billions)	936	895	980	1,151	1,041	886	861	869	985	973	1,042
Trading Days in Period	63	64	66	65	63	64	65	65	65	65	66
Daily Average Trades	413,912	378,315	417,845	516,960	437,813	366,015	345,790	367,051	379,289	423,413	438,599
Daily Average Trades per Active Account ⁽⁴⁾	2.3	2.1	2.3	2.8	2.5	2.1	2.0	2.1	2.2	2.7	2.8
Retail Trading Revenue per Million Traded	\$88	\$93	\$89	\$90	\$88	\$ 95	\$ 99	\$ 90	\$ 94	\$ 98	\$93
Total Customer Equity (dollars in millions)	\$1,245.3	\$1,190.9	\$1,264.3	\$1,171.5	\$1,190.4	\$ 1,190.8	\$ 1,278.4	\$ 1,254.7	\$ 1,135.9	\$ 1,047.0	\$828.2
Customer Trading Volume by Region (dollars in billions)											
-Asia	373	384	462	519	476	401	421	387	490	\$ 459	\$ 461
-EMEA	336	305	293	360	311	283	260	275	272	271	316
-United States	118	97	123	148	138	86	92	101	95	112	124
-Rest of World	<u>109</u>	<u>108</u>	<u>101</u>	<u>124</u>	<u>116</u>	<u>116</u>	<u>89</u>	<u>106</u>	<u>128</u>	<u>131</u>	<u>141</u>
Total	\$936	\$895	\$980	\$1,151	\$1,041	\$ 886	\$ 861	\$ 869	\$ 985	\$ 973	\$ 1,042

⁽¹⁾ Net account additions represents new accounts funded less accounts closed by our customers.

⁽²⁾ A tradable account represents an account with sufficient funds to place a trade in accordance with firm policies.

⁽³⁾ An active account represents an account that has traded at least once in the previous 12 months.

⁽⁴⁾ Daily average trades per active account represents the total daily average trades per average active account in the period.

Reconciliation of Adjusted Pro Forma Results to U.S. GAAP – 3 Months Ended March 31, 2014 and 2013



(000's except per share amounts, unaudited)

	Three Months Ended March 31,					
	2014			2013		
	As Reported	Adjustments	Adjusted Pro Forma	As Reported	Adjustments	Adjusted Pro Forma
Revenues						
Retail trading revenue	\$ 82,660	\$ -	\$ 82,660	\$ 91,254	\$ -	\$ 91,254
Institutional trading revenue	26,150	-	26,150	27,556	-	27,556
Trading revenue	108,810	-	108,810	118,810	-	118,810
Interest income	563	-	563	679	-	679
Brokerage interest expense	(96)	-	(96)	(55)	-	(55)
Net interest income	467	-	467	624	-	624
Other operating income	5,731	(3,672) ⁽¹⁾	2,059	3,430	-	3,430
Total net revenues	115,008	(3,672)	111,336	122,864	-	122,864
Operating Expenses						
Compensation and benefits	29,890	(2,174) ⁽²⁾	27,716	23,533	(2,062) ⁽⁹⁾	21,471
Allocation of net income to Lucid members for services provided	2,973	(2,973) ⁽³⁾	-	-	-	-
Total compensation and benefits	32,863	(5,147)	27,716	23,533	(2,062)	21,471
Referring broker fees	19,122	-	19,122	21,350	-	21,350
Advertising and marketing	6,497	-	6,497	7,351	-	7,351
Communication and technology	12,219	(206) ⁽⁴⁾	12,013	8,355	-	8,355
Trading costs, prime brokerage and clearing fees	8,206	-	8,206	7,938	-	7,938
General and administrative	16,068	(3,200) ⁽⁵⁾	12,868	12,471	-	12,471
Depreciation and amortization	12,630	-	12,630	11,974	-	11,974
Total operating expenses	107,605	(8,553)	99,052	92,972	(2,062)	90,910
Total operating income	7,403	4,881	12,284	29,892	2,062	31,954
Loss on equity method investments, net	310	-	310	148	-	148
Interest on borrowings	2,997	-	2,997	817	-	817
Income before income taxes	4,096	4,881	8,977	28,927	2,062	30,989
Income tax provision	1,251	928 ⁽⁶⁾	2,179	7,959	1,637 ⁽⁶⁾	9,596
Net income	2,845	3,953	6,798	20,968	425	21,393
Net income attributable to non-controlling interest in FXCM Holdings, LLC	2,427	(2,427) ⁽⁷⁾	-	10,230	(10,230) ⁽⁷⁾	-
Net income attributable to other non-controlling interests	(1,659)	3,263 ⁽⁸⁾	1,604	3,878	-	3,878
Net income attributable to FXCM Inc.	\$ 2,077	\$ 3,117	\$ 5,194	\$ 6,860	\$ 10,655	\$ 17,515
Diluted weighted average shares outstanding as reported and pro forma fully exchanged, fully diluted weighted average shares outstanding	43,152		79,766 ⁽¹⁰⁾	29,678		75,785 ⁽¹⁰⁾
Diluted net income per share as reported and adjusted pro forma net income per fully exchanged, fully diluted weighted average shares outstanding	\$ 0.05		\$ 0.07	\$ 0.23		\$ 0.23

* See footnotes following

Reconciliation of Adjusted Pro Forma Results to U.S. GAAP – 3 Months Ended March 31, 2014 and 2013 (footnotes)

(000's except per share amounts, unaudited)



- ⁽¹⁾ Represents the elimination of a \$3.7 million benefit recorded to reduce the contingent consideration related to the Faros acquisition.
- ⁽²⁾ Represents the elimination of \$1.9 million of IPO stock-based compensation and \$0.3 million of compensation cost related to the V3 Markets, LLC ("V3") acquisition.
- ⁽³⁾ Represents the reclassification of the 49.9% of Lucid's earnings allocated among the non-controlling interests recorded as compensation for U.S. GAAP purposes to Net income attributable to other non-controlling interests.
- ⁽⁴⁾ Represents the elimination of V3 acquisition costs.
- ⁽⁵⁾ Represents the elimination of \$0.7 million of V3 acquisition costs and \$2.5 million to eliminate an additional reserve established relating to pre-August 2010 trade execution practices in the UK.
- ⁽⁶⁾ Represents an adjustment to reflect the assumed effective corporate tax rate of approximately 24.3% and 31.0% for the three months ended March 31, 2014 and 2013, respectively, which includes a provision for U.S. federal income taxes and assumes the highest statutory rates apportioned to each state, local and/or foreign jurisdiction. The adjustment assumes full exchange of existing unitholders FXCM Holdings, LLC ("Holdings") units for shares of Class A common stock of the Company and reflects the tax effect of any proforma adjustments.
- ⁽⁷⁾ Represents the elimination of the non-controlling interest associated with the ownership by existing unitholders of Holdings (excluding FXCM, Inc.), as if the unitholders had fully exchanged their Holdings units for shares of Class A common stock of the Company.
- ⁽⁸⁾ Represents the reclassification of the 49.9% of Lucid's earnings allocated among the non-controlling interests recorded as compensation for U.S. GAAP purposes to Net income attributable to other non-controlling interests and the impact of other proforma adjustments impacting non-controlling interests.
- ⁽⁹⁾ Represents the elimination of stock-based compensation associated with the IPO.
- ⁽¹⁰⁾ Diluted shares assuming all unitholders had fully exchanged their Holdings units for shares of Class A common stock of the Company.

Reconciliation of Non-GAAP Measures to Nearest GAAP Results – 3 Months Ended March 31, 2014 and 2013



(000's except per share amounts, unaudited)

FXCM Inc.

Reconciliation of Non-GAAP Measures to Nearest GAAP Results

(In thousands)

(Unaudited)

	Three Months Ended March 31,	
	2014	2013
GAAP Net income attributable to FXCM Inc.	\$ 2,077	\$ 6,860
Contingent Consideration - Faros Follow -On Payment	(3,672) ⁽¹⁾	- ⁽¹⁾
IPO Stock Options	1,902 ⁽²⁾	2,062 ⁽²⁾
V3 Acquisition related costs	1,213 ⁽³⁾	-
Additional Reserve for UK pre August 2010 trade execution practices	2,465 ⁽⁴⁾	-
Non-Controlling interest Adjustments related to the above adjustments	(290)	-
FXCM Holdings Conversion	2,427 ⁽⁶⁾	10,230 ⁽⁶⁾
Tax adjustments related to the above	(928) ⁽⁵⁾	(1,637) ⁽⁵⁾
Non GAAP Adjusted Proforma Net Income	\$ 5,194	\$ 17,515
All other stock compensation	1,310	1,166
Amortization	6,981	7,027
Non-Controlling interest Adjustments related to the above adjustments	(3,284)	(3,029)
Tax adjustments related to the above	(1,154) ⁽⁵⁾	(1,480) ⁽⁵⁾
Non GAAP Adjusted Proforma Net Income excluding other stock compensation and amortization	\$ 9,047	\$ 21,199
GAAP Weighted average Class A shares outstanding - Diluted	43,152	29,678
FXCM Holdings Conversion	36,614 ⁽⁷⁾	46,107 ⁽⁷⁾
Non GAAP Weighted average Proforma shares outstanding - Diluted	79,766	75,785
GAAP Net Income per Class A Share -Diluted	\$ 0.05	\$ 0.23
Non GAAP Adjusted Proforma Net Income per Proforma Share - Diluted	\$ 0.07	\$ 0.23
Non GAAP Adjusted Proforma Net Income excluding other stock compensation and amortization per Proforma Share - Diluted	\$ 0.11	\$ 0.28

Reconciliation of Non-GAAP Measures to Nearest GAAP Results – 3 Months Ended March 31, 2014 and 2013



(footnotes) (000's except per share amounts, unaudited)

⁽¹⁾ Represents the elimination of a \$3.7 million benefit recorded to reduce the contingent consideration related to the Faros acquisition.

⁽²⁾ Represents the elimination of stock-based compensation associated with the IPO.

⁽³⁾ Represents the elimination of V3 acquisition costs.

⁽⁴⁾ Represents the elimination of an additional reserve established relating to pre-August 2010 trade execution practices.

⁽⁵⁾ Represents an adjustment to reflect the assumed effective corporate tax rate of approximately 24.3% and 31.0% for the three months ended March 31, 2014 and 2013, respectively, which includes a provision for U.S. federal income taxes and assumes the highest statutory rates apportioned to each state, local and/or foreign jurisdiction. The adjustment assumes full exchange of existing unitholders FXCM Holdings, LLC ("Holdings") units for shares of Class A common stock of the Company and reflects the tax effect of any proforma adjustments.

⁽⁶⁾ Represents the elimination of the non-controlling interest associated with the ownership by existing unitholders of Holdings (excluding FXCM, Inc.), as if the unitholders had fully exchanged their Holdings units for shares of Class A common stock of the Company.

⁽⁷⁾ Diluted shares assuming all unitholders had fully exchanged their Holdings units for shares of Class A common stock of the Company.

As of 3/31/14:

- FXCM effectively has 81.8 million shares outstanding (45.8 million shares outstanding at FXCM Inc. and 35.9 million FXCM Holdings LLC units exchangeable 1-1 into FXCM Inc. Class A shares)
 - FXCM Inc. owns 56.1% of FXCM Holdings LLC
 - At \$14.77 closing price on 3/31/14 would imply a market capitalization of \$1.2 billion