UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 26, 2020

INTL FCStone Inc.

(Exact name of registrant as specified in its charter)

Delaware	**000-23554**	**59-2921318**
(State of Incorporation)	**(Commission File Number)**	**(IRS Employer ID No.)**

155 East 44th Street, Suite 900
New York, NY 10017

(Address of principal executive offices, including Zip Code)

(212) 485-3500

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to rule 14d-2(b) under the Exchange Act 17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.01 par value	INTL	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Item 2.02. Results of Operations and Financial Condition.

Item 7.01 Regulation FD Disclosure.

On May 26, 2020, the Company issued a press release announcing its intention to offer $350 million in aggregate principal amount of Senior Secured Notes due 2025 (the "Notes") in a private offering to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and to certain persons outside the United States pursuant to Regulation S under the Securities Act. The Company intends to deposit the gross proceeds of the offering into a segregated escrow account until the date that certain escrow release conditions are satisfied. Among other things, the escrow release conditions include the consummation of the closing of the merger of the Company's wholly-owned subsidiary and GAIN Capital Holdings, Inc. ("GAIN"), with GAIN surviving as the Company's wholly-owned subsidiary, pursuant to the Agreement and Plan of Merger dated as of February 26, 2020 (the "Merger"). Following the escrow release, the Notes will be guaranteed by the subsidiaries of the Company that guarantee the Company's senior secured credit facility and by GAIN and certain of its domestic subsidiaries.

A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

In connection with the Company's offering of the Notes and the related guarantees, the Company is including in the preliminary offering memorandum relating to the offering Unaudited Pro Forma Condensed Combined Financial Information, as well as certain additional financial measures that are not presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") or in accordance with applicable requirements and guidance of the Securities and Exchange Commission for presentation of pro forma financial information. This information, some of which has not been previously disclosed publicly by the Company, as derived from the preliminary offering memorandum relating to the offering, is furnished on Exhibit 99.2 and Exhibit 99.3 to this Current Report on Form 8-K and is incorporated herein by reference.

Unless otherwise stated, the Unaudited Pro Forma Condensed Combined Financial Information furnished on Exhibit 99.2 is derived from the historical financial statements of the Company and GAIN, adjusted to give effect to the Merger and the issuance of the Notes. The pro forma adjustments are preliminary and have been made solely for informational purposes. The Unaudited Pro Forma Condensed Combined Financial Information is not intended to represent and does not purport to be indicative of what the Company's financial condition or results of operations would have been had these transactions occurred at an earlier date. In addition, the Unaudited Pro Forma Condensed Combined Financial Information is not necessarily indicative of, and does not purport to project, the future financial condition or results of operations of the combined company. The actual financial condition and results of the combined company may differ significantly from those reflected in the Unaudited Pro Forma Condensed Combined Financial Information furnished on Exhibit 99.2.

The additional financial information furnished on Exhibit 99.3 includes EBITDA and Adjusted EBITDA, which are not required by, or presented in accordance with, U.S. GAAP, in each case on a pro forma basis giving effect to the Merger and the issuance of the Notes. The additional financial information furnished on Exhibit 99.3 also includes what the Company refers to as Pro Forma Adjusted EBITDA, which further adjusts Adjusted EBITDA on a pro forma basis to give effect to estimated synergies and cost savings. The Company presents these non-GAAP financial measures because they are used by management to evaluate the Company's performance and the Company believes they provide investors with a more complete understanding of the Company's financial performance, competitive position and prospects for the future. For a discussion of EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA (including additional reasons the Company presents such measures), see Exhibit 99.3 under the heading "Non-GAAP Financial Measures." Investors are cautioned to consider the qualifications and limitations set forth on Exhibit 99.3 with respect to the non-GAAP financial measures furnished thereon.

This Current Report on Form 8-K is neither an offer to sell nor a solicitation of an offer to buy the Notes, the related guarantees or any other security, nor shall there be any offer, solicitation or sale of any securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful. Any offers of the Notes and the related guarantees will be made only by means of a private offering memorandum.

The offer and sale of the Notes and related guarantees have not been, and will not be, registered under the Securities Act, or the securities laws of any other jurisdiction, and the Notes and related guarantees may not be offered or sold in the United States absent registration or applicable exemptions from registration requirements.

The information furnished pursuant to Item 2.02 and Item 7.01, including Exhibits 99.1, 99.2 and 99.3, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

Exhibit Number	Description
99.1	Press Release dated May 26, 2020 (furnished herewith).
99.2	Unaudited Pro Forma Condensed Combined Financial Information (furnished herewith).
99.3	Additional Financial Information (furnished herewith).

Signature

Pursuant to the Requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the Undersigned hereunto duly authorized.

	INTL FCStone Inc.
	(Registrant)
May 26, 2020	**/s/ WILLIAM J. DUNAWAY**
(Date)	William J. Dunaway
	Chief Financial Officer

Exhibit 99.1

INTL FCStone Inc. Announces Private Offering of $350 Million of Senior Secured Notes due 2025

NEW YORK, May 26, 2020 - INTL FCStone Inc. (NASDAQ: INTL) (the "Company") today announced that it intends to offer, subject to market conditions and other factors, $350 million in aggregate principal amount of Senior Secured Notes due 2025 (the "Notes"). The Notes and the related Note guarantees will be offered in a private offering to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and to certain persons outside the United States pursuant to Regulation S under the Securities Act.

The Company intends to use the net proceeds from the sale of the Notes, together with cash on hand, to (1) fund the cash consideration for the merger of the Company's wholly-owned subsidiary and GAIN Capital Holdings, Inc. ("GAIN"), with GAIN surviving as the Company's wholly-owned subsidiary, pursuant to the Agreement and Plan of Merger dated as of February 26, 2020 (the "Merger"), (2) fund the repayment of GAIN's 5.00% Convertible Senior Notes due 2022 and (3) pay certain related transaction fees and expenses.

The Company intends to deposit the gross proceeds of the offering into a segregated escrow account until the date that certain escrow release conditions are satisfied. Among other things, the escrow conditions include the consummation of the Merger. Prior to the satisfaction of the escrow release conditions, the Notes will not be guaranteed and be the Company's senior secured obligations, secured by a first-priority security interest in the escrow account and all deposits and investment property therein. Following satisfaction of the escrow release conditions, the Notes will be fully and unconditionally guaranteed, jointly and severally, on a senior second lien secured basis, by certain subsidiaries of the Company that guarantee the Company's senior credit facility and by GAIN and certain of its domestic subsidiaries. Following satisfaction of the escrow release conditions, the Notes and the related guarantees will be secured by liens on substantially all of our and the guarantors' assets, subject to certain customary and other exceptions and permitted liens. The liens on the Company's and the guarantors' assets that secure the Notes and the related guarantees will be contractually subordinated to the liens on the Company's and the guarantors' assets that secure the Company's and the guarantors' existing and future first lien secured indebtedness, including indebtedness under the Company's senior credit facility, as a result of the lien subordination provisions of an intercreditor agreement to be entered into by the collateral agent for the Notes and the agent for the Company's revolving credit facility. The Notes are expected to pay interest semi-annually, in arrears.

This press release is neither an offer to sell nor a solicitation of an offer to buy the Notes, the related guarantees or any other security, nor shall there be any offer, solicitation or sale of any securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful. Any offers of the Notes and the related guarantees will be made only by means of a private offering memorandum.

The offer and sale of the Notes and related guarantees have not been, and will not be, registered under the Securities Act, or the securities laws of any other jurisdiction, and the Notes and related guarantees may not be offered or sold in the United States absent registration or applicable exemptions from registration requirements.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements, including statements relating to the offering and as to the Company's use of proceeds from the sale of the Notes, which are covered by the "Safe Harbor for Forward-Looking Statements" provided by the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond our control, that may cause actual results, performance or achievements to differ materially from those expressed in or implied by, the forward-looking statements, including the risk that the offering is not completed, the Merger is not consummated and other factors set forth in the Company's filings with the SEC (including under the heading entitled "Risk Factors" in those filings). The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Contact

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Group Treasurer
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EXHIBIT 99.2

Unaudited Pro Forma Condensed Combined Financial Information

The accompanying unaudited pro forma condensed combined financial information furnished in this Exhibit 99.2 was prepared in accordance with Article 11 of Securities and Exchange Commission ("SEC") Regulation S-X and gives effect to the Merger Agreement with GAIN with acquisition accounting applied to GAIN as the accounting acquiree and the related anticipated issuance of the Notes and use of net proceeds therefrom as described above.

The historical consolidated financial information in the unaudited pro forma condensed combined financial information furnished in this Exhibit 99.2 has been adjusted to give effect to pro forma events that are (1) directly attributable to the Merger, (2) factually supportable and (3) with respect to the unaudited pro forma condensed combined statements of income, expected to have a continuing impact on the combined results of the Company and GAIN following the Merger.

The unaudited pro forma condensed combined financial information does not give effect to any cost savings, operating synergies or revenue synergies that may result from the Merger. The unaudited pro forma condensed combined financial information also does not give effect to the anticipated repurchase of GAIN's 5.00% Convertible Senior Notes due 2022 (the "GAIN Convertible Notes") which the Company does not believe is directly attributable to the Merger.

The unaudited pro forma condensed combined financial information furnished in this Exhibit 99.2 has been presented for informational purposes only and is not necessarily indicative of what the combined company's financial position or results of operations would have been had the transactions been completed as of the dates indicated. In addition, the unaudited pro forma condensed combined financial information does not purport to project the future financial position or operating results of the combined company.

The unaudited pro forma condensed combined financial information contains estimated adjustments, based upon available information and certain assumptions that the Company believes are reasonable under the circumstances. The assumptions underlying the pro forma adjustments are described in greater detail in the accompanying notes to the unaudited pro forma condensed combined financial information. In many cases, these assumptions are based upon preliminary information and estimates. Differences between these preliminary estimates and the final acquisition accounting will occur, and these differences could have a material impact on the accompanying unaudited pro forma condensed combined financial information and the combined company's future results of operations and financial position.

The unaudited pro forma condensed combined financial information is presented to illustrate the estimated effects of the Merger and the anticipated issuance of the Notes as follows:

- The unaudited pro forma condensed combined balance sheet as of March 31, 2020 was prepared based on:
    1. The historical unaudited condensed consolidated balance sheet of the Company as of March 31, 2020; and
    2. The historical unaudited condensed consolidated balance sheet of GAIN as of March 31, 2020.
- The unaudited pro forma condensed combined income statement for the year ended September 30, 2019 was prepared based on:
    1. The historical audited consolidated income statement of the Company for the year ended September 30, 2019; and
    2. The historical audited consolidated statement of operations of GAIN for the year ended December 31, 2019.
- The unaudited pro forma condensed combined income statement for the six months ended March 31, 2020 was derived based on:
    1. The historical unaudited condensed consolidated income statement of the Company for the six months ended March 31, 2020; and

2. The historical audited consolidated statement of operations of GAIN for the year ended December 31, 2019; plus

3. The historical unaudited condensed consolidated statement of operations of GAIN for the three months ended March 31, 2020; less

4. The historical unaudited condensed consolidated statement of operations of GAIN for the nine months ended September 30, 2019.

- The unaudited pro forma condensed combined income statement for the twelve months ended March 31, 2020 was derived based on:

1. The historical audited consolidated income statement of the Company for the year ended September 30, 2019; plus

2. The historical unaudited condensed consolidated income statement of the Company for the six months ended March 31, 2020; less

3. The historical unaudited condensed consolidated income statement of the Company for the six months ended March 31, 2019; and

4. The historical audited consolidated statement of operations of GAIN for the year ended December 31, 2019; plus

5. The historical unaudited condensed consolidated statement of operations of GAIN for the three months ended March 31, 2020; less

6. The historical unaudited condensed consolidated statement of operations of GAIN for the three months ended March 31, 2019.

As the GAIN unaudited pro forma condensed consolidated income statement information for the six months ended March 31, 2020 was derived from the historical audited consolidated statement of operations for the year ended December 31, 2019, plus the historical unaudited condensed consolidated statement of operations for the three months ended March 31, 2020, less the historical unaudited condensed consolidated statement of operations for the nine months ended September 30, 2019, GAIN's results for the fourth quarter of its fiscal year ended December 31, 2019 are included in the unaudited pro forma condensed combined income statement for the year ended September 30, 2019, the unaudited pro forma condensed combined income statement for the six months ended March 31, 2020, and the unaudited pro forma condensed combined income statement for the twelve months ended March 31, 2020.

PRO FORMA FINANCIAL INFORMATION
Unaudited Pro Forma Condensed Combined Income Statement
For the Year Ended September 30, 2019

(Unaudited) (in millions, except share and per share amounts)	Historical INTL Year Ended September 30, 2019 (Audited)	Historical Gain After Reclassifications Year Ended December 31, 2019 (Unaudited) (Note 4)	Pro Forma Adjustments (Note 5)		Pro Forma Condensed Combined Income Statement
Revenues:					
Sales of physical commodities	$ 31,830.3	$ —	$ —		$ 31,830.3
Principal gains, net	415.8	178.8	—		594.6
Commission and clearing fees	372.4	37.6	—		410.0
Consulting, management, and account fees	79.6	3.2	—		82.8
Interest income	198.9	16.6	—		215.5
Total revenues	32,897.0	236.2	—		33,133.2
Cost of sales of physical commodities	31,790.9	—	—		31,790.9
Operating revenues	1,106.1	236.2	—		1,342.3
Transaction-based clearing expenses	183.5	18.9	—		202.4
Introducing broker commissions	114.7	29.3	—		144.0
Interest expense	154.7	15.8	32.7	**A,B**	203.2
Net operating revenues	653.2	172.2	(32.7)		792.7
Compensation and other expenses:					
Compensation and benefits	393.1	78.1	—		471.2
Selling and marketing	—	38.4	—		38.4
Trading systems and market information	38.8	16.5	—		55.3
Occupancy and equipment rental	19.4	9.5	—		28.9
Professional fees	21.0	11.8	—		32.8
Travel and business development	16.2	2.0	—		18.2
Non-trading technology and support	20.1	12.3	—		32.4
Depreciation and amortization	14.0	25.9	(8.8)	**C**	31.1
Communications	6.6	2.9	—		9.5
Bad debts	2.5	2.0	—		4.5
Recovery on physical coal	(12.4)	—	—		(12.4)
Goodwill impairment	—	28.1	—		28.1
Other	28.4	18.3	—		46.7
Total compensation and other expenses	547.7	245.8	(8.8)		784.7
Other gains	5.5	—	—		5.5
Income (loss) before tax	111.0	(73.6)	(23.9)		13.5
Income tax expense (benefit)	25.9	(12.8)	(6.8)	**D**	6.3
Net income (loss)	$ 85.1	$ (60.8)	$ (17.1)		$ 7.2
Earnings per share:					
Basic	$ 4.46				$ 0.38
Diluted	$ 4.39				$ 0.37
Weighted-average number of common shares outstanding:					
Basic	18,738,905				18,738,905
Diluted	19,014,395				19,014,395

See notes to the unaudited pro forma financial information.

PRO FORMA FINANCIAL INFORMATION
Unaudited Pro Forma Condensed Combined Income Statement
For the Six Months Ended March 31, 2020

(Unaudited) (in millions, except share and per share amounts)	Historical INTL (Unaudited)	Historical Gain After Reclassifications (Unaudited) (Note 4)	Pro Forma Adjustments (Note 5)		Pro Forma Condensed Combined Income Statement
Revenues:					
Sales of physical commodities	$ 30,994.9	$ —	$ —		$ 30,994.9
Principal gains, net	281.0	213.9	—		494.9
Commission and clearing fees	203.8	18.1	—		221.9
Consulting, management, and account fees	43.9	1.6	—		45.5
Interest income	87.7	6.3	—		94.0
Total revenues	31,611.3	239.9	—		31,851.2
Cost of sales of physical commodities	30,967.7	—	—		30,967.7
Operating revenues	643.6	239.9	—		883.5
Transaction-based clearing expenses	110.1	9.4	—		119.5
Introducing broker commissions	55.8	19.6	—		75.4
Interest expense	63.8	7.8	16.3	**A, B**	87.9
Net operating revenues	413.9	203.1	(16.3)		600.7
Compensation and other expenses:					
Compensation and benefits	240.7	40.1	—		280.8
Selling and marketing	—	14.9	—		14.9
Trading systems and market information	21.6	9.9	—		31.5
Occupancy and equipment rental	9.9	5.5	—		15.4
Professional fees	10.7	6.3	(1.8)	**C**	15.2
Travel and business development	7.7	0.8	—		8.5
Non-trading technology and support	11.9	3.5	—		15.4
Depreciation and amortization	8.1	12.2	(3.6)	**D**	16.7
Communications	3.1	1.4	—		4.5
Bad debts	4.4	4.8	—		9.2
Goodwill impairment	—	28.1	—		28.1
Other	18.1	12.3	—		30.4
Total compensation and other expenses	336.2	139.8	(5.4)		470.6
Other gains	0.1	—	—		0.1
Income (loss) before tax	77.8	63.3	(10.9)		130.2
Income tax expense (benefit)	22.2	17.3	(2.7)	**E**	36.8
Net income (loss)	$ 55.6	$ 46.0	$ (8.2)		$ 93.4
Earnings per share:					
Basic	$ 2.88				$ 4.86
Diluted	$ 2.84				$ 4.78
Weighted-average number of common shares: outstanding:					
Basic	18,811,268				18,811,268
Diluted	19,132,497				19,132,497

See notes to the unaudited pro forma financial information.

PRO FORMA FINANCIAL INFORMATION
Unaudited Pro Forma Condensed Combined Income Statement
For the Twelve Months Ended March 31, 2020

(Unaudited) (in millions, except share and per share amounts)	Historical INTL Twelve Months Ended March 31, 2020 (Unaudited)	Historical GAIN Twelve Months Ended March 31, 2020 After Reclassifications (Unaudited)	Pro Forma Adjustments (Note 5)		Pro Forma Condensed Combined Income Statement
Revenues:					
Sales of physical commodities	$ 49,599.9	$ —	$ —		$ 49,599.9
Principal gains, net	493.7	325.9	—		819.6
Commission and clearing fees	391.6	39.3	—		430.9
Consulting, management, and account fees	85.3	3.1	—		88.4
Interest income	193.4	15.0	—		208.4
Total revenues	50,763.9	383.3	—		51,147.2
Cost of sales of physical commodities	49,550.0	—	—		49,550.0
Operating revenues	1,213.9	383.3	—		1,597.2
Transaction-based clearing expenses	200.8	19.6	—		220.4
Introducing broker commissions	113.1	34.7	—		147.8
Interest expense	147.1	15.8	32.7	**A, B**	195.6
Net operating revenues	752.9	313.2	(32.7)		1,033.4
Compensation and other expenses:					
Compensation and benefits	446.8	82.0	—		528.8
Selling and marketing	—	35.3	—		35.3
Trading systems and market information	41.7	17.4	—		59.1
Occupancy and equipment rental	19.9	10.0	—		29.9
Professional fees	21.4	12.1	(1.8)	**C**	31.7
Travel and business development	16.1	1.8	—		17.9
Non-trading technology and support	22.8	9.9	—		32.7
Depreciation and amortization	16.0	24.5	(7.3)	**D**	33.2
Communications	6.4	2.8	—		9.2
Bad debts	5.9	5.8	—		11.7
Recovery on physical coal	(10.0)	—	—		(10.0)
Goodwill impairment	—	28.1	—		28.1
Other	32.6	20.3	—		52.9
Total compensation and other expenses	619.6	250.0	(9.1)		860.5
Other gains	0.2	—	—		0.2
Income (loss) before tax	133.5	63.2	(23.6)		173.1
Income tax expense (benefit)	34.4	18.3	(6.0)	**E**	46.7
Net income (loss)	$ 99.1	$ 44.9	$ (17.6)		$ 126.4
Earnings per share:					
Basic	$ 5.17				$ 6.59
Diluted	$ 5.09				$ 6.49
Weighted-average number of common shares outstanding:					
Basic	18,791,397				18,791,397
Diluted	19,079,457				19,079,457

See notes to the unaudited pro forma financial information.

PRO FORMA FINANCIAL INFORMATION
INTL Unaudited Condensed Consolidated Income Statement
For the Twelve Months Ended March 31, 2020

(Unaudited) (in millions)	Historical INTL Year Ended September 30, 2019 (Audited)	Historical INTL Six Months Ended March 31, 2020 (Unaudited)	Historical INTL Six Months Ended March 31, 2019 (Unaudited)	Historical INTL Twelve Months Ended March 31, 2020 (Unaudited)
Revenues:				
Sales of physical commodities	$ 31,830.3	$ 30,994.9	$ 13,225.3	$ 49,599.9
Principal gains, net	415.8	281.0	203.1	493.7
Commission and clearing fees	372.4	203.8	184.6	391.6
Consulting, management, and account fees	79.6	43.9	38.2	85.3
Interest income	198.9	87.7	93.2	193.4
Total revenues	32,897.0	31,611.3	13,744.4	50,763.9
Cost of sales of physical commodities	31,790.9	30,967.7	13,208.6	49,550.0
Operating revenues	1,106.1	643.6	535.8	1,213.9
Transaction-based clearing expenses	183.5	110.1	92.8	200.8
Introducing broker commissions	114.7	55.8	57.4	113.1
Interest expense	154.7	63.8	71.4	147.1
Net operating revenues	653.2	413.9	314.2	752.9
Compensation and other expenses:				
Compensation and benefits	393.1	240.7	187.0	446.8
Trading systems and market information	38.8	21.6	18.7	41.7
Occupancy and equipment rental	19.4	9.9	9.4	19.9
Professional fees	21.0	10.7	10.3	21.4
Travel and business development	16.2	7.7	7.8	16.1
Non-trading technology and support	20.1	11.9	9.2	22.8
Depreciation and amortization	14.0	8.1	6.1	16.0
Communications	6.6	3.1	3.3	6.4
Bad debts	2.5	4.4	1.0	5.9
Recovery on physical coal	(12.4)	—	(2.4)	(10.0)
Other	28.4	18.1	13.9	32.6
Total compensation and other expenses	547.7	336.2	264.3	619.6
Other gains	5.5	0.1	5.4	0.2
Income before tax	111.0	77.8	55.3	133.5
Income tax expense	25.9	22.2	13.7	34.4
Net income	$ 85.1	$ 55.6	$ 41.6	$ 99.1

See notes to the unaudited pro forma financial information.

PRO FORMA FINANCIAL INFORMATION
GAIN Unaudited Condensed Consolidated Income Statement
For the Twelve Months Ended March 31, 2020

(Unaudited) (in millions)	Historical GAIN Year Ended December 31, 2019 After Reclassifications (Unaudited) (Note 4)	Historical GAIN Three Months Ended March 31, 2020 After Reclassifications (Unaudited) (Note 4)	Historical GAIN Three Months Ended March 31, 2019 After Reclassifications (Unaudited) (Note 4)	Historical GAIN Twelve Months Ended March 31, 2020 After Reclassifications (Unaudited)
Revenues:				
Sales of physical commodities	$ —	$ —	$ —	$ —
Principal gains, net	178.8	172.7	25.6	325.9
Commission and clearing fees	37.6	10.3	8.6	39.3
Consulting, management, and account fees	3.2	0.4	0.5	3.1
Interest income	16.6	2.7	4.3	15.0
Total revenues	236.2	186.1	39.0	383.3
Cost of sales of physical commodities	—	—	—	—
Operating revenues	236.2	186.1	39.0	383.3
Transaction-based clearing expenses	18.9	5.4	4.7	19.6
Introducing broker commissions	29.3	12.5	7.1	34.7
Interest expense	15.8	3.9	3.9	15.8
Net operating revenues	172.2	164.3	23.3	313.2
Compensation and other expenses:				
Compensation and benefits	78.1	24.2	20.3	82.0
Selling and marketing	38.4	7.1	10.2	35.3
Trading systems and market information	16.5	4.8	3.9	17.4
Occupancy and equipment rental	9.5	2.9	2.4	10.0
Professional fees	11.8	3.4	3.1	12.1
Travel and business development	2.0	0.4	0.6	1.8
Non-trading technology and support	12.3	1.8	4.2	9.9
Depreciation and amortization	25.9	6.1	7.5	24.5
Communications	2.9	0.7	0.8	2.8
Bad debts	2.0	4.2	0.4	5.8
Goodwill impairment	28.1	—	—	28.1
Other	18.3	6.3	4.3	20.3
Total compensation and other expenses	245.8	61.9	57.7	250.0
(Loss) income before tax	(73.6)	102.4	(34.4)	63.2
Income tax (benefit) expense	(12.8)	25.1	(6.0)	18.3
Net (loss) income	$ (60.8)	$ 77.3	$ (28.4)	$ 44.9

See notes to the unaudited pro forma financial information.

PRO FORMA FINANCIAL INFORMATION
Unaudited Pro Forma Condensed Combined Balance Sheet
March 31, 2020

(in millions)	Historical INTL (Unaudited)	Historical Gain After Reclassifications (Unaudited) (Note 4)	Pro Forma Adjustments (Note 5)		Pro Forma Condensed Combined Balance Sheet
ASSETS					
Cash and cash equivalents	$ 519.5	$ 470.2	$ 88.8	A, B,C	$ 1,078.5
Cash, securities and other assets segregated under federal and other regulations	1,176.1	496.4	—		1,672.5
Collateralized transactions:					
Securities purchased under agreements to resell	1,260.0	—	—		1,260.0
Securities borrowed	1,063.8	—	—		1,063.8
Deposits with and receivables from broker-dealers, clearing organizations, and counterparties, net	3,359.5	164.9	—		3,524.4
Receivables from clients, net	481.1	3.4	—		484.5
Notes receivable, net	3.9	—	—		3.9
Income taxes receivable	1.5	—	—		1.5
Financial instruments owned, at fair value	2,525.7	—	—		2,525.7
Physical commodities inventory, net	255.2	—	—		255.2
Deferred income taxes, net	14.0	16.6	—		30.6
Property and equipment, net	43.0	29.1	—		72.1
Operating right of use assets	31.6	13.5	3.1	D	48.2
Goodwill and intangible assets, net	73.1	21.2	(21.2)	E	73.1
Other assets	62.9	16.5	—		79.4
Total assets	$ 10,870.9	$ 1,231.8	$ 70.7		$ 12,173.4
LIABILITIES AND STOCKHOLDERS' EQUITY					
Liabilities:					
Accounts payable and other accrued liabilities	$ 184.8	$ 34.9	$ —		$ 219.7
Operating lease liabilities	34.2	16.6	—		50.8
Payables to:					
Clients	4,531.5	785.2	—		5,316.7
Broker-dealers, clearing organizations and counterparties	429.2	5.9	—		435.1
Lenders under loans	275.0	—	—		275.0
Senior secured borrowings, net	184.3	—	335.7	F	520.0
Convertible senior notes	—	80.3	11.7	G	92.0
Income taxes payable	10.6	11.8	—		22.4
Collateralized transactions:					
Securities sold under agreements to repurchase	2,800.3	—	—		2,800.3
Securities loaned	1,068.8	—	—		1,068.8
Financial instruments sold, not yet purchased, at fair value	703.6	—	—		703.6
Total liabilities	10,222.3	934.7	347.4		11,504.4
Commitments and contingencies					
Stockholders' Equity:					
Preferred stock	—	—	—		—
Common stock	0.2	—	—		0.2
Common stock in treasury, at cost	(57.6)	(127.5)	127.5	H	(57.6)
Additional paid-in capital	285.8	251.1	(251.1)	H	285.8
Retained earnings	458.4	209.8	(189.4)	H,I,J,K	478.8
Accumulated other comprehensive loss, net	(38.2)	(36.3)	36.3	H	(38.2)
Total stockholders' equity	648.6	297.1	(276.7)		669.0
Total liabilities and stockholders' equity	$ 10,870.9	$ 1,231.8	$ 70.7		$ 12,173.4

See notes to the unaudited pro forma financial information.

NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

1. BASIS OF PRESENTATION

The accompanying unaudited pro forma condensed combined income statement for the year ended September 30, 2019 reflects the Merger of GAIN with the Company and the related anticipated issuance of the Notes and the use of net proceeds therefrom as described above, as if such transactions had occurred on October 1, 2018, combining the results of the Company for its fiscal year ended September 30, 2019 and of GAIN for its fiscal year ended December 31, 2019. The accompanying unaudited pro forma condensed combined income statement for the six months ended March 31, 2020 reflects the Merger of GAIN with the Company and the related anticipated issuance of the Notes and the use of net proceeds therefrom as described above, as if such transactions had occurred on October 1, 2019, combining the results of the Company and GAIN for the respective periods. The accompanying unaudited pro forma condensed combined income statement for the twelve months ended March 31, 2020 reflects the Merger of GAIN with the Company and the related anticipated issuance of the Notes and the use of net proceeds therefrom as described above, as if such transactions had occurred on April 1, 2019, combining the results of the Company and GAIN for the respective periods.

The accompanying unaudited pro forma condensed combined balance sheet as of March 31, 2020 reflects the GAIN Merger and related anticipated issuance of the Notes and the use of net proceeds therefrom as described above, as if such transactions had occurred on March 31, 2020, combining the unaudited condensed consolidated balance sheets of the Company and GAIN as of March 31, 2020.

The unaudited pro forma condensed combined financial information reflects the anticipated issuance of the Notes and the use of net proceeds therefrom as described above and also reflects the Merger under the acquisition method of accounting in accordance with ASC 805, *Business Combinations*. The Company is the acquiror for financial accounting purposes. Under the acquisition method of accounting, the preliminary purchase price is allocated to the underlying tangible and intangible assets acquired and liabilities assumed based on their respective fair values. To prepare the unaudited pro forma condensed combined financial information, the Company adjusted GAIN’s assets and liabilities to their estimated fair values based upon a preliminary allocation. As of the date of this Form 8-K, the Company has not completed the detailed valuations necessary to finalize the required estimated fair values of GAIN’s assets acquired and liabilities assumed and the related allocation of the purchase price. Accordingly, the final acquisition accounting adjustments upon the closing of the Merger may be materially different from the unaudited pro forma adjustments.

Certain financial information of GAIN as presented in its historical consolidated and condensed consolidated financial statements has been reclassified to conform to the historical presentation of the Company’s consolidated and condensed consolidated financial statements for the purposes of preparing the unaudited pro forma condensed combined financial information as further detailed in Note 4. Upon completion of the Merger, a more detailed review of GAIN’s accounting policies could result in additional differences between the accounting policies of the two companies, that, when conformed, could have a material impact on the consolidated and condensed consolidated financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited pro forma condensed combined financial information has been compiled in a manner consistent with the accounting policies adopted by the Company, which are materially consistent with those adopted by GAIN. As such, the unaudited pro forma condensed financial information does not reflect any adjustments to conform GAIN’s results and financial position to the Company’s accounting policies.

3. PURCHASE PRICE ACCOUNTING AND ESTIMATED MERGER CONSIDERATION

The unaudited pro forma condensed combined balance sheet has been adjusted to reflect a preliminary allocation of the cash consideration to the fair value of GAIN’s identifiable assets acquired and liabilities assumed. The preliminary purchase price allocation in this unaudited pro forma condensed combined financial information is based upon the terms of the Merger Agreement, pursuant to which each share of GAIN’s common stock issued and outstanding will be converted into the right to receive $6.00 in cash, without interest. Based upon GAIN’s fully diluted shares outstanding, the total cash consideration required to be paid to GAIN’s shareholders for the Merger is $236.2 million.

Information regarding the cash consideration to be paid for the Merger is as follows:

Cash price per share established in Merger Agreement	$	6.00
Fully diluted shares (in millions)		39.4
Total merger consideration ($ in millions)	$	236.2

Information regarding the net tangible book value of GAIN as of March 31, 2020, is as follows (in millions):

Fair value of tangible assets acquired	$	1,213.7
Fair value of tangible liabilities assumed		(946.4)
Net tangible book value	$	267.3

Assuming the Merger had occurred on March 31, 2020, management has made an initial fair value estimate of the assets acquired and liabilities assumed as of that date. All purchase accounting estimates are subject to revision upon the closing of the Merger and upon finalizing its purchase accounting estimates; a process in which the Company expects to seek the assistance of a third-party valuation expert.

The Merger will include the acquisition of certain derivative financial instruments that are carried at fair value in GAIN's historical condensed consolidated balance sheet as of March 31, 2020. For assets and liabilities not carried at fair value in GAIN's historical condensed consolidated balance sheet as of March 31, 2020, the Company believes that due to the short-term nature of the tangible assets acquired and liabilities assumed, that their carrying values approximate their fair values. The Company intends to redeem and repay the GAIN Convertible Notes with the proceeds from the anticipated issuance of the Notes in connection with the transactions and, thus, the fair value of the GAIN Convertible Notes was assumed to be equivalent to the redemption value.

Based upon the excess of the net tangible assets acquired in comparison to the total Merger consideration detailed above, the Company would have recorded a bargain purchase gain related to the Merger of approximately $31.1 million assuming the Merger had occurred on March 31, 2020.

The Company believes that the bargain purchase gain was due to the significant market volatility experienced during March 2020, primarily as a result of the COVID-19 pandemic. The volatility during the period commencing on February 27, 2020 (the first trading day following the signing of the Merger Agreement) and ending on March 31, 2020, the last day of GAIN's first quarter of 2020, increased significantly as compared to both the period commencing on January 1, 2020 and ending on the date the Merger Agreement was signed on February 26, 2020 and GAIN's first quarter of 2019. This resulted in GAIN generating significant increases in net income over the comparable periods, and a corresponding increase in net tangible book value, that was not contemplated in the Merger consideration.

4. RECLASSIFICATION ADJUSTMENTS

Certain reclassifications have been made to the historical presentation of GAIN's consolidated financial statements to conform to the financial statement presentation of the Company. The reclassifications result in consistency of reporting between the Company and GAIN with no impact on total assets, total liabilities, total stockholders' equity, and net (loss) income.

Reclassifications to GAIN's condensed consolidated balance sheet as of March 31, 2020 are as follows:

(in millions)	Before Reclassifications	Reclassifications	After Reclassifications
ASSETS			
Cash and cash equivalents	$ 293.3	$ 176.9	$ 470.2
Cash, securities and other assets segregated under federal and other regulations	—	496.4	496.4
Cash and securities held for customers	785.2	(785.2)	—
Receivables from brokers	53.0	111.9	164.9
Receivables from clients, net	—	3.4	3.4
Deferred income taxes	—	16.6	16.6
Property and equipment, net	29.1	—	29.1
Operating right of use assets	—	13.5	13.5
Intangible assets, net	21.2	—	21.2
Other assets	50.0	(33.5)	16.5
Total assets	$ 1,231.8	$ —	$ 1,231.8
LIABILITIES AND STOCKHOLDERS' EQUITY			
Liabilities:			
Accounts payable and other accrued liabilities	$ —	$ 34.9	$ 34.9
Operating lease liabilities	—	16.6	16.6
Payables to clients	785.2	—	785.2
Payables to brokers	5.9	—	5.9
Accrued compensation and benefits	6.5	(6.5)	—
Accrued expense and other liabilities	45.0	(45.0)	—
Income taxes payable	11.8	—	11.8
Convertible senior notes	80.3	—	80.3
Total liabilities	934.7	—	934.7
Commitments and contingencies			
Stockholders' Equity:			
Common stock	—	—	—
Common stock in treasury, at cost	(127.5)	—	(127.5)
Additional paid-in capital	251.1	—	251.1
Retained earnings	209.8	—	209.8
Accumulated other comprehensive loss, net	(36.3)	—	(36.3)
Total stockholders' equity	297.1	—	297.1
Total liabilities and stockholders' equity	$ 1,231.8	$ —	$ 1,231.8

Reclassifications to GAIN’s consolidated statement of operations for the year ended December 31, 2019, are as follows:

(in millions)	**Before Reclassifications**	**Reclassifications**	**After Reclassifications**
Revenues:			
Retail revenue	$ 177.7	$ (177.7)	$ —
Futures revenue	34.8	(34.8)	—
Other revenue	7.1	(7.1)	—
Principal gains, net	—	178.8	178.8
Commission and clearing fees	—	37.6	37.6
Consulting, management, and account fees	—	3.2	3.2
Total non-interest revenue	219.6	—	219.6
Interest revenue	16.6	—	16.6
Interest expense	2.3	13.5	15.8
Total net interest revenue	14.3	(13.5)	0.8
Transaction-based clearing expenses	—	18.9	18.9
Introducing broker commissions	—	29.3	29.3
Net operating revenues	233.9	(61.7)	172.2
Compensation and other expenses:			
Employee compensation and benefits	78.1	—	78.1
Selling and marketing	38.4	—	38.4
Trading systems and market information	—	16.5	16.5
Referral fees	29.3	(29.3)	—
Trading expenses	20.8	(20.8)	—
Occupancy and equipment rental	—	9.5	9.5
Professional fees	—	11.8	11.8
Travel and business development	—	2.0	2.0
Non-trading technology and support	—	12.3	12.3
General and administrative	50.6	(50.6)	—
Depreciation and amortization	17.1	8.8	25.9
Purchased intangible amortization	8.8	(8.8)	—
Communications	—	2.9	2.9
Communications and technology	19.5	(19.5)	—
Bad debts	2.0	—	2.0
Restructuring expenses	1.3	(1.3)	—
Goodwill impairment	28.1	—	28.1
Other expenses	—	18.3	18.3
Total compensation and other expenses	294.0	(48.2)	245.8
Operating loss	(60.1)	(13.5)	(73.6)
Interest expense on long term borrowings	13.5	(13.5)	—
Loss before income tax benefit	(73.6)	—	(73.6)
Income tax benefit	(12.8)	—	(12.8)
Net loss	$ (60.8)	$ —	$ (60.8)

Reclassifications to GAIN's consolidated statement of operations for the six months ended March 31, 2020, are as follows:

(in millions)	Before Reclassifications	Reclassifications	After Reclassifications
Revenues:			
Retail revenue	$ 213.3	$ (213.3)	$ —
Futures revenue	16.6	(16.6)	—
Other revenue	3.7	(3.7)	—
Principal gains, net	—	213.9	213.9
Commission and clearing fees	—	18.1	18.1
Consulting, management, and account fees	—	1.6	1.6
Total non-interest revenue	233.6	—	233.6
Interest revenue	6.3	—	6.3
Interest expense	1.0	6.8	7.8
Total net interest expense	5.3	(6.8)	(1.5)
Transaction-based clearing expenses	—	9.4	9.4
Introducing broker commissions	—	19.6	19.6
Net operating revenues	238.9	(35.8)	203.1
Compensation and other expenses:			
Employee compensation and benefits	40.1	—	40.1
Selling and marketing	14.9	—	14.9
Trading systems and market information	—	9.9	9.9
Referral fees	19.6	(19.6)	—
Trading expenses	9.6	(9.6)	—
Occupancy and equipment rental	—	5.5	5.5
Professional fees	—	6.3	6.3
Travel and business development	—	0.8	0.8
Non-trading technology and support	—	3.5	3.5
General and administrative	26.7	(26.7)	—
Depreciation and amortization	8.6	3.6	12.2
Purchased intangible amortization	3.6	(3.6)	—
Communications	—	1.4	1.4
Communications and technology	9.1	(9.1)	—
Bad debts	4.8	—	4.8
Restructuring expenses	2.7	(2.7)	—
Goodwill impairment	28.1	—	28.1
Transaction costs	1.0	(1.0)	—
Other expenses	—	12.3	12.3
Total compensation and other expenses	168.8	(29.0)	139.8
Operating income	70.1	(6.8)	63.3
Interest expense on long term borrowings	6.8	(6.8)	—
Income before income tax expense	63.3	—	63.3
Income tax expense	17.3	—	17.3
Net income	$ 46.0	$ —	$ 46.0

Reclassifications to GAIN's consolidated statement of operations for the three months ended March 31, 2020, are as follows:

(in millions)	Before Reclassifications	Reclassifications	After Reclassifications
Revenues:			
Retail revenue	$ 173.1	$ (173.1)	$ —
Futures revenue	9.4	(9.4)	—
Other revenue	0.9	(0.9)	—
Principal gains, net	—	172.7	172.7
Commission and clearing fees	—	10.3	10.3
Consulting, management, and account fees	—	0.4	0.4
Total non-interest revenue	183.4	—	183.4
Interest revenue	2.7	—	2.7
Interest expense	0.5	3.4	3.9
Total net interest expense	2.2	(3.4)	(1.2)
Transaction-based clearing expenses	—	5.4	5.4
Introducing broker commissions	—	12.5	12.5
Net operating revenues	185.6	(21.3)	164.3
Compensation and other expenses:			
Employee compensation and benefits	24.2	—	24.2
Selling and marketing	7.1	—	7.1
Trading systems and market information	—	4.8	4.8
Referral fees	12.5	(12.5)	—
Trading expenses	4.9	(4.9)	—
Occupancy and equipment rental	—	2.9	2.9
Professional fees	—	3.4	3.4
Travel and business development	—	0.4	0.4
Non-trading technology and support	—	1.8	1.8
General and administrative	13.9	(13.9)	—
Depreciation and amortization	4.3	1.8	6.1
Purchased intangible amortization	1.8	(1.8)	—
Communications	—	0.7	0.7
Communications and technology	4.5	(4.5)	—
Bad debts	4.2	—	4.2
Restructuring expenses	1.4	(1.4)	—
Transaction costs	1.0	(1.0)	—
Other expenses	—	6.3	6.3
Total compensation and other expenses	79.8	(17.9)	61.9
Operating income	105.8	(3.4)	102.4
Interest expense on long term borrowings	3.4	(3.4)	—
Income before income tax expense	102.4	—	102.4
Income tax expense	25.1	—	25.1
Net income	$ 77.3	$ —	$ 77.3

Reclassifications to GAIN’s consolidated statement of operations for the three months ended March 31, 2019, are as follows:

(in millions)	Before Reclassifications	Reclassifications	After Reclassifications
Revenues:			
Retail revenue	$ 24.3	$ (24.3)	$ —
Futures revenue	8.0	(8.0)	—
Other revenue	2.4	(2.4)	—
Principal gains, net	—	25.6	25.6
Commission and clearing fees	—	8.6	8.6
Consulting, management, and account fees	—	0.5	0.5
Total non-interest revenue	34.7	—	34.7
Interest revenue	4.3	—	4.3
Interest expense	0.6	3.3	3.9
Total net interest revenue	3.7	(3.3)	0.4
Transaction-based clearing expenses	—	4.7	4.7
Introducing broker commissions	—	7.1	7.1
Net operating revenues	38.4	(15.1)	23.3
Compensation and other expenses:			
Employee compensation and benefits	20.3	—	20.3
Selling and marketing	10.2	—	10.2
Trading systems and market information	—	3.9	3.9
Referral fees	7.1	(7.1)	—
Trading expenses	5.5	(5.5)	—
Occupancy and equipment rental	—	2.4	2.4
Professional fees	—	3.1	3.1
Travel and business development	—	0.6	0.6
Non-trading technology and support	—	4.2	4.2
General and administrative	12.8	(12.8)	—
Depreciation and amortization	4.2	3.3	7.5
Purchased intangible amortization	3.3	(3.3)	—
Communications	—	0.8	0.8
Communications and technology	5.7	(5.7)	—
Bad debts	0.4	—	0.4
Other expenses	—	4.3	4.3
Total compensation and other expenses	69.5	(11.8)	57.7
Operating loss	(31.1)	(3.3)	(34.4)
Interest expense on long term borrowings	3.3	(3.3)	—
Loss before income tax benefit	(34.4)	—	(34.4)
Income tax benefit	(6.0)	—	(6.0)
Net loss	$ (28.4)	$ —	$ (28.4)

5. PRO FORMA ADJUSTMENTS

The unaudited pro forma condensed combined financial information is based upon the historical consolidated and condensed consolidated financial statements of the Company and of GAIN and certain adjustments which the Company believes are reasonable to give effect to the Merger and the anticipated issuance of the Notes and use of the net proceeds therefrom as described above. These adjustments are based upon currently available information and certain assumptions, and therefore, the actual adjustments will likely differ from the pro forma adjustments. In particular, such adjustments include information based upon our preliminary allocation of the Merger consideration, which is subject to adjustment based upon the closing of the Merger and our further analysis.

The unaudited pro forma condensed combined financial information included herein was prepared using the acquisition method of accounting for the Merger. As discussed above, the purchase price allocation is considered preliminary at this time. However, the Company believes that the preliminary purchase price allocation and other related assumptions utilized in preparing the unaudited pro forma condensed combined financial information provide a reasonable basis for presenting the pro forma effects of the Merger and the anticipated issuance of the Notes and use of the net proceeds therefrom as described above. Other than those pro forma adjustments described below, the Company believes there are no adjustments, in any material respects, that need to be made to present GAIN's financial information in accordance with U.S. GAAP, or to align GAIN's historical accounting policies with the Company's.

The adjustments made in preparing the unaudited Pro Forma Condensed Combined Balance Sheet as of March 31, 2020 are as follows:

A. To record $92.0 million of the cash proceeds from the anticipated issuance of the Notes that will be utilized to repurchase the GAIN Convertible Notes.

B. To adjust for the quarterly cash dividend of $2.4 million equal to $0.06 per share of GAIN's common stock declared by the GAIN Board of Directors subsequent to March 31, 2020.

C. To record the usage of cash of $0.8 million from the balance sheet to pay acquisition related costs of the Merger.

D. To adjust GAIN's operating right of use assets to fair value in connection with the Company's preliminary allocation of the Merger consideration.

E. To adjust GAIN's intangible assets as a result of the preliminary allocation of the Merger consideration to the fair value of the net assets acquired.

F. To record the anticipated issuance and use of net proceeds from the Notes in the aggregate principal amount of $350.0 million, less deferred financing costs of $14.3 million.

G. To adjust GAIN's Convertible Notes to fair value in connection with the Company's preliminary allocation of the Merger consideration.

H. To record the elimination of GAIN's equity of $297.1 million.

I. To accrue for directly attributable, factually supportable, and nonrecurring acquisition related costs related to the Merger of $8.3 million.

J. To record a bargain purchase gain upon the Merger of $31.1 million based upon the preliminary allocation of the Merger consideration.

K. To adjust for the quarterly cash dividend of $2.4 million equal to $0.06 per share of GAIN's common stock declared by the GAIN Board of Directors subsequent to March 31, 2020.

The adjustments made in preparing the unaudited Pro Forma Condensed Combined Income Statement for the year ended September 30, 2019 are as follows:

A. To adjust for the directly attributable and recurring interest expense of $29.8 million that will be incurred by the Company following the anticipated issuance of the Notes in the aggregate principal amount of $350.0 million assuming these notes bear interest at a rate of 8.5%. A 0.125% increase in the actual interest rate at which these notes bear interest would increase pro forma interest expense by approximately $0.4 million.

B. To adjust for the directly attributable, factually supportable, and recurring amortization of $2.9 million in deferred financing costs that will be incurred by the Company following the anticipated issuance of the Notes.

C. To reverse the amortization expense of $8.8 million incurred on GAIN's previously acquired intangible assets based upon the preliminary allocation of the Merger consideration to the fair value of the net assets acquired.

D. To record the tax effects of the pro forma adjustments. The pro forma adjustments attributable to GAIN were tax effected at the applicable blended statutory tax rate of 19.8%, and the pro forma adjustments attributable to the Company were tax effected at the applicable blended statutory tax rate of 26%. The Company's effective tax rate may be materially different after conclusion of final acquisition accounting, removal of non-recurring items reflected in historical amounts, analysis of the post-closing geographical mix of income, and other factors. Adjustments to tax assets and liabilities will occur in conjunction with the finalization of the purchase accounting, and these adjustments could be material.

The adjustments made in preparing the unaudited Pro Forma Condensed Combined Income Statement for the six months ended March 31, 2020 are as follows:

A. To adjust for the directly attributable and recurring interest expense of $14.9 million that will be incurred by the Company following the anticipated issuance of the Notes in the aggregate principal amount of $350.0 million assuming these notes bear interest at a rate of 8.5%. A 0.125% increase in the actual interest rate at which these notes bear interest would increase pro forma interest expense by approximately $0.2 million.

B. To adjust for the directly attributable, factually supportable, and recurring amortization of $1.4 million in deferred financing costs that will be incurred by the Company following the anticipated issuance of the Notes.

C. To adjust for directly attributable, factually supportable, and nonrecurring acquisition related costs related to the Merger of $1.8 million included in the results for the six months ended March 31, 2020.

D. To reverse the amortization expense of $3.6 million incurred on GAIN's previously acquired intangible assets based upon the preliminary allocation of the Merger consideration to the fair value of the net assets acquired.

E. To record the tax effects of the pro forma adjustments. The pro forma adjustments attributable to GAIN were tax effected at the applicable blended statutory tax rate of 28.2%, and the pro forma adjustments attributable to the Company were tax effected at the applicable blended statutory tax rate of 26%. The Company's effective tax rate may be materially different after conclusion of final acquisition accounting, removal of non-recurring items reflected in historical amounts, analysis of the post-closing geographical mix of income, and other factors. Adjustments to tax assets and liabilities will occur in conjunction with the finalization of the purchase accounting, and these adjustments could be material.

The adjustments made in preparing the unaudited Pro Forma Condensed Combined Income Statement for the twelve months ended March 31, 2020 are as follows:

A. To adjust for the directly attributable and recurring interest expense of $29.8 million that will be incurred by the Company following the anticipated issuance of the Notes in the aggregate principal amount of $350.0 million assuming these notes bear interest at a rate of 8.5%. A 0.125% increase in the actual interest rate at which these notes bear interest would increase pro forma interest expense by approximately $0.4 million.

B. To adjust for the directly attributable, factually supportable, and recurring amortization of $2.9 million in deferred financing costs that will be incurred by the Company following the anticipated issuance of the Notes.

C. To adjust for directly attributable, factually supportable, and nonrecurring acquisition related costs related to the Merger of $1.8 million included in the results for the twelve months ended March 31, 2020.

D. To reverse the amortization expense of $7.3 million incurred on GAIN's previously acquired intangible assets based upon the preliminary allocation of the Merger consideration to the fair value of the net assets acquired.

E. To record the tax effects of the pro forma adjustments. The pro forma adjustments attributable to GAIN were tax effected at the applicable blended statutory tax rate of 28.2%, and the pro forma adjustments attributable to the Company were tax effected at the applicable blended statutory tax rate of 26%. The Company's effective tax rate may be materially different after conclusion of final acquisition accounting, removal of non-recurring items reflected in historical amounts, analysis of the post-closing geographical mix of income, and other factors. Adjustments to tax assets and liabilities will occur in conjunction with the finalization of the purchase accounting, and these adjustments could be material.

6. NONRECURRING CHARGES

As a result of the Merger Agreement, GAIN recorded a goodwill impairment charge of $28.1 million based on the agreed-upon Merger consideration of $6.00 per share in their audited consolidated statement of operations for the year ended December 31, 2019. The goodwill impairment charge is not reflected as a pro forma adjustment on the unaudited Pro Forma Condensed Combined Income Statements for the year ended September 30, 2019, the six months ended March 31, 2020, and the twelve months ended March 31, 2020 as it is nonrecurring in nature.

Exhibit 99.3

Throughout this Exhibit 99.3, unless the context otherwise requires, the terms "Company," "INTL," "we," "us" and "our" refer to INTL FCStone Inc. and its consolidated subsidiaries on a standalone basis prior to consummation of the Merger with GAIN.

The following is derived from the preliminary offering memorandum and presents certain non-GAAP metrics of INTL, calculated on a pro forma basis for the twelve months ended March 31, 2020 which gives effect to the Merger and the issuance of the Notes, as if such transactions had occurred on April 1, 2019. The summary unaudited pro forma condensed combined financial information, including non-GAAP metrics, has been presented for informational purposes only and is not necessarily indicative of what the combined company's financial position or results of operations would have been had the transactions been completed as of the dates indicated. In addition, the summary unaudited pro forma condensed combined financial information, including non-GAAP metrics, does not purport to project the future financial position or operating results of the combined company. The summary unaudited pro forma condensed combined financial information, including non-GAAP metrics, contains estimated adjustments, based upon available information and certain assumptions that we believe are reasonable under the circumstances. The non-GAAP metrics set forth below should be read in connection with INTL's unaudited pro forma condensed combined financial information contained in Exhibit 99.2 to this Current Report on Form 8-K. The assumptions underlying the pro forma adjustments are described in greater detail in Exhibit 99.2.

Non-GAAP Financial Measures

INTL's EBITDA represents net income plus consolidated interest expense, income taxes and depreciation and amortization. INTL's Adjusted EBITDA represents EBITDA plus amortization of share-based compensation expense, goodwill impairment, restructuring expenses, transaction costs, contingent provision and recovery of bad debt on physical coal related to our subsidiary in Singapore, INTL Asia Pte. Ltd., net of incentive recapture, and less interest attributable to short-term financing facilities of our subsidiaries, gain on litigation settlement, gain on acquisition and recovery of bad debt on physical coal related to our subsidiary in Singapore, INTL Asia Pte. Ltd. In addition, we include certain other non-GAAP financial measures adjusted to exclude the impact of bad debt expense on physical coal or of bad debt expense on physical coal, net of executive incentive recapture.

We present EBITDA and Adjusted EBITDA because we use EBITDA and Adjusted EBITDA as important supplemental measures for evaluating our business performance. We believe that the presentation of EBITDA and Adjusted EBITDA provides investors with greater transparency and facilitates comparison of operating results across a broad spectrum of companies with varying capital structures, compensation strategies and amortization methods, thereby providing a more complete understanding of our financial performance, competitive position and prospects for the future. We also believe that these measures are frequently used by securities analysts, investors and other interested persons in the evaluation of companies in our industry. Further, covenants contained in the indenture that will govern the Notes will be, and the covenants contained in the Credit Facility are, determined by reference to a financial measure that is substantially similar to Adjusted EBITDA. INTL's Adjusted EBITDA includes an adjustment to consolidated interest expense to remove interest expense attributable to short-term financing facilities of subsidiaries, and exclude certain costs and other items we do not consider indicative of our ongoing operating performance. In addition, because Adjusted EBITDA is not affected by fluctuations in such costs and other items, we believe that Adjusted EBITDA is helpful in comparing operating performance from period to period.

However, EBITDA and Adjusted EBITDA have limitations as analytical tools because, among other things, they:

- do not reflect our cash expenditures, or future requirements, for capital expenditures;
- do not reflect the significant interest expense, or the cash requirements necessary to service our indebtedness, including the Notes;
- do not reflect cash requirements for certain tax payments that may represent a reduction in cash available to us; and
- do not reflect changes in, or cash requirements for, our working capital needs.

In addition, although depreciation and amortization are non-cash charges, the assets being depreciated or amortized will often have to be replaced in the future, and neither EBITDA nor Adjusted EBITDA reflect any cash requirements for these replacements. Moreover, other companies in our industry may calculate or use the terms EBITDA and Adjusted EBITDA or other similar terms differently than we do, limiting their usefulness as comparative measures.

EBITDA, Adjusted EBITDA and the other non-GAAP financial measures presented are not recognized or required by U.S. GAAP, and none of these should be considered as alternatives to, or in isolation from, operating revenues, net operating revenues or net income calculated under U.S. GAAP or as alternatives to, or in isolation from, any other measures of performance or liquidity determined in accordance with U.S. GAAP.

In the preliminary offering memorandum, for the benefit of prospective investors in the offering, we present EBITDA and other non-GAAP financial measures not only on an actual basis but also on a pro forma basis to give effect to the Merger and the issuance of the Notes, including what we refer to as Pro Forma Adjusted EBITDA which further adjusts Adjusted EBITDA on a pro forma basis to give effect to estimated synergies and GAIN's annualized cost savings in 2019. Such pro forma non-GAAP measures are subject to the same limitations as our non-GAAP measures on an actual basis. The synergies are approximations based upon a number of assumptions and estimates that are in turn based on our analysis of the various factors which currently, and could in the future, impact our and GAIN's businesses. These assumptions and estimates are inherently uncertain and subject to significant business, operational, economic and competitive uncertainties and contingencies. We cannot assure you that any or all of these synergies will be achieved in the anticipated amounts or within the anticipated timeframes or cost expectations or at all.

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The following table sets forth a reconciliation of EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA to net income, all on a pro forma basis to give effect to the Merger and the issuance of the Notes and, in the case of Pro Forma Adjusted EBITDA also to give effect to estimated synergies and GAIN cost savings:

(in millions)		**Pro Forma Twelve Months Ended March 31, 2020 (Unaudited)**
Net income	$	126.4
Plus: interest expense		195.6
Plus: income taxes		46.7
Plus: depreciation and amortization		33.2
EBITDA	$	401.9
Plus: amortization of share based compensation expense		14.7
Plus: goodwill impairment		28.1
Plus: restructuring expenses		2.7
Plus: contingent provision		0.2
Less: recovery of bad debt on physical coal[1]		10.0
Less: interest attributable to short-term financing facilities of subsidiaries[2]		137.7
Less: gain on acquisition		0.2
Adjusted EBITDA	$	299.7
Plus: estimated synergies		32.4
Plus: GAIN 2019 annualized cost savings		9.6
Pro Forma Adjusted EBITDA	$	341.7

(1) Bad debt expense related to non-recurring loss from discontinued physical coal business at INTL Asia Pte. Ltd.

(2) Calculated as consolidated interest expense less interest expense attributable to INTL FCStone Inc.

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