

# BGC Partners to Acquire Ed Broking Group Limited, a Leading Lloyd's of London Insurance Broker

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LONDON, Oct. 29, 2018 /PRNewswire/ -- BGC Partners, Inc. (NASDAQ: BGCP) ("BGC Partners," "BGC" or "the Company"), a leading global brokerage and financial technology company, today announced that it has entered into an agreement to acquire Ed Broking Group Limited ("Ed"), an independent Lloyd's of London insurance broker with a strong reputation across Accident and Health, Aerospace, Cargo, Energy, Financial and Political Risks, Marine, Professional and Executive Risk, Property and Casualty, Specialty and Reinsurance.

Under the terms of the agreement, BGC will acquire 100% of Ed, which includes broking operations under the Ed brand in UK, Singapore, Hong Kong, Dubai, Miami and China; Ed's German marine broking arm Junge & Co. Versicherungsmakler GmbH; Ed's managing general agent (MGA) operations Globe Underwriting Limited based in the UK; and Cooper Gay (France) SAS, which is based in Paris.

## **Management comments** <sup>[1]</sup>

**Shaun D. Lynn**, President of BGC Partners, commented on today's announcement: "We are delighted to reach an agreement to purchase Ed, a leading independent Lloyd's of London broker with a global footprint. It will be an important acquisition with respect to our strategy of building the insurance brokerage division within the Company".

Mr. Lynn added: "Since the formation of BGC in 2004, BGC has demonstrated a proven track record of successfully building new brokerage verticals." BGC acquired Newmark Knight Frank in 2011. From 2011 to 2017, BGC increased the annual revenues run-rate of its Real Estate Services business by more than six times to approximately \$1.6 billion.

BGC completed the initial public offering of this business in December 2017 through the IPO of Newmark Group, Inc. (NASDAQ: NMRK). Meanwhile, BGC's Financial Services revenues have nearly quadrupled from 2004 to 2017.

**Steve Hearn**, Group CEO of Ed Broking Group Limited said, "To be able to announce the agreement with BGC is tremendously satisfying, given their ambition and appetite for

growth. We feel that the best fit and the strongest future for us is with BGC, one of the leading brokerage firms in the world. With them, we are poised to make the next leap forward to redefine insurance broking."

The deal expands BGC's insurance division, which was established in 2017 with the acquisition of Besso Insurance Group Limited ("Besso"), a Lloyd's broker with operations in UK, Brazil, Dubai and Turkey. Ed expects to report revenues of around \$100 million in 2018. With the addition of Ed's brokers and back office personnel, Ed and Besso combined are expected to place approximately \$2 billion of premium in 2018 and have approximately 300 combined brokers operating across 10 countries.

Further details of the transaction were not disclosed, and completion of the transaction is subject to legal and regulatory approvals and certain closing conditions.

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

BGC Partners is a leading global brokerage and financial technology company. BGC offers Real Estate Services through its publicly traded subsidiary Newmark Group, Inc. (NASDAQ: NMRK) ("Newmark"), a leading full-service commercial real estate services business. BGC's Financial Services offerings include fixed income securities, interest rate swaps, foreign exchange, equities, equity derivatives, credit derivatives, commodities, futures, and structured products. BGC's Financial Services customers include many of the world's largest banks, broker-dealers, investment banks, trading firms, hedge funds, governments, corporations, and investment firms. BGC, BGC Trader, GFI, Fenics, Fenics Market Data, Capitalab, and Lucera are trademarks/service marks and/or registered trademarks/service marks of BGC Partners, Inc. and/or its affiliates. BGC's common stock trades on the NASDAQ Global Select Market under the ticker symbol (NASDAQ: BGCP). 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 BGC at <https://twitter.com/bgcpartners>, <https://www.linkedin.com/company/bgc-partners>, and/or <http://ir.bgcpartners.com>.

### **Discussion of Forward-Looking Statements about BGC and Newmark**

Statements in this document regarding BGC and Newmark that are not historical facts are "forward-looking statements" that involve risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements. Except as required by law, BGC and Newmark undertake 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 and Newmark's Securities and Exchange Commission filings, including, but not limited to, the risk factors set forth in these filings and any updates to such risk factors contained in subsequent Forms 10-K, Forms 10-Q or Forms 8-K.

### **About Ed Broking Group Limited**

Ed is a truly global insurance and reinsurance provider with offices in the world's key regional and global insurance centres. The group's broking business is a leading independent Lloyd's broker, and employs some of the best and most experienced people in the industry with expertise in all major lines of business. The group's MGA division operates in the UK, France, Australia and Germany.

### **About Besso Insurance Group Limited**

Founded in 1967, Besso offers insurance broking services across a number of divisions including Property, Casualty, International, Marine, Aviation, Professional and Financial Risks and Reinsurance. The firm covers its markets globally from its headquarters in London, with additional overseas offices in Turkey, Brazil and Hong Kong. Please see [www.besso.co.uk](http://www.besso.co.uk) for more information.

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[1] 2011 revenues for Real Estate Services based on the unaudited results for Newmark & Company Real Estate, Inc. BGC's 2004 revenues (\$490.7 million) are for the consolidated Company and trailing twelve months ended September 30, 2018 are for BGC's Financial Services segment.



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