



**BGC Partners Reports First Quarter 2017 Financial Results**  
**Declares Quarterly Dividend of 18 Cents**  
**Conference Call to Discuss Results Scheduled for 10:00 AM ET Today**

NEW YORK, NY – May 4, 2017 - BGC Partners, Inc. (NASDAQ: BGCP) (“BGC Partners” or “BGC” or “the Company”), a leading global brokerage company servicing the financial and real estate markets, today reported its financial results for the quarter ended March 31, 2017.

**Select Results Compared to the Year-Earlier Period**

<u>Highlights of Consolidated Results</u> (USD millions)	<u>1Q17</u>	<u>1Q16</u>	<u>Change</u>
Revenues	\$707.4	\$640.7	10.4%
Income from operations before income taxes under U.S. Generally Accepted Accounting Principles (“GAAP”)	28.8	19.4	48.3%
GAAP net income for fully diluted shares	27.6	20.5	35.0%
Pre-tax distributable earnings <sup>1</sup> before noncontrolling interest in subsidiaries and taxes	121.5	88.3	37.6%
Post-tax distributable earnings to fully diluted shareholders	102.8	74.6	37.8%
Adjusted EBITDA <sup>2</sup>	125.1	91.8	36.3%

<u>Per Share Results</u>	<u>1Q17</u>	<u>1Q16</u>	<u>Change</u>
GAAP net income per fully diluted share	\$0.06	\$0.05	20.0%
Pre-tax distributable earnings per share	0.27	0.21	28.6%
Post-tax distributable earnings per share	0.23	0.18	27.8%

**Management Comments**

“BGC generated record quarterly revenues, led by 20 percent growth from Newmark, our Real Estate Services<sup>3</sup> business”, said Howard W. Lutnick, Chairman and Chief Executive Officer of BGC. “Our more than 10 percent overall year-on-year top line improvement was also helped by several acquisitions made across both Financial Services and Real Estate Services, as well as by double-digit growth from our rates business. In addition, our GAAP net income, post-tax distributable earnings, and adjusted EBITDA all improved substantially year-on-year. As we continue to invest in the Company, we expect BGC’s revenues and earnings to outperform those of our competitors over time.

“I am also pleased to announce that our board declared an 18 cent dividend for the first quarter, which is up 12.5 percent year-on-year. At yesterday’s closing stock price, this translates into a 6.3 percent annualized yield”.

<sup>1</sup> See the sections of this document including “Distributable Earnings Defined”, “Differences between Consolidated Results for Distributable Earnings and GAAP”, and “Reconciliation of GAAP income (loss) to distributable earnings” for the complete and revised definition of these non-GAAP terms and how, when and why management uses them, as well as for the differences between results under GAAP and distributable earnings for the periods discussed in this document.

<sup>2</sup> See the sections of this document titled “Adjusted EBITDA Defined” and “Reconciliation of GAAP Income (Loss) to Adjusted EBITDA” for more on this topic.

<sup>3</sup>“Newmark Grubb Knight Frank”, is used interchangeably with “Newmark”, “NGKF”, and the Company’s “Real Estate Services” segment.

Shaun D. Lynn, President of BGC, added: “Brokerage revenues from equities, insurance, and other asset classes<sup>4</sup> improved by more than 56 percent year-on-year in the quarter due to the additions of Sunrise Brokers Group and Besso Insurance Group Limited. Our rates business generated a top-line increase of over 13 percent over the same timeframe, driven primarily by organic growth, which included particularly strong improvement from fully electronic rates. Our overall quarterly revenues for Financial Services increased by nearly 6 percent to a record \$441 million”.

“Financial Services pre-tax earnings once again grew faster than revenues. Our margins have expanded over time largely due to cost synergies we achieved over the course of 2015 and 2016, as well as the long-term trend of a larger proportion of revenues coming from our higher margin FENICS<sup>5</sup> business.

Mr. Lynn concluded: “We continue to expect our Financial Services business to grow over time, due in part to our investment of approximately \$140 million per year in technology. We are also well-positioned for growth, as potential regulatory reforms and the gradual unwinding of quantitative easing lead to more normalized market conditions”.

Barry M. Gosin, Chief Executive Officer of Newmark, added: “Our real estate capital markets revenues increased by 27 percent year-on-year for the quarter, while leasing and other services improved by 21 percent. This outpaced the overall market, as Real Capital Analytics reports that U.S. investment sales declined by 18 percent over the same timeframe, while NGKF research believes overall U.S. leasing activity was flat to slightly down. Our outperformance was driven by organic growth, as the investments we have made over the past year build momentum”.

Mr. Gosin concluded: “Newmark’s overall revenues increased by 20 percent in the first quarter compared to a year earlier, while pre-tax earnings increased by over 30 percent. As we continue to make accretive acquisitions and profitably hire industry-leading producers, we expect to continue to outpace the overall industry”.

### **Dividend Information**

On May 2, 2017, BGC Partners’ Board of Directors declared a quarterly qualified cash dividend of \$0.18 per share payable on June 5, 2017 to Class A and Class B common stockholders of record as of May 19, 2017. The ex-dividend date will be May 17, 2017.

### **Discussion of Financial Results**

Unless otherwise stated, all results provided in this document compare the first quarter of 2017 with the year-earlier period. On November 4, 2016, BGC acquired the 80 percent of the Lucera<sup>6</sup> business not already owned by the Company. Lucera is a financial technology network and infrastructure provider headquartered in New York, the revenues for which are recorded as part of “Data, software, and post-trade”. Because this transaction involved entities under common control, BGC’s financial results have been retrospectively adjusted to include the results of Lucera in the current and prior periods. This adjustment impacted a number of line items for the Financial Services segment, Corporate Items, and the

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<sup>4</sup> Due to BGC’s recent acquisition of insurance broker Besso Insurance Group Limited, the Financial Services revenue line item formerly known as “Equities and other asset classes” is now called “Equities, insurance, and other asset classes”.

<sup>5</sup> For the purposes of this document, all of the Company’s fully electronic businesses in the Financial Services segment may be referred to interchangeably as “FENICS”. FENICS includes fees from fully electronic brokerage, as well as data, software, and post-trade services across both BGC and GFL.

<sup>6</sup> Also known as “LFI Holdings, LLC”.

consolidated Company for all periods shown in this document.

Certain reclassifications may have been made to previously reported amounts to conform to the current presentation and to show results on a consistent basis across periods. Any such changes would have had no impact on consolidated revenues or earnings for GAAP and would either leave essentially unchanged or increase pre- and post-tax distributable earnings for the prior periods, all else being equal. Certain numbers in the tables throughout this document may not sum due to rounding. See the tables towards the end of this document titled “Segment Disclosure” for additional information about both Real Estate Services and Financial Services, as well as about Corporate Items, which are shown separately from the following segment results.

### Online Availability of Investor Presentation and Additional Financial Tables

Investors should note that an investor presentation as well as Excel versions of the tables at the end of this document are available for download if one views the HTML version of the release at <http://ir.bgcpartners.com>. The Excel tables and presentation contain the results discussed in this document as well as other useful information that may not be contained herein. Those viewing the release on this website should see the link to the tables and presentation near the top of that page.

### Financial Services Results

Industry-wide, wholesale financial brokers tend to be seasonally strongest in the first calendar quarter of the year in terms of revenues and profitability, sequentially slower in each of the next two quarters, and slowest in the fourth calendar quarter.

<u>Financial Services Results</u> (USD millions)	<u>1Q17</u>	<u>1Q16</u>	<u>Change</u>
Rates revenues	\$135.8	\$119.6	13.5%
Credit revenues	81.9	84.9	(3.6)%
Foreign exchange revenues	80.0	82.5	(3.0)%
Energy and commodities revenues	53.1	64.4	(17.5)%
Equities, insurance, and other asset classes	<u>75.7</u>	<u>48.4</u>	56.5%
Total brokerage revenues	426.5	399.8	6.7%
Data, software, and post-trade, net of intra-company eliminations	13.1	13.9	(6.1)%
Interest, fees from related parties, and other revenue	<u>1.6</u>	<u>3.9</u>	(59.3)%
Total revenues	441.2	417.6	5.6%
GAAP income from operations before taxes	91.9	83.5	10.1%
GAAP income from operations before taxes as a percent of revenues	20.8%	20.0%	
Pre-tax distributable earnings	113.5	100.8	12.6%
Pre-tax distributable earnings as a percent of revenues	25.7%	24.1%	

BGC’s Financial Services revenues improved primarily due to the acquisitions of Sunrise and Besso. In addition, the segment’s revenues improved due to strong double-digit percentage growth from its fully electronic rates business. These improvements were partially offset by generally lower industry-wide volumes across foreign exchange and equity-related products, as well as for certain energy and commodities markets. In addition, first quarter 2017 segment revenues would have been at least \$5 million higher, but for the strengthening of the

U.S. dollar relative to other major currencies.

In the following table, results for FENICS are broken out from the above Financial Services results. Revenues from inter-company data, software, and post-trade are eliminated at the segment level upon consolidation. As higher-margin fully electronic revenues become a larger portion of the segment's results, the Company expects overall profitability to continue to improve, all else being equal.

<u>FENICS Results in Financial Services</u> (USD millions)	<u>1Q17</u>	<u>1Q16</u>	<u>Change</u>
Total fully electronic brokerage revenues	\$46.2	\$42.7	8.3%
Data, software, and post-trade	13.1	13.9	(6.1)%
Data, software, and post-trade revenues (inter-company)	<u>14.0</u>	<u>13.6</u>	3.1%
Total FENICS revenues	73.4	70.2	4.4%
FENICS GAAP income from operations before taxes	30.1	28.4	6.0%
FENICS GAAP income from operations before taxes as a percent of fully electronic revenues	41.1%	40.5%	
FENICS pre-tax distributable earnings	31.7	29.8	6.5%
FENICS pre-tax distributable earnings as a percent of fully electronic revenues	43.3%	42.4%	

### Real Estate Services Results

Industry-wide, commercial real estate brokers tend to be seasonally slowest in the first calendar quarter of the year in terms of revenues and profitability, sequentially stronger in each of the next two quarters, and then strongest in the fourth calendar quarter.

<u>Real Estate Services Results</u> (USD millions)	<u>1Q17</u>	<u>1Q16</u>	<u>Change</u>
Leasing and other services revenues	\$127.6	\$105.6	20.8%
Real estate capital markets revenues	<u>78.8</u>	<u>62.1</u>	26.8%
Total real estate brokerage revenues	206.4	167.8	23.0%
Management services revenues	50.6	46.1	9.9%
Interest and other revenues	<u>1.0</u>	<u>0.7</u>	44.6%
Total revenues	258.0	214.5	20.3%
GAAP income from operations before taxes	21.4	15.9	34.4%
GAAP income from operations before taxes as a percent of revenues	8.3%	7.4%	
Pre-tax distributable earnings	22.7	17.2	31.9%
Pre-tax distributable earnings as a percent of revenues	8.8%	8.0%	

NGKF's revenues and profitability grew during the quarter mostly due to recently hired front office employees ramping up their productivity.

### Consolidated Expenses

The Company's "compensation and employee benefits" and "non-compensation expenses" declined as a percentage of revenues largely due to continued cost reduction efforts, partially offset by the impact of recent acquisitions and hires.

<u>Consolidated Expenses</u> (USD millions)	<u>1Q17</u>	<u>1Q16</u>	<u>Change</u>
Compensation and employee benefits under GAAP	\$437.5	\$410.3	6.6%
Allocations of net income and grant of exchangeability to limited partnership units and FPU <sup>7</sup> s	63.2	32.9	91.9%
Non-compensation expenses under GAAP	<u>183.9</u>	<u>176.0</u>	<u>4.5%</u>
Total expenses under GAAP	684.6	619.2	10.5%
Compensation and employee benefits for distributable earnings	436.3	406.4	7.4%
Non-compensation expenses for distributable earnings	171.5	166.4	3.1%
Total expenses for distributable earnings	607.8	572.8	6.1%

## Taxes

<u>Taxes<sup>8</sup></u> (USD millions)	<u>1Q17</u>	<u>1Q16</u>	<u>Change</u>
GAAP provision for income taxes	\$6.7	\$4.8	37.6%
Provision for income taxes for distributable earnings	18.9	13.6	39.8%

## Consolidated Share Count

<u>Consolidated Share Count</u> (USD millions)	<u>1Q17</u>	<u>1Q16</u>	<u>Change</u>
Fully diluted weighted-average share count under GAAP and for distributable earnings	444.8	434.9	2.3%
Share count under GAAP and for distributable earnings at quarter-end	445.5	430.8	3.4%

The share count for both GAAP and distributable earnings increased year-on-year due to shares issued with respect to equity-based compensation and front-office hires, acquisitions, and general corporate purposes. This was partially offset by the July, 2016 repayment of BGC's 4.5 percent Convertible Senior Notes for \$159.9 million in cash and approximately 7,000 shares of BGC's Class A common stock, which reduced the fully diluted share count by just under 16.3 million. Additionally, BGC redeemed and/or repurchased 0.7 million shares and/or units, net, at a cost to BGC of \$7.8 million, or \$11.07 per share or unit during the first quarter of 2017. For the trailing twelve months ended March 31, 2017, the Company redeemed and/or repurchased 5.6 million shares and/or units, net, at a cost of \$52.4 million, or \$9.44 per share or unit.

## Consolidated Balance Sheet

As of March 31, 2017, the Company's "cash and cash equivalents" were \$428.9 million, while its liquidity, which it defines as "cash and cash equivalents", "marketable securities", "reverse repurchase agreements", "securities owned",<sup>9</sup> all held for liquidity purposes, less "securities loaned" and "repurchase agreements", was \$534.0 million. For the same period, BGC's "notes payable and collateralized borrowings" were \$963.4 million; book value per

<sup>7</sup> In the first quarter of 2017, this included \$53.8 million in grants of exchangeability and \$9.4 million in allocation of net income to limited partnership units and Founding Partner Units ("FPU"). A year earlier, these figures were \$27.8 million and \$5.1 million, respectively.

<sup>8</sup> GAAP net income attributable to noncontrolling interest in subsidiaries was \$3.9 million in the first quarter of 2017 and \$2.0 million in the first quarter of 2016. Distributable earnings attributable to noncontrolling interest in subsidiaries was \$(0.2) million in the first quarter of 2017 and \$0.1 million in the first quarter of 2016.

<sup>9</sup> "Securities owned" are primarily U.S. government securities held for liquidity purposes.

common share was \$2.98 and total capital, which BGC Partners defines as “redeemable partnership interest”, “noncontrolling interest in subsidiaries”, and “total stockholders' equity”, was \$1,192.6 million.

In comparison, as of December 31, 2016, the Company’s “cash and cash equivalents” were \$502.0 million; its liquidity was \$756.9 million; its “notes payable and collateralized borrowings” were \$965.8 million; book value per common share was \$3.01; and total capital was \$1,206.3 million.

The change in BGC’s cash and liquidity since year-end 2016 was primarily related to cash paid with respect to various acquisitions; annual employee bonuses; the previously described redemption and/or repurchase of shares and/or units; ordinary movements in working capital; and various taxes. The Company also continued to invest amounts with regard to new revenue-generating hires. “Cash segregated under regulatory requirements” increased mainly due to the acquisition of Besso.

The Company’s balance sheet does not yet reflect the anticipated receipt of approximately than \$740 million worth of additional Nasdaq stock<sup>10</sup> over time, because these shares are contingent upon Nasdaq generating at least \$25 million in gross revenues annually. Nasdaq has recorded more than \$2.4 billion in gross revenues for each of the last 10 calendar years and generated gross revenues of approximately \$3.7 billion in 2016.

#### **Outlook for the Second Quarter of 2017 Compared with the Second Quarter of 2016**

- \* BGC anticipates revenues of between approximately \$675 million and \$720 million, compared with \$653.8 million.
- \* BGC expects pre-tax distributable earnings before noncontrolling interest in subsidiaries and taxes to be in the range of \$108 million and \$132 million, versus \$103.6 million.
- \* BGC anticipates its provision for taxes for distributable earnings to be in the range of approximately \$17 million and \$20.5 million, compared with \$16.1 million.

The Company intends to update its second quarter guidance before the end of June, 2017.

#### **Differences between Consolidated Results for Distributable Earnings and GAAP**

The following sections describe the main differences between results as calculated for distributable earnings and GAAP for the periods discussed herein.

#### **Differences between Other income (losses), net, for Distributable Earnings and GAAP**

In the first quarters of 2017 and 2016, gains of \$0.2 million and \$0.9 million, respectively, related to BGC’s investments accounted for under the equity method, were included as part of “Other income (losses), net” under GAAP but were excluded for distributable earnings.

Items related to the Nasdaq earn-out are pro-rated over four quarters as “Other income” for distributable earnings, but recognized as incurred under GAAP. Realized and unrealized mark to market movements and/or hedging related to shares of Intercontinental Exchange, Inc. (“ICE”) received in relation to the Trayport transaction are treated in a similar manner.

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<sup>10</sup> See the “Consolidated Balance Sheet” and “Liquidity Defined” sections of this document for the items that make up liquidity. On June 28, 2013, BGC sold its fully electronic trading platform for benchmark U.S. Treasury Notes and Bonds to Nasdaq, Inc. (NASDAQ: NDAQ or “Nasdaq”). For the purposes of this and other Company financial disclosures, the assets sold may be referred to as “eSpeed”. The value of the 10.9 million shares yet to be received, and as discussed in this document, is based on NDAQ’s closing price on May 3, 2017. These shares are expected to be received ratably over the next approximately 11 years.

Under GAAP, gains (losses) of \$4.6 million and \$11.0 million related to the mark-to-market movements and/or hedging on the Nasdaq shares were recognized as part of “Other income (losses), net”, in the first quarters of 2017 and 2016, respectively. In the first quarters of 2017 and 2016, BGC recorded other income for distributable earnings related to the Nasdaq earn-out and associated mark-to-market movements and/or hedging of \$19.5 million and \$23.3 million, respectively.

In the first quarters of 2017 and 2016, gains (losses) of \$1.4 million and \$(12.1) million, respectively, related to the net realized and unrealized gain on the ICE shares were included in GAAP “Other income (losses), net”. For distributable earnings, gains (losses) of \$2.4 million and \$(0.2) million related to the ICE shares were recorded the first quarters of 2017 and 2016, respectively as “Other income”. Distributable earnings calculations for the first quarter of 2017 also excluded additional net losses of \$(0.4) million as part of “(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net”.

#### **Differences between Compensation Expenses for Distributable Earnings and GAAP**

In the first quarter of 2017, the difference between compensation expenses as calculated for GAAP and distributable earnings included non-cash, non-dilutive net charges related to the \$53.8 million in grants of exchangeability and \$9.4 million in allocation of net income to limited partnership units and FPU. For the year earlier period, the corresponding amounts were \$27.8 million and \$5.1 million, respectively.

In the first quarters of 2017 and 2016, \$2.2 million and \$3.9 million, respectively, in GAAP non-cash charges related to the amortization of GFI employee forgivable loans granted prior to the closing of the January 11, 2016 back-end merger with GFI were also excluded from the calculation of pre-tax distributable earnings as part of “(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net”.

#### **Differences between Certain Non-compensation Expenses for Distributable Earnings and GAAP**

The difference between non-compensation expenses in the first quarters of 2017 and 2016 as calculated for GAAP and distributable earnings included additional “(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net”. These included \$6.2 million and \$5.4 million, respectively, of non-cash GAAP charges related to amortization of intangibles; \$1.4 million and \$2.6 million, respectively, of acquisition related costs; \$1.4 million and \$1.8 million, respectively, of non-cash GAAP impairment charges; and various other GAAP items that together came to a net charge of \$3.4 million and a net gain \$0.2 million, respectively.

#### **Differences between Taxes for Distributable Earnings and GAAP**

BGC’s GAAP provision for income taxes from 2016 forward is calculated based on an annualized methodology. The Company’s GAAP provision for income taxes was \$6.7 million and \$4.8 million for the first quarters of 2017 and 2016, respectively. The Company includes additional tax-deductible items when calculating the provision for taxes with respect to distributable earnings using an annualized methodology. These include tax-deductions related to equity-based compensation with respect to limited partnership unit exchange, employee loan amortization, and certain net-operating loss carryforwards. The provision for

income taxes with respect to distributable earnings was adjusted by \$12.3 million and \$8.7 million for the first quarters of 2017 and 2016, respectively. As a result, the provision for income taxes with respect to distributable earnings was \$18.9 million and \$13.6 million for the first quarters of 2017 and 2016, respectively.

### **Conference Call and Investor Presentation**

BGC will host a conference call on the date of this release at 10:00 a.m. ET to discuss these results. A webcast of the call, along with an investor presentation summarizing BGC's consolidated distributable earnings results, will be accessible via the following:

<http://ir.bgcpartners.com> (an HTML version with Excel financial tables or PDF)

<http://ir.bgcpartners.com/news-releases/news-releases/default.aspx> (an HTML version with Excel financial tables or PDF)

<http://bgcpartners.com/category/bgc-releases/> (PDF only)

A listing of minimum system requirement can be found here:

[http://event.on24.com/view/help/ehelp.html?text\\_language\\_id=en&fh=true&flashconsole=true&ngwebcast=true](http://event.on24.com/view/help/ehelp.html?text_language_id=en&fh=true&flashconsole=true&ngwebcast=true)

A webcast replay of the conference call is expected to be accessible at <http://ir.bgcpartners.com> within 24 hours of the live call and will be available for 365 days following the call. Additionally, call participants may dial in with the following information:

#### **LIVE CALL:**

Date - Start Time: 5/4/2017 at 10:00 a.m. ET  
U.S. Dial In: 1 (888) 771-4371  
International Dial In: (+1) (847) 585-4405  
Passcode: 4465-8224

#### **REPLAY:**

Available From – To: 5/4/2017 12:30 p.m. ET – 5/11/2017 11:59 p.m. ET  
U.S. Dial In: 1 (888) 843-7419  
International Dial In: (+1) (630) 652-3042  
Passcode: 4465-8224#

(Note: If clicking on the above links does not open up a new web page, you may need to cut and paste the above urls into your browser's address bar.)

### **Distributable Earnings Defined**

BGC Partners uses non-GAAP financial measures including, but not limited to, "pre-tax distributable earnings" and "post-tax distributable earnings", which are supplemental measures of operating results that are used by management to evaluate the financial performance of the Company and its consolidated subsidiaries. BGC believes that distributable earnings best reflect the operating earnings generated by the Company on a consolidated basis and are the earnings which management considers available for, among other things, distribution to BGC Partners, Inc. and its common stockholders, as well as to holders of BGC Holdings partnership units during any period.

As compared with "income (loss) from operations before income taxes", and "net income (loss) per fully diluted share", all prepared in accordance with GAAP, distributable earnings calculations primarily exclude certain non-cash compensation and other expenses that generally do not involve the receipt or outlay of cash by the Company and/or which do not dilute existing stockholders, as described below. In addition, distributable earnings calculations exclude certain gains and charges that management believes do not best reflect the ordinary operating results of BGC.

### **Adjustments Made to Calculate Pre-Tax Distributable Earnings**

Pre-tax distributable earnings are defined as GAAP income (loss) from operations before income taxes and noncontrolling interest in subsidiaries excluding items, such as:

- \* Non-cash equity-based compensation charges related to limited partnership unit exchange or conversion.
- \* Non-cash asset impairment charges, if any.
- \* Non-cash compensation charges for items granted or issued pre-merger with respect to certain mergers or acquisitions by BGC Partners, Inc. To date, these mergers have only included those with and into eSpeed, Inc. and the back-end merger with GFI Group Inc.

Distributable earnings calculations also exclude certain unusual, one-time or non-recurring items, if any. These charges are excluded from distributable earnings because the Company views excluding such charges as a better reflection of the ongoing, ordinary operations of BGC.

In addition to the above items, allocations of net income to founding/working partner and other limited partnership units are excluded from calculations of pre-tax distributable earnings. Such allocations represent the pro-rata portion of pre-tax earnings available to such unit holders. These units are in the fully diluted share count, and are exchangeable on a one-to-one basis into common stock. As these units are exchanged into common shares, unit holders become entitled to cash dividends rather than cash distributions. The Company views such allocations as intellectually similar to dividends on common shares. Because dividends paid to common shares are not an expense under GAAP, management believes similar allocations of income to unit holders should also be excluded when calculating distributable earnings performance measures.

BGC's definition of distributable earnings also excludes certain gains and charges with respect to acquisitions, dispositions, or resolutions of litigation. This includes the one-time gains related to the Nasdaq and Trayport transactions. Management believes that excluding such gains and charges also best reflects the ongoing operating performance of BGC.

However, the payments associated with BGC's expected annual receipt of Nasdaq stock and related mark-to-market gains or losses are anticipated to be included in the Company's calculation of distributable earnings for the following reasons:

- \* Nasdaq is expected to pay BGC in an equal amount of stock on a regular basis for a 15 year period beginning in 2013 as part of that transaction;
- \* The Nasdaq earn-out largely replaced the generally recurring quarterly earnings BGC generated from eSpeed; and
- \* The Company intends to pay dividends and distributions to common stockholders and/or

unit holders based on all other income related to the receipt of the earn-out.

To make period-to-period comparisons more meaningful, one-quarter of each annual Nasdaq contingent earn-out amount, as well as gains or losses with respect to associated mark-to-market movements and/or hedging, will be included in the Company's calculation of distributable earnings each quarter as "other income".

The Company also treats gains or losses related to mark-to-market movements and/or hedging with respect to any remaining shares of Intercontinental Exchange, Inc. ("ICE") in a consistent manner with the treatment of Nasdaq shares when calculating distributable earnings.

Investors and analysts should note that, due to the large gain recorded with respect to the Trayport sale in December, 2015, and the closing of the back-end merger with GFI in January, 2016, non-cash charges related to the amortization of intangibles with respect to acquisitions are also excluded from the calculation of pre-tax distributable earnings. In order to present results in a consistent manner, this adjustment was made with respect to all acquisitions completed for the periods from the first quarter of 2015 onward.

#### **Adjustments Made to Calculate Post-Tax Distributable Earnings**

Since distributable earnings are calculated on a pre-tax basis, management intends to also report post-tax distributable earnings to fully diluted shareholders. Post-tax distributable earnings to fully diluted shareholders are defined as pre-tax distributable earnings, less noncontrolling interest in subsidiaries, and reduced by the provision for taxes as described below.

The Company's calculation of the provision for taxes on an annualized basis starts with GAAP income tax provision, adjusted to reflect tax-deductible items. Management uses this non-GAAP provision for taxes in part to help it to evaluate, among other things, the overall performance of the business, make decisions with respect to the Company's operations, and to determine the amount of dividends paid to common shareholders.

The provision for taxes with respect to distributable earnings includes additional tax-deductible items including limited partnership unit exchange or conversion, employee loan amortization, charitable contributions, and certain net-operating loss carryforwards.

BGC incurs income tax expenses based on the location, legal structure and jurisdictional taxing authorities of each of its subsidiaries. Certain of the Company's entities are taxed as U.S. partnerships and are subject to the Unincorporated Business Tax ("UBT") in New York City. Any U.S. federal and state income tax liability or benefit related to the partnership income or loss, with the exception of UBT, rests with the unit holders rather than with the partnership entity. The Company's consolidated financial statements include U.S. federal, state and local income taxes on the Company's allocable share of the U.S. results of operations. Outside of the U.S., BGC operates principally through subsidiary corporations subject to local income taxes. For these reasons, taxes for distributable earnings are presented to show the tax provision the consolidated Company would expect to pay if 100 percent of earnings were taxed at global corporate rates.

#### **Calculations of Pre-tax and Post-Tax Distributable Earnings per Share**

BGC's distributable earnings per share calculations assume either that:

- \* The fully diluted share count includes the shares related to any dilutive instruments, such as the Convertible Senior Notes, but excludes the associated interest expense, net of tax, when the impact would be dilutive; or
- \* The fully diluted share count excludes the shares related to these instruments, but includes the associated interest expense, net of tax.

The share count for distributable earnings excludes shares expected to be issued in future periods but not yet eligible to receive dividends and/or distributions.

Each quarter, the dividend to BGC's common stockholders is expected to be determined by the Company's Board of Directors with reference to a number of factors, including post-tax distributable earnings per fully diluted share. In addition to the Company's quarterly dividend to common stockholders, BGC Partners expects to pay a pro-rata distribution of net income to BGC Holdings founding/working partner and other limited partnership units, as well as to Cantor for its non-controlling interest. The amount of this net income, and therefore of these payments, is expected to be determined using the above definition of pre-tax distributable earnings per share.

#### **Other Matters with Respect to Distributable Earnings**

The term "distributable earnings" should not be considered in isolation or as an alternative to GAAP net income (loss). The Company views distributable earnings as a metric that is not indicative of liquidity or the cash available to fund its operations, but rather as a performance measure.

Pre- and post-tax distributable earnings are not intended to replace the Company's presentation of GAAP financial results. However, management believes that they help provide investors with a clearer understanding of BGC Partners' financial performance and offer useful information to both management and investors regarding certain financial and business trends related to the Company's financial condition and results of operations. Management believes that distributable earnings and the GAAP measures of financial performance should be considered together.

BGC anticipates providing forward-looking quarterly guidance for GAAP revenues and for certain distributable earnings measures from time to time. However, the Company does not anticipate providing a quarterly outlook for other GAAP results. This is because certain GAAP items, which are excluded from distributable earnings, are difficult to forecast with precision before the end of each quarter. The Company therefore believes that it is not possible to forecast quarterly GAAP results or to quantitatively reconcile GAAP results to non-GAAP results with sufficient precision unless BGC makes unreasonable efforts.

The items that are difficult to predict on a quarterly basis with precision and which can have a material impact on the Company's GAAP results include, but are not limited, to the following:

- \* Allocations of net income and grants of exchangeability to limited partnership units and founding partner units, which are determined at the discretion of management throughout and up to the period-end.
- \* The impact of certain marketable securities, as well as any gains or losses related to associated mark-to-market movements and/or hedging. These items are calculated using

- period-end closing prices.
- \* Non-cash asset impairment charges, which are calculated and analyzed based on the period-end values of the underlying assets. These amounts may not be known until after period-end.
  - \* Acquisitions, dispositions and/or resolutions of litigation which are fluid and unpredictable in nature.

For more information on this topic, please see certain tables in the most recent BGC financial results press release including “Reconciliation of GAAP Income (Loss) to Distributable Earnings”. These tables provide summary reconciliations between pre- and post-tax distributable earnings and the corresponding GAAP measures for the Company.

### **Adjusted EBITDA Defined**

BGC also provides an additional non-GAAP financial performance measure, “adjusted EBITDA”, which it defines as GAAP “Net income (loss) available to common stockholders”, adjusted to add back the following items:

- \* Interest expense;
- \* Fixed asset depreciation and intangible asset amortization;
- \* Impairment charges;
- \* Employee loan amortization and reserves on employee loans;
- \* Provision (benefit) for income taxes;
- \* Net income (loss) attributable to noncontrolling interest in subsidiaries;
- \* Non-cash charges relating to grants of exchangeability to limited partnership interests;
- \* Non-cash charges related to issuance of restricted shares; and
- \* Non-cash earnings or losses related to BGC’s equity investments.

The Company’s management believes that adjusted EBITDA is useful in evaluating BGC’s operating performance, because the calculation of this measure generally eliminates the effects of financing and income taxes and the accounting effects of capital spending and acquisitions, which would include impairment charges of goodwill and intangibles created from acquisitions. Such items may vary for different companies for reasons unrelated to overall operating performance. As a result, the Company’s management uses these measures to evaluate operating performance and for other discretionary purposes. BGC believes that adjusted EBITDA is useful to investors to assist them in getting a more complete picture of the Company’s financial results and operations.

Since adjusted EBITDA is not a recognized measurement under GAAP, investors should use adjusted EBITDA in addition to GAAP measures of net income when analyzing BGC’s operating performance. Because not all companies use identical EBITDA calculations, the Company’s presentation of adjusted EBITDA may not be comparable to similarly titled measures of other companies. Furthermore, adjusted EBITDA is not intended to be a measure of free cash flow or GAAP cash flow from operations, because adjusted EBITDA does not consider certain cash requirements, such as tax and debt service payments.

For a reconciliation of adjusted EBITDA to GAAP “Net income (loss) available to common stockholders”, the most comparable financial measure calculated and presented in accordance with GAAP, see the section of this document titled “Reconciliation of GAAP Income (Loss) to Adjusted EBITDA”.

## **Liquidity Defined**

BGC also uses a non-GAAP measure called “liquidity”. The Company considers liquidity to be comprised of the sum of cash and cash equivalents plus marketable securities that have not been financed, reverse repurchase agreements, and securities owned, less securities loaned and repurchase agreements. BGC considers this an important metric for determining the amount of cash that is available or that could be readily available to the Company on short notice.

## **About BGC Partners, Inc.**

BGC Partners is a leading global brokerage company servicing the financial and real estate markets. BGC owns GFI Group Inc., a leading intermediary and provider of trading technologies and support services to the global OTC and listed markets. The Company’s Financial Services offerings include fixed income securities, interest rate swaps, foreign exchange, equities, equity derivatives, credit derivatives, commodities, futures, and structured products. BGC provides a wide range of services, including trade execution, broker-dealer services, clearing, trade compression, post trade, information, and other services to a broad range of financial and non-financial institutions. Through brands including FENICS, BGC Trader, Capitalab, Lucera, and FENICS Market Data, BGC offers financial technology solutions, market data, and analytics related to numerous financial instruments and markets. Real Estate Services are offered through brands including Newmark Grubb Knight Frank, Newmark Cornish & Carey, ARA, Computerized Facility Integration, NGKF Valuation & Advisory, and Excess Space. Under these names and others, the Company provides a wide range of commercial real estate services, including leasing and corporate advisory, investment sales and financial services, consulting, project and development management, and property and facilities management.

BGC’s customers include many of the world’s largest banks, broker-dealers, investment banks, trading firms, hedge funds, governments, corporations, property owners, real estate developers, and investment firms. BGC’s common stock trades on the NASDAQ Global Select Market under the ticker symbol (NASDAQ: BGCP). BGC also has an outstanding bond issuance of Senior Notes due June 15, 2042, which trade on the New York Stock Exchange under the symbol (NYSE: BGCA). BGC Partners is led by Chairman and Chief Executive Officer Howard W. Lutnick. For more information, please visit <http://www.bgcpartners.com>. You can also follow the Company at <https://twitter.com/bgcpartners> and/or <https://www.linkedin.com/company/bgc-partners>.

BGC, BGC Trader, GFI, FENICS, FENICS.COM, Capitalab, Swaptioniser, Newmark, Grubb & Ellis, ARA, Computerized Facility Integration, Landauer, Lucera, and Excess Space, Excess Space Retail Services, Inc., and Grubb are trademarks/service marks, and/or registered trademarks/service marks and/or service marks of BGC Partners, Inc. and/or its affiliates. Knight Frank is a service mark of Knight Frank (Nominees) Limited.

## **Discussion of Forward-Looking Statements about BGC Partners**

Statements in this document regarding BGC that are not historical facts are "forward-looking statements" that involve risks and uncertainties. Except as required by law, BGC undertakes no obligation to update any forward-looking statements. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see BGC's Securities and Exchange Commission filings, including, but not limited to, the risk factors set forth in the most recent Form 10-K and any updates to such risk factors contained in subsequent Forms 10-Q or Forms 8-K.

**BGC PARTNERS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**  
(in thousands, except per share data)  
(unaudited)

	<b>March 31,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 428,852	\$ 502,024
Cash segregated under regulatory requirements	94,118	6,895
Reverse repurchase agreements	-	54,659
Securities owned	34,088	35,357
Marketable securities	163,208	164,820
Receivables from broker-dealers, clearing organizations, customers and related broker-dealers	1,678,145	497,557
Accrued commissions receivable, net	514,706	374,734
Loans, forgivable loans and other receivables from employees and partners, net	278,959	267,527
Fixed assets, net	167,385	165,867
Investments	33,397	33,439
Goodwill	882,735	863,690
Other intangible assets, net	329,095	247,723
Receivables from related parties	8,166	6,967
Other assets	294,837	287,141
Total assets	\$ 4,907,691	\$ 3,508,400
<b>Liabilities, Redeemable Partnership Interest, and Equity</b>		
Repurchase agreements	\$ 4,869	\$ -
Securities loaned	87,293	-
Accrued compensation	303,981	333,144
Payables to broker-dealers, clearing organizations, customers and related broker-dealers	1,519,638	375,152
Payables to related parties	18,297	28,976
Accounts payable, accrued and other liabilities	817,595	599,046
Notes payable and collateralized borrowings	963,386	965,767
Total liabilities	3,715,059	2,302,085
Redeemable partnership interest	51,833	52,577
<b>Equity</b>		
Stockholders' equity:		
Class A common stock, par value \$0.01 per share; 750,000 shares authorized; 296,699 and 292,549 shares issued at March 31, 2017 and December 31, 2016, respectively; and 248,467 and 244,870 shares outstanding at March 31, 2017 and December 31, 2016, respectively	2,967	2,925
Class B common stock, par value \$0.01 per share; 150,000 shares authorized; 34,848 shares issued and outstanding at March 31, 2017 and December 31, 2016, convertible into Class A common stock	348	348
Additional paid-in capital	1,495,859	1,466,586
Contingent Class A common stock	42,472	42,472
Treasury stock, at cost: 48,232 and 47,679 shares of Class A common stock at March 31, 2017 and December 31, 2016, respectively	(293,555)	(288,743)
Retained deficit	(385,435)	(358,526)
Accumulated other comprehensive income (loss)	(17,774)	(23,199)
Total stockholders' equity	844,882	841,863
Noncontrolling interest in subsidiaries	295,917	311,875
Total equity	1,140,799	1,153,738
Total liabilities, redeemable partnership interest and equity	\$ 4,907,691	\$ 3,508,400

**BGC PARTNERS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(in thousands, except per share data)

(unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2017</b>	<b>2016</b>
<b>Revenues:</b>		
Commissions	\$ 547,126	\$ 475,087
Principal transactions	85,743	92,439
Total brokerage revenues	632,869	567,526
Real estate management services	50,630	46,058
Fees from related parties	6,565	7,070
Data, software and post-trade	13,087	13,934
Interest income	3,303	2,384
Other revenues	976	3,682
Total revenues	707,430	640,654
<b>Expenses:</b>		
Compensation and employee benefits	437,491	410,275
Allocations of net income and grant of exchangeability to limited partnership units and FPU's	63,193	32,924
Total compensation and employee benefits	500,684	443,199
Occupancy and equipment	49,863	51,695
Fees to related parties	6,377	6,325
Professional and consulting fees	19,580	15,718
Communications	31,694	31,298
Selling and promotion	23,385	25,658
Commissions and floor brokerage	10,170	9,043
Interest expense	14,821	13,458
Other expenses	27,988	22,841
Total non-compensation expenses	183,878	176,036
Total expenses	684,562	619,235
<b>Other income (losses), net:</b>		
Gain (loss) on divestiture and sale of investments	557	-
Gains (losses) on equity method investments	237	888
Other income (loss)	5,089	(2,917)
Total other income (losses), net	5,883	(2,029)
Income (loss) from operations before income taxes	28,751	19,390
Provision (benefit) for income taxes	6,659	4,840
Consolidated net income (loss)	\$ 22,092	\$ 14,550
Less: Net income (loss) attributable to noncontrolling interest in subsidiaries	3,877	2,045
Net income (loss) available to common stockholders	\$ 18,215	\$ 12,505
<b>Per share data:</b>		
<i>Basic earnings per share</i>		
Net income (loss) available to common stockholders	\$ 18,215	\$ 12,505
Basic earnings per share	\$ 0.06	\$ 0.05
Basic weighted-average shares of common stock outstanding	283,399	273,780
<i>Fully diluted earnings per share</i>		
Net income (loss) for fully diluted shares	\$ 27,610	\$ 20,452
Fully diluted earnings per share	\$ 0.06	\$ 0.05
Fully diluted weighted-average shares of common stock outstanding	444,826	434,855
Dividends declared per share of common stock	\$ 0.16	\$ 0.14
Dividends declared and paid per share of common stock	\$ 0.16	\$ 0.14

**BGC PARTNERS, INC.**  
**RECONCILIATION OF GAAP INCOME (LOSS) TO DISTRIBUTABLE EARNINGS AND**  
**GAAP FULLY DILUTED EPS TO POST-TAX DISTRIBUTABLE EPS**

(in thousands, except per share data)  
(unaudited)

	Q1 2017	Q1 2016
<b>GAAP income (loss) before income taxes</b>	\$ 28,751	\$ 19,390
Pre-tax adjustments:		
Non-cash (gains) losses related to equity investments, net	(237)	(888)
Allocations of net income and grant of exchangeability to limited partnership units and FPU's	63,193	32,924
Nasdaq earn-out income (a)	14,870	12,355
(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net	14,932	24,503
Total pre-tax adjustments	92,758	68,894
<b>Pre-tax distributable earnings</b>	<b>\$ 121,509</b>	<b>\$ 88,284</b>
GAAP net income (loss) available to common stockholders	\$ 18,215	\$ 12,505
Allocation of net income (loss) to noncontrolling interest in subsidiaries	4,115	1,929
Total pre-tax adjustments (from above)	92,758	68,894
Income tax adjustment to reflect distributable earnings taxes	(12,284)	(8,713)
<b>Post-tax distributable earnings</b>	<b>\$ 102,804</b>	<b>\$ 74,615</b>
<i>Per Share Data</i>		
<b>GAAP fully diluted earnings per share</b>	\$ 0.06	\$ 0.05
Less: Allocations of net income to limited partnership units and FPU's, net of tax	(0.01)	(0.01)
Total pre-tax adjustments (from above)	0.21	0.16
Income tax adjustment to reflect distributable earnings taxes	(0.03)	(0.02)
<b>Post-tax distributable earnings per share (b)</b>	<b>\$ 0.23</b>	<b>\$ 0.18</b>
<b>Pre-tax distributable earnings per share (b)</b>	<b>\$ 0.27</b>	<b>\$ 0.21</b>
Fully diluted weighted-average shares of common stock outstanding	444,826	434,855

**Notes and Assumptions**

- (a) Distributable earnings for Q1 2017 and Q1 2016 includes \$14.9 million and \$12.4 million, respectively, of adjustments associated with the Nasdaq transaction. For Q1 2017 and Q1 2016 income (loss) related to the Nasdaq earn-out shares was \$4.6 million and \$11.0 million for GAAP and \$19.5 million and \$23.3 million for distributable earnings, respectively.
- (b) On July 29, 2011, BGC Partners issued \$160 million in 4.50 percent Convertible Senior Notes due 2016, which matured and were settled for cash and 6.9 thousand Class A common shares in Q3 2016. The distributable earnings per share calculations for Q1 2016 included 16.3 million shares underlying these Notes. The distributable earnings per share calculations excluded the interest expense, net of tax, associated with these Notes.

Note: Certain numbers may not add due to rounding.

**BGC PARTNERS, INC.**  
**FULLY DILUTED WEIGHTED-AVERAGE SHARE COUNT**  
**FOR GAAP AND DISTRIBUTABLE EARNINGS**

(in thousands)  
(unaudited)

	Q1 2017	Q1 2016
Common stock outstanding	283,399	273,780
Limited partnership units	94,298	74,390
Cantor units	51,183	50,558
Founding partner units	13,790	14,877
4.50% Convertible debt shares (Matured July 15, 2016)	-	16,260
RSUs	677	858
Other	1,479	4,132
<b>Fully diluted weighted-average share count for GAAP and DE</b>	<b>444,826</b>	<b>434,855</b>

**BGC PARTNERS, INC.**  
**LIQUIDITY ANALYSIS**

(in thousands)  
(unaudited)

	March 31, 2017	December 31, 2016
Cash and cash equivalents	\$ 428,852	\$ 502,024
Reverse repurchase agreements	-	54,659
Repurchase agreements	(4,869)	-
Securities owned	34,088	35,357
Marketable securities (1)	75,915	164,820
<b>Total</b>	<b>\$ 533,986</b>	<b>\$ 756,860</b>

(1) As of March 31, 2017, \$87.3 million of Marketable securities on our balance sheet had been lent out in a Securities Loaned transaction and therefore are not included as part of our Liquidity Analysis.

**BGC PARTNERS, INC.**  
**RECONCILIATION OF FENICS GAAP INCOME BEFORE TAXES TO**  
**PRE-TAX DISTRIBUTABLE EARNINGS**

(in thousands)  
(unaudited)

	Q1 2017	Q1 2016
FENICS GAAP income before income taxes (1)	\$ 30,136	\$ 28,419
Pre-tax adjustments:		
Grant of exchangeability to limited partnership units	672	442
Amortization of intangible assets	940	940
Total pre-tax adjustments	1,612	1,382
<b>FENICS Pre-tax distributable earnings</b>	<b>\$ 31,748</b>	<b>\$ 29,801</b>

(1) Includes market data, software and post-trade revenues along with intercompany revenues which are eliminated at the segment level upon consolidation.

**BGC PARTNERS, INC.****Reconciliation of GAAP Income (Loss) to Adjusted EBITDA  
(in thousands) (unaudited)**

	<u>Q1 2017</u>	<u>Q1 2016</u>
<b>GAAP Net income (loss) available to common stockholders</b>	<b>\$ 18,215</b>	<b>\$ 12,505</b>
<b>Add back:</b>		
Provision (benefit) for income taxes	6,659	4,840
Net income (loss) attributable to noncontrolling interest in subsidiaries	3,877	2,045
Employee loan amortization and reserves on employee loans	7,168	10,465
Interest expense	14,821	13,458
Fixed asset depreciation and intangible asset amortization	19,388	19,788
Impairment of long-lived assets	1,424	1,792
Exchangeability charges (1)	53,793	27,782
(Gains) losses on equity investments	(237)	(888)
<b>Adjusted EBITDA</b>	<b><u>\$ 125,108</u></b>	<b><u>\$ 91,787</u></b>

(1) Represents non-cash and non-dilutive charges relating to grants of exchangeability to limited partnership units.

**BGC Partners, Inc.**  
**Segment Disclosure - Q1 2017 vs Q1 2016**  
(in thousands)  
(unaudited)

	Q1 2017				Q1 2016			
	Financial Services	Real Estate Services	Corporate Items	Total	Financial Services	Real Estate Services	Corporate Items	Total
Total revenues	\$ 441,178	\$ 257,957	\$ 8,295	\$ 707,430	\$ 417,607	\$ 214,480	\$ 8,567	\$ 640,654
Total expenses	353,906	236,583	94,073	684,562	345,114	198,574	75,547	619,235
Total other income (losses), net	4,648	-	1,235	5,883	10,972	-	(13,001)	(2,029)
<b>Income (loss) from operations before income taxes</b>	<b>\$ 91,920</b>	<b>\$ 21,374</b>	<b>\$ (84,543)</b>	<b>\$ 28,751</b>	<b>\$ 83,465</b>	<b>\$ 15,906</b>	<b>\$ (79,981)</b>	<b>\$ 19,390</b>
Pre-tax adjustments:								
Non-cash (gains) losses related to equity investments, net	-	-	(237)	(237)	-	-	(888)	(888)
Allocations of net income and grant of exchangeability to limited partnership units and FPU's	-	-	63,193	63,193	-	-	32,924	32,924
Nasdaq earn-out income	14,870	-	-	14,870	12,355	-	-	12,355
(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net	6,751	1,355	6,826	14,932	4,980	1,320	18,203	24,503
Total pre-tax adjustments	21,621	1,355	69,782	92,758	17,335	1,320	50,239	68,894
<b>Pre-tax distributable earnings</b>	<b>\$ 113,541</b>	<b>\$ 22,729</b>	<b>\$ (14,761)</b>	<b>\$ 121,509</b>	<b>\$ 100,800</b>	<b>\$ 17,226</b>	<b>\$ (29,742)</b>	<b>\$ 88,284</b>

## BGC Partners, Inc. Quarterly Market Activity Report (Includes GFI Data from 2Q2015 Onward)

The following table provides certain volume and transaction count information on BGC Partner's fully electronic system for the periods indicated.

	1Q16	4Q16	1Q17	% Change Q1'17 vs. Q1'16	% Change Q1'17 vs. Q4'16
<b><u>Notional Volume (in \$US billions)</u></b>					
Fully Electronic Rates	1,203	1,535	1,807	50.2%	17.7%
Fully Electronic FX	2,897	2,488	2,410	(16.8%)	(3.1%)
Fully Electronic Credit	841	457	560	(33.4%)	22.4%
Fully Electronic Equities & Other	4	2	6	59.2%	166.7%
Total Fully Electronic Volume	4,945	4,482	4,782	(3.3%)	6.7%
<b><u>HYBRID</u></b>					
Total Hybrid Volume	48,700	50,956	57,625	18.3%	13.1%
Total Hybrid & Fully Electronic Volume	53,644	55,438	62,407	16.3%	12.6%
<b><u>Transaction Count</u></b>					
Fully Electronic Rates	69,153	81,084	102,522	48.3%	26.4%
Fully Electronic FX	2,750,511	2,410,459	2,217,725	(19.4%)	(8.0%)
Fully Electronic Credit	85,441	76,240	78,526	(8.1%)	3.0%
Fully Electronic Equities & Other	161	887	633		
Total Fully Electronic Transactions	2,905,266	2,568,670	2,399,406	(17.4%)	(6.6%)
<b><u>HYBRID</u></b>					
Total Hybrid Transactions	1,012,034	888,129	1,010,983	(0.1%)	13.8%
Total Hybrid and Fully Electronic Transactions	3,917,300	3,456,799	3,410,389	(12.9%)	(1.3%)
Trading Days	61	63	62		

Note: "Hybrid" is defined as transactions involving some element of electronic trading but executed by BGC's brokers, exclusive of voice-only transactions. "Fully Electronic" involves customer-to-customer trades, free from broker execution.

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