



voice ↗ *electronic brokerage*

KBW Conference November 2008 Presentation

Discussion of Forward-Looking Statements

The information in this presentation contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, words such as “may,” “will,” “should,” “estimates,” “predicts,” “potential,” “continue,” “strategy,” “believes,” “anticipates,” “plans,” “expects,” “intends” and similar expressions are intended to identify forward-looking statements.

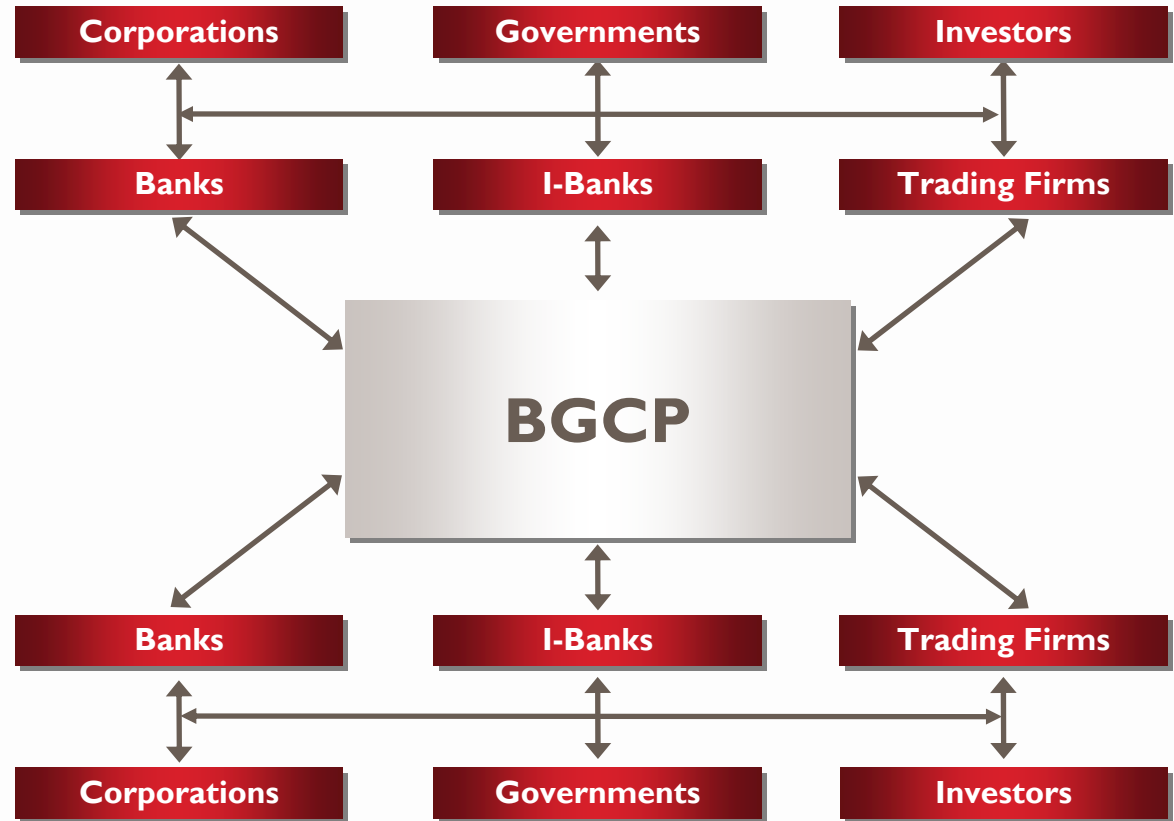
The actual results of BGC Partners, Inc. (“we,” “our”, or the “Company”) and the outcome and timing of certain events may differ significantly from the expectations discussed in the forward-looking statements. Factors that might cause or contribute to such a discrepancy for the Company include, but are not limited to, our relationship with Cantor and its affiliates and any related conflicts of interests, competition for and retention of brokers and other managers and key employees; support for liquidity and capital and other relationships; pricing and commissions and market position with respect to any of our products, and that of our competitors, the effect of industry concentration and reorganization, reduction of customers, and consolidation; liquidity, clearing capital requirements and the impact of recent credit market events; and market conditions, including trading volume and volatility and further deterioration of the capital debt markets, as well as economic or geopolitical conditions or uncertainties. Results may also be affected by the extensive regulation of our businesses, changes in regulations relating to the financial services industry, and risks relating to compliance matters, as well as factors related to specific transactions or series of transactions, including credit, performance and unmatched principal risk as well as counterparty failure. Factors may also include the costs and expenses of developing, maintaining and protecting intellectual property, including judgments or settlements paid or received in connection with intellectual property or employment or other litigation and their related costs, and certain financial risks, including the possibility of future losses and negative cash flow from operations, potential liquidity and other risks relating to the ability to obtain financing and risks of the resulting leverage, as well as interest and currency rate fluctuations. Our ability to meet expectations with respect to payment of dividends, if any, will depend from period to period on our business and financial condition, our available cash, accounting or other charges and other factors relating to our business and financial condition and needs at the time.

Discrepancies may also result from such factors as the ability to enter new markets or develop new products, trading desks, marketplaces or services and to induce customers to use these products, trading desks, marketplaces or services, to secure and maintain market share, to enter into marketing and strategic alliances, and other transactions, including acquisitions, dispositions, reorganizations, partnering opportunities, and joint ventures, and the integration of any completed transactions, to hire new personnel, to expand the use of technology and to effectively manage any growth that may be achieved. Results are also subject to risks relating to the separation of the BGC businesses and merger and the relationship between the various entities, financial reporting, accounting and internal control factors, including identification of any material weaknesses in our internal controls, our ability to prepare historical and pro forma financial statements and reports in a timely manner, the effectiveness of risk management policies and procedures, and other factors, including those that are discussed under “Risk Factors” in eSpeed Inc.’s Annual Report on Form 10-K for the year ended December 31, 2007, which was filed with the SEC on March 17, 2008; in eSpeed’s definitive proxy statement, which was filed with the SEC on February 11, 2008; in BGC Partners’ final prospectus, which was filed with the SEC on June 6, 2008, and as amended from time to time in our quarterly reports on Form 10-Q or our Annual Report on Form 10-K.




We believe that all forward-looking statements, as well as those risks discussed under “Risk Factors” in our most recent SEC filings are based upon reasonable assumptions when made. However, we caution that it is impossible to predict actual results or outcomes or the effects of risks, uncertainties or other factors on anticipated results or outcomes and that accordingly you should not place undue reliance on these statements. Forward-looking statements speak only as of the date when made and we undertake no obligation to update these statements in light of subsequent events or developments.

BGCP → What We Do

- BGC = Inter-Dealer Broker ("IDB")
- IDBs facilitate wholesale financial services between IDB customers - banks, investment banks, and broker dealers
- IDBs ≈ OTC version of an exchange for anything *not* traded on an exchange (Treasuries, FX Options, Swaps, Credit Derivatives, etc.)
- Market neutral - do not make proprietary trades to bet on the market and retain no balance sheet risk



Business Overview

Voice / Hybrid Broking	Electronic Broking	Market Data/ Software Solutions
<ul style="list-style-type: none"> → Key products include: <ul style="list-style-type: none"> → Rates → Credit → Foreign Exchange → Equity Derivatives → 1,262 brokers over more than 150 desks 	<ul style="list-style-type: none"> → Key products include: <ul style="list-style-type: none"> → Treasuries → Credit Default Swaps → FX Options → European Government Bonds → Canadian Sovereigns → Proprietary network connected to the global financial community → Substantial investments in creating proprietary technology / network 	<ul style="list-style-type: none"> → Develops and markets real-time proprietary pricing data <p style="text-align: center; font-size: 2em; color: red;">+</p> <ul style="list-style-type: none"> → Provider of customized screen-based solutions which enables clients to develop electronic marketplaces
	<p>BGC Trader</p> 	 <p>bgcantor Market Data</p>

Highlights

Strong momentum in high growth product areas

Leading inter-dealer broker in key products and geographies

Full scale, hybrid brokerage platform for voice and fully electronic execution

Leader in developing electronic marketplaces

Deep and experienced management team

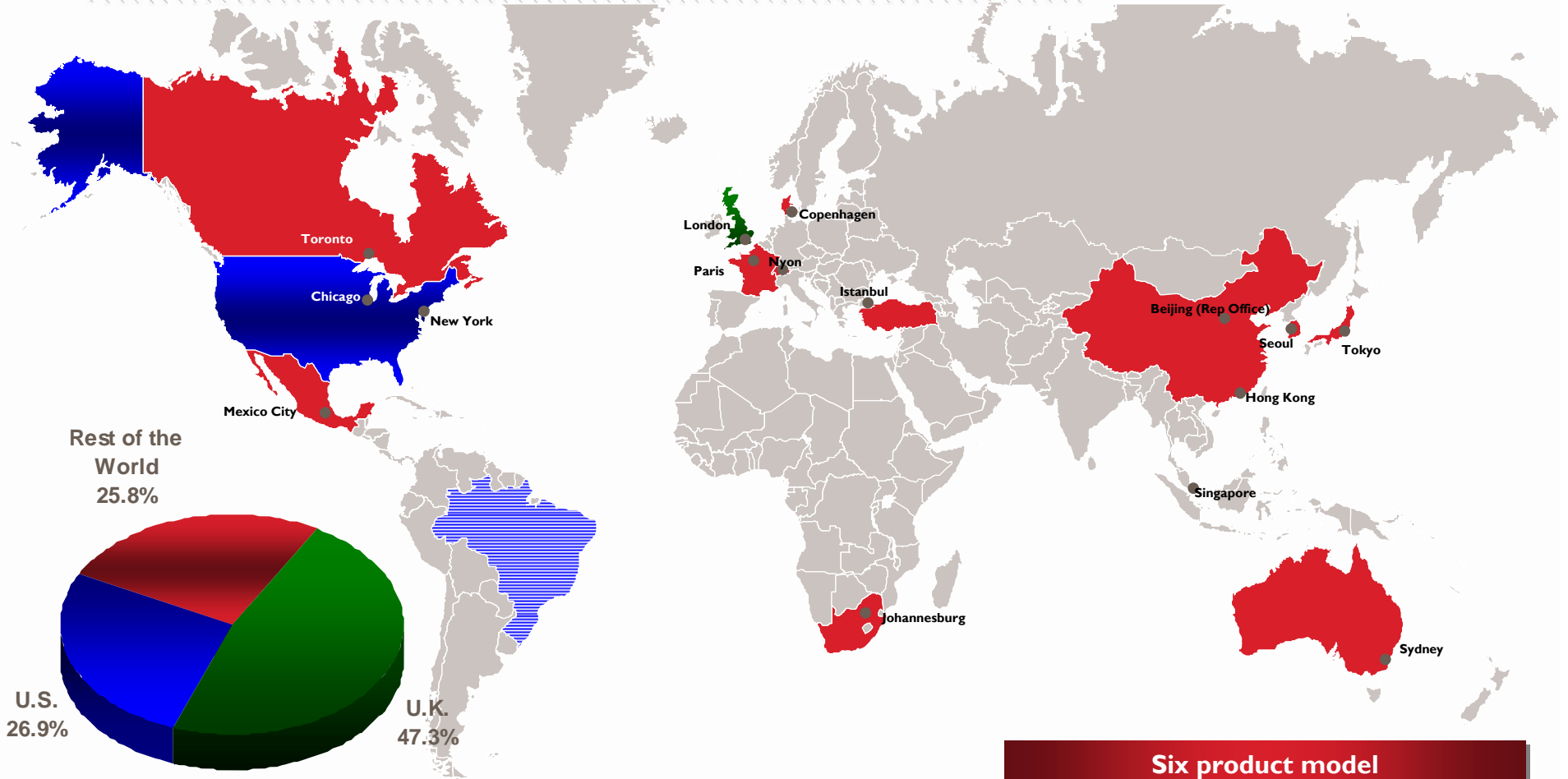
Ability to attract and retain key talent

Track record of successful acquisitions and integration

Highly leveragable financial model

Strong growth in distributable earnings

Diversified Global Opportunities



Total revenues: \$1,118 mm ^(a)



(a) 2007A Pro-Forma BGC Partners

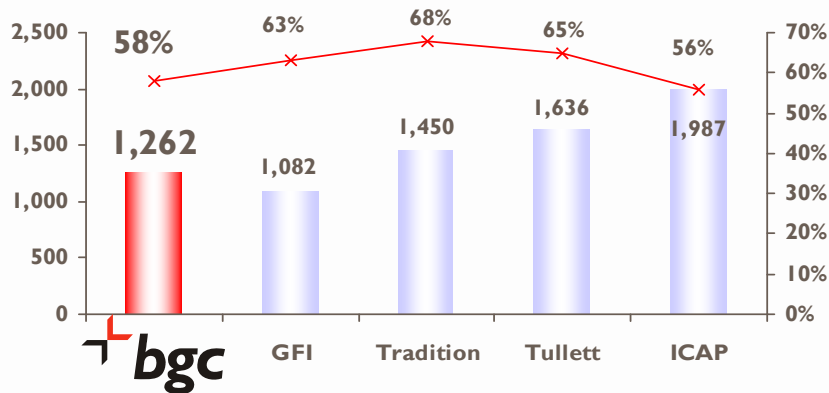
Note: BGC will have 2 offices in Brazil pending completion of Liquidez acquisition

Six product model	
→ Credit	→ Energy
→ Rates	→ Commodities
→ Foreign exchange	→ Equities

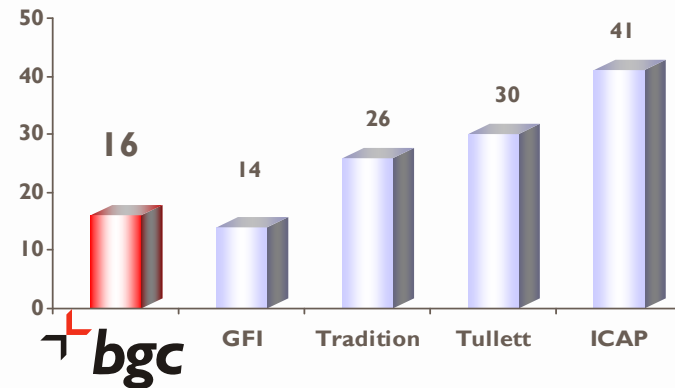
Leading Global Inter-dealer Broker

Operational comparison

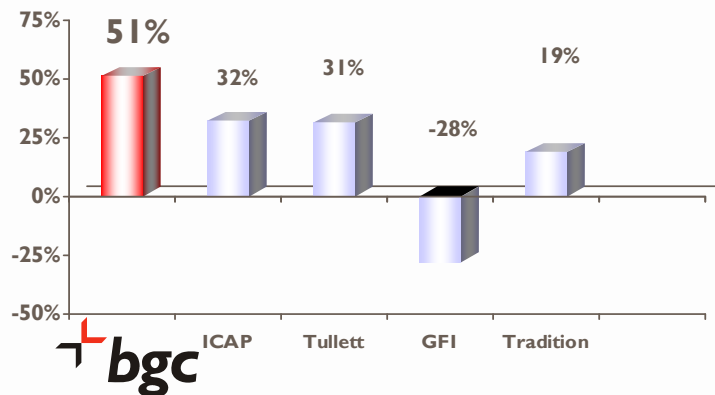
Brokers and broker compensation/revenue



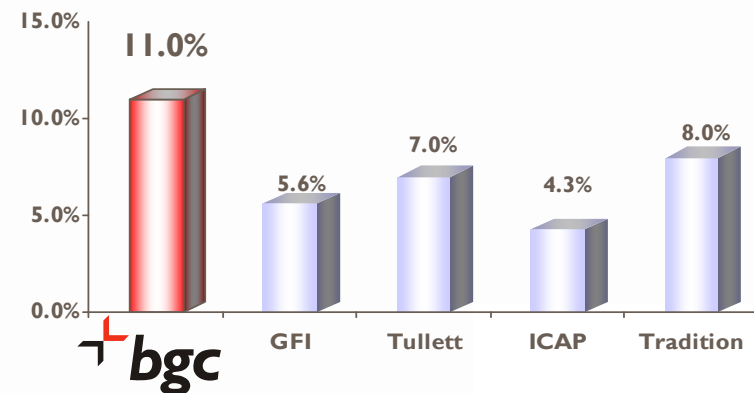
Number of cities present



Y-O-Y Net Income growth (Most Recent Period Reported)



Indicated dividend yield

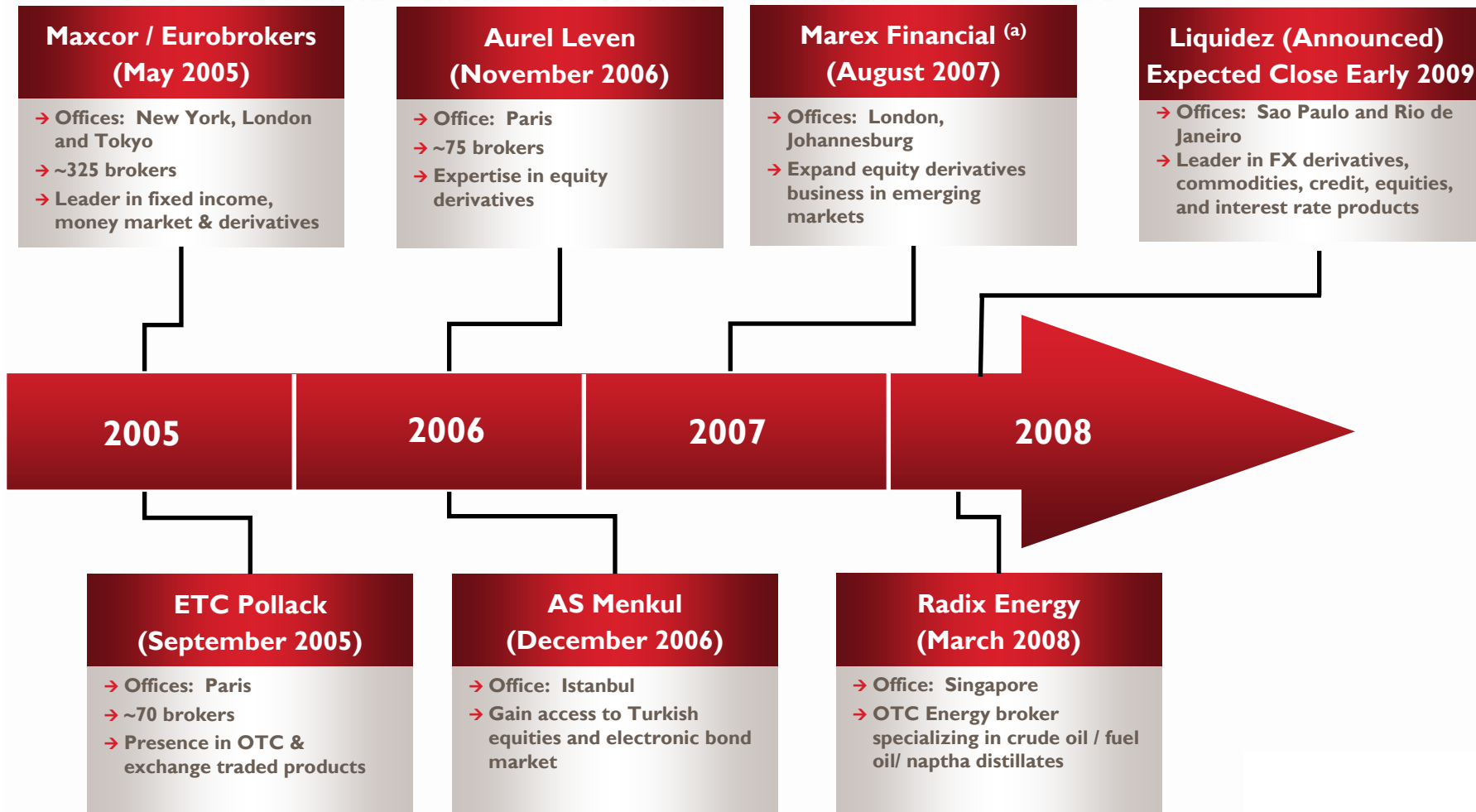


Ability to Attract and Retain Key Talent

- Partnership structure extremely tax efficient for both partners & public shareholders
- Partnership is a key tool in attracting and retaining key producers
- Unlike peers, large number of key employees have sizable and restricted equity stakes ($\approx 31\%$ of fully diluted shares)
- Fundamental alignment of employees' interests with shareholders
- Structure combines best aspects of private partnership with public ownership



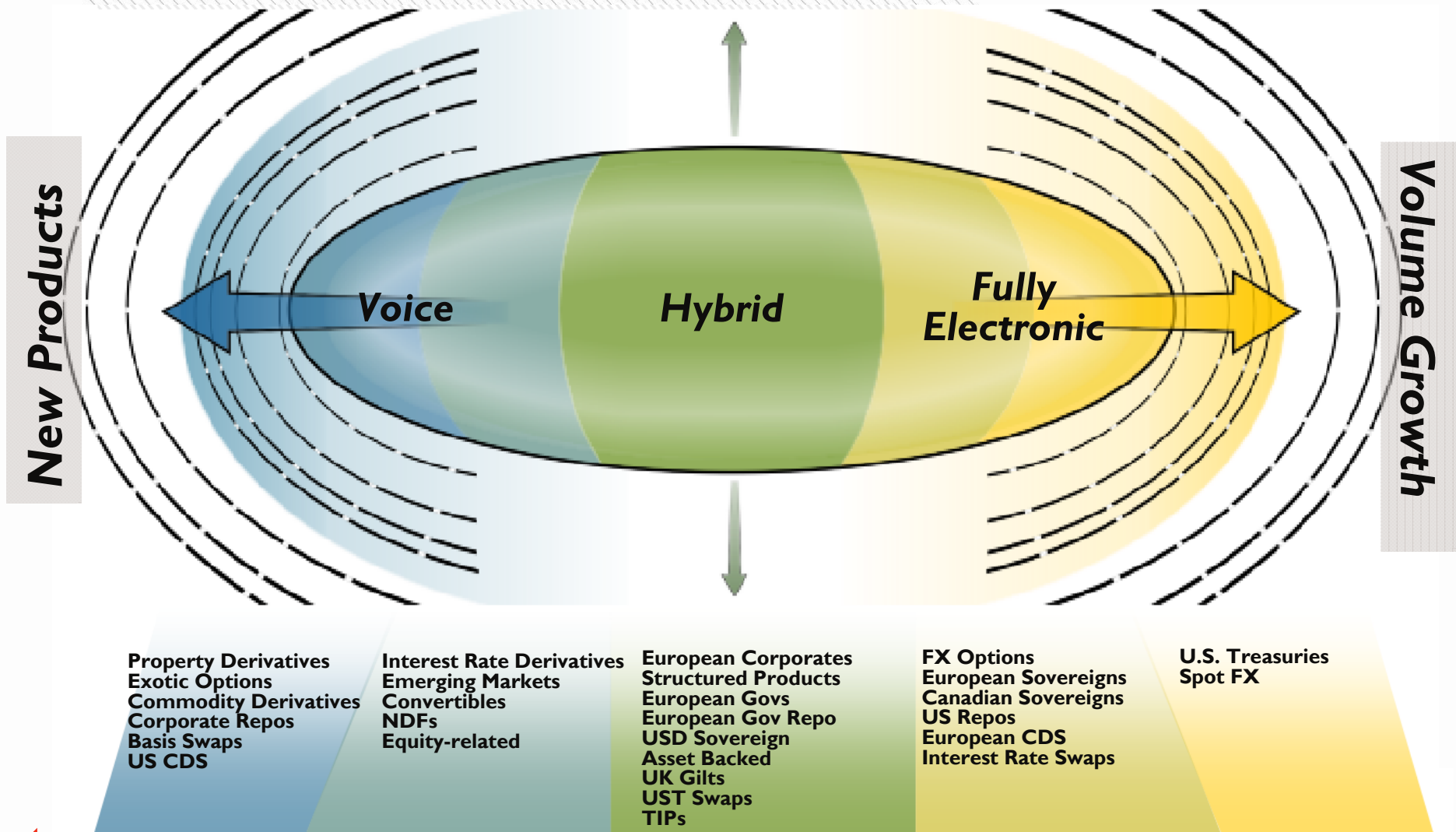
Track Record of Successful Acquisitions



BGC Strongly Favors OTC Central Clearing

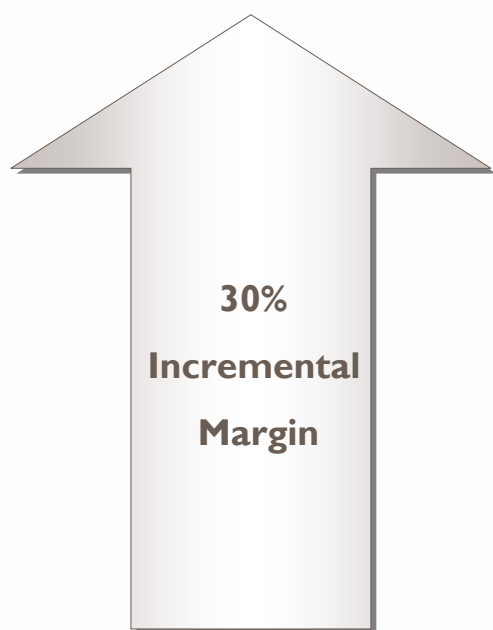
- We profitably broker OTC and exchange traded, centrally cleared products
 - Listed equities, options, and futures
 - U.S. Treasuries, interest rate swaps, energy, & spot FX
- BGC does not receive any revenue for clearing - therefore no revenue for us to lose to a central clearer
- We get paid significantly faster by clearing organizations
 - Receivables will be reduced with more OTC central clearing
- Central clearing leads to higher OTC volumes, which increases revenues and hastens electronification (which = higher profitability)

Technology + New Products = Expanded Markets

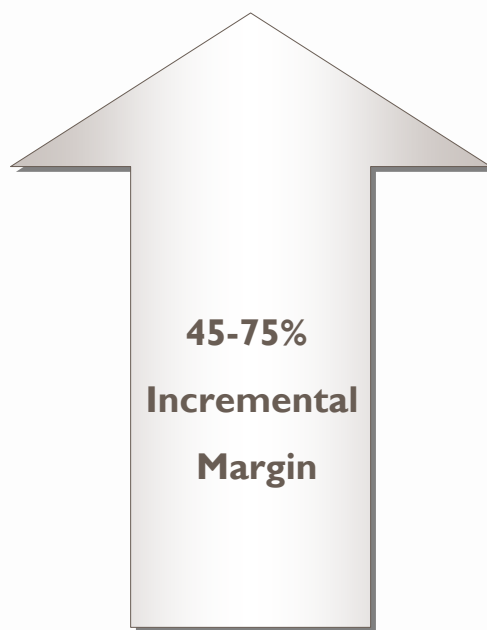


Significant Leverage Through Scale and Technology

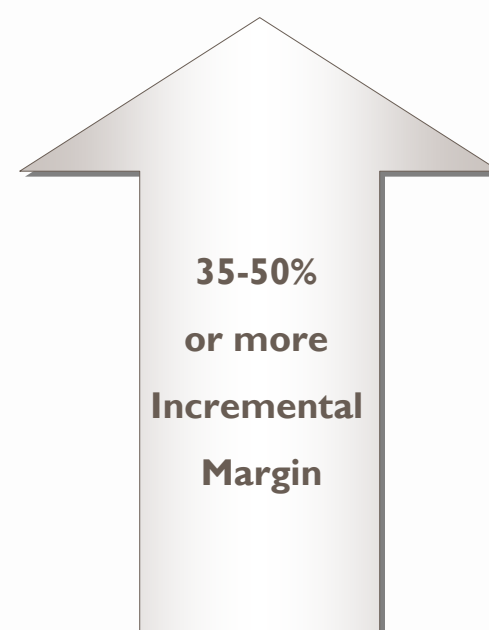
Pre-Tax Distributable Earnings Contribution



Hybrid Brokerage



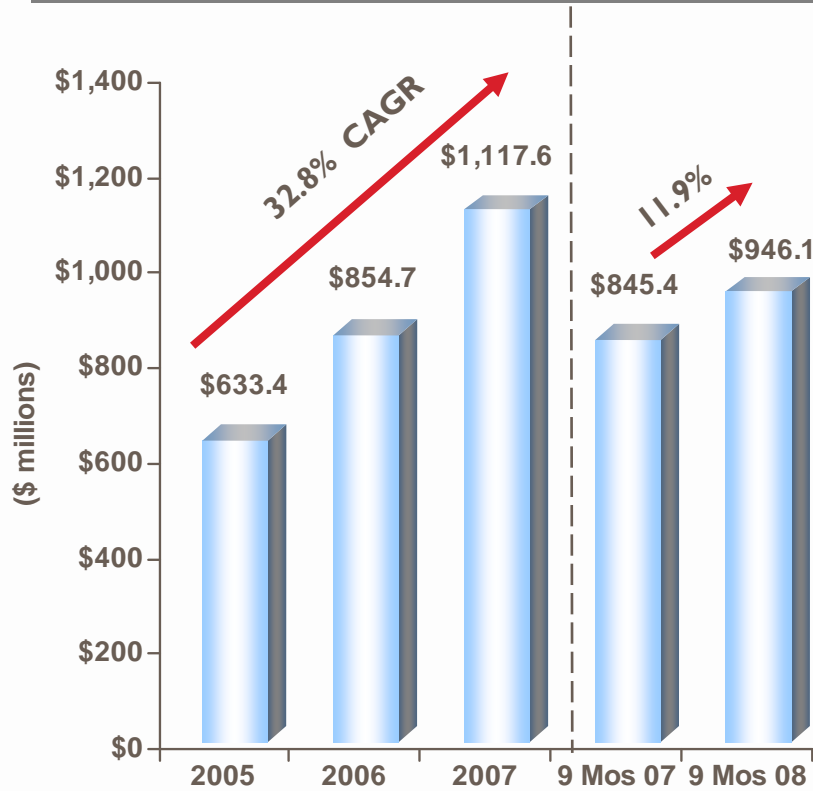
Fully Electronic



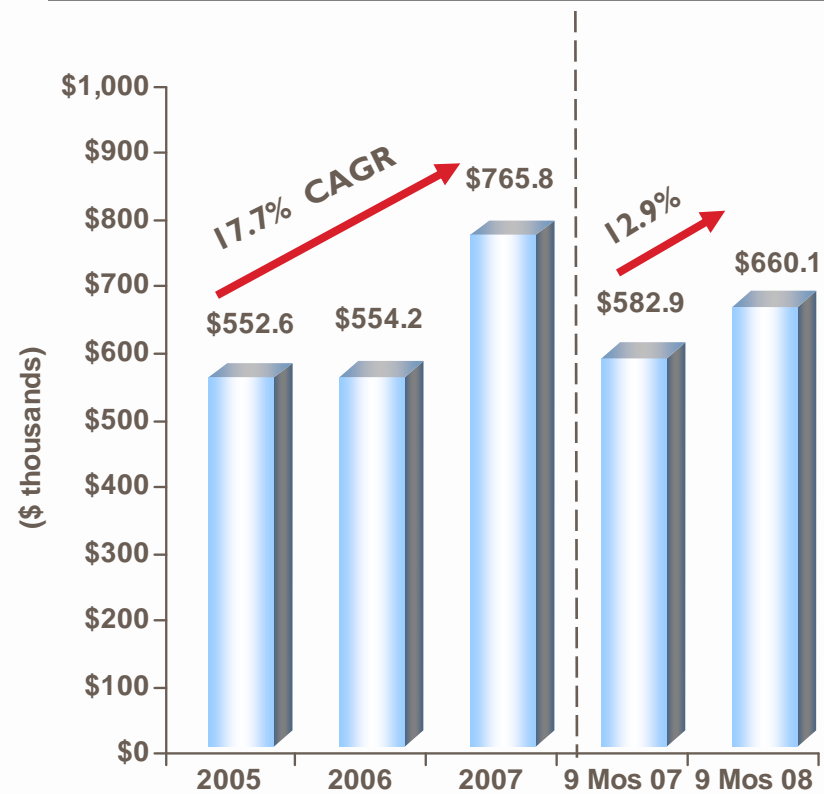
Market Data and Software

BGC Revenue Trend

Revenue Growth (in millions)



Voice/Hybrid Broker Productivity (in thousands)



→ Total Revenue up 1.1% y-o-y in 3Q2008 to 302.8 million

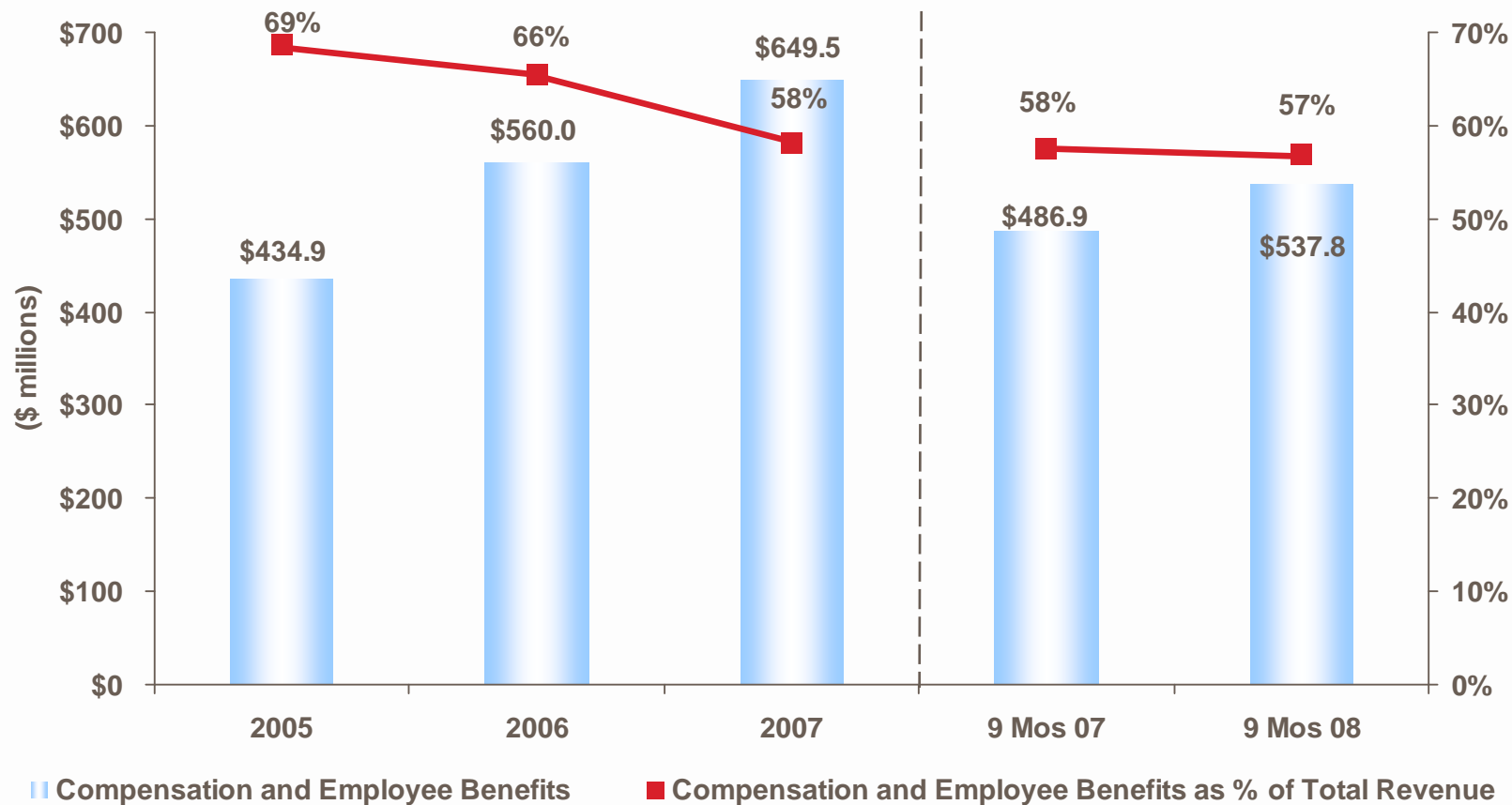
→ Broker productivity up 5.0% y-o-y in 3Q2008 to 202.5 thousand

→ On 9/30/2008, BGC Partners had 1,262 voice/hybrid brokers, vs. 1,247 on 6/30/2008 & 1,200 on 9/30/2007



Note: BGC results for 2005 – 2007 in this chart are as provided in the BGC Partners “Supplemental Consolidated Statements of Operations” in its 6/5/2008 final prospectus. Broker productivity calculated by dividing total voice / hybrid revenue by weighted average brokers per period. Revenue is Revenue for Distributable Earnings.

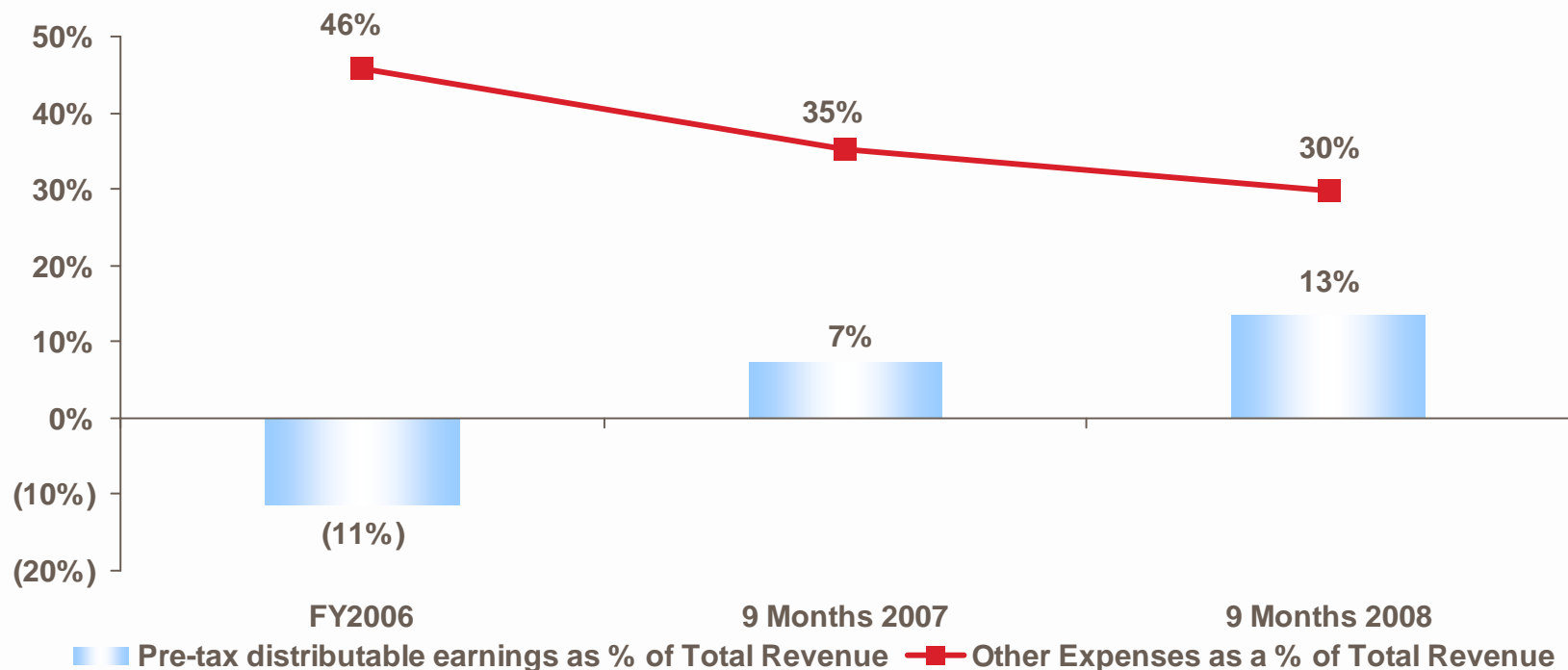
BGC Partners Compensation Ratio



→ Compensation ratio was 57.7% in 3Q2008 vs. 56.3% in 3Q2007

Note: Based on Distributable Earnings.

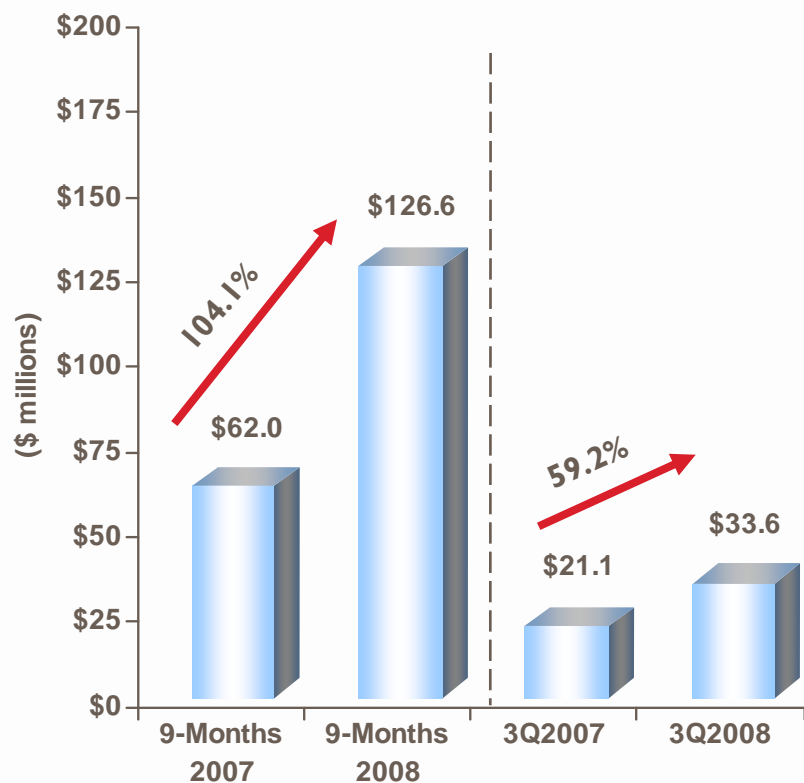
Operating Leverage / Fixed Expense Base



- Other expenses includes occupancy and equipment, software amortization, communications, professional and consulting fees, fees to related parties, selling and promotion, commissions and floor brokerage, interest expense and other expenses
- Pre-tax distributable earnings margin was 11.1% in 3Q2008 vs. 7.0% in 3Q2007
- Post-tax distributable earnings margin was 8.4% in 3Q2008 vs. 5.6% in 3Q2007

Strong Distributable Earnings Growth

Pre-tax Distributable Earnings Growth



Post-tax Distributable Earnings Growth



- Post-tax distributable earnings increased by 50.8 % y-o-y to \$25.3 million
- Post-tax distributable earnings per fully diluted share were up 44.4 % y-o-y

3Q2008 Distributable Earnings Highlights

- DE Revenues increased slightly y-o-y to \$302.8 mm in the 3Q2008
- Pre-tax DE increased by 59.2% y-o-y to \$33.6 mm
- Post-tax DE increased by 50.8% y-o-y to \$25.3 mm
- Post-tax DE per fully diluted share up 44.4% y-o-y to \$0.13
- We pay 75% of distributable earnings as a dividend to common shareholders, use the other 25% to repurchase stock
 - \$0.10 dividend payable 12/1/2008 to stockholders of record as of 11/17/2008

Investment Highlights

Significant growth opportunities across products and geographies

Highly leveragable business drives margin improvement

Proprietary technology and electronic transition further increases margins

Deep and experienced management team

Ability to attract and retain key talent

59% pre-tax distributable earnings growth from Q3 2007 to Q3 2008

At least 75% of post-tax distributable earnings to be distributed as dividend

Interests of partners and shareholders are perfectly aligned



Appendix

Distributable earnings

- Revenues for distributable earnings are defined as GAAP revenues excluding the non-cash impact of BGC Partners' equity investments
- Pre-tax distributable earnings are defined as GAAP income (loss) from continuing operations before minority interest and income taxes and exclude non-cash, non-dilutive, and non-economic items
- Post-tax distributable earnings are defined as pre-tax distributable earnings adjusted to assume that all pre-tax distributable earnings were taxed at the same effective rate.
- See the section of BGC's 3Q2008 financial results release titled "Distributable Earnings", available in the "Investor Relations" section of www.bgcpartners.com for a more detailed discussion of this term and a reconciliation to GAAP

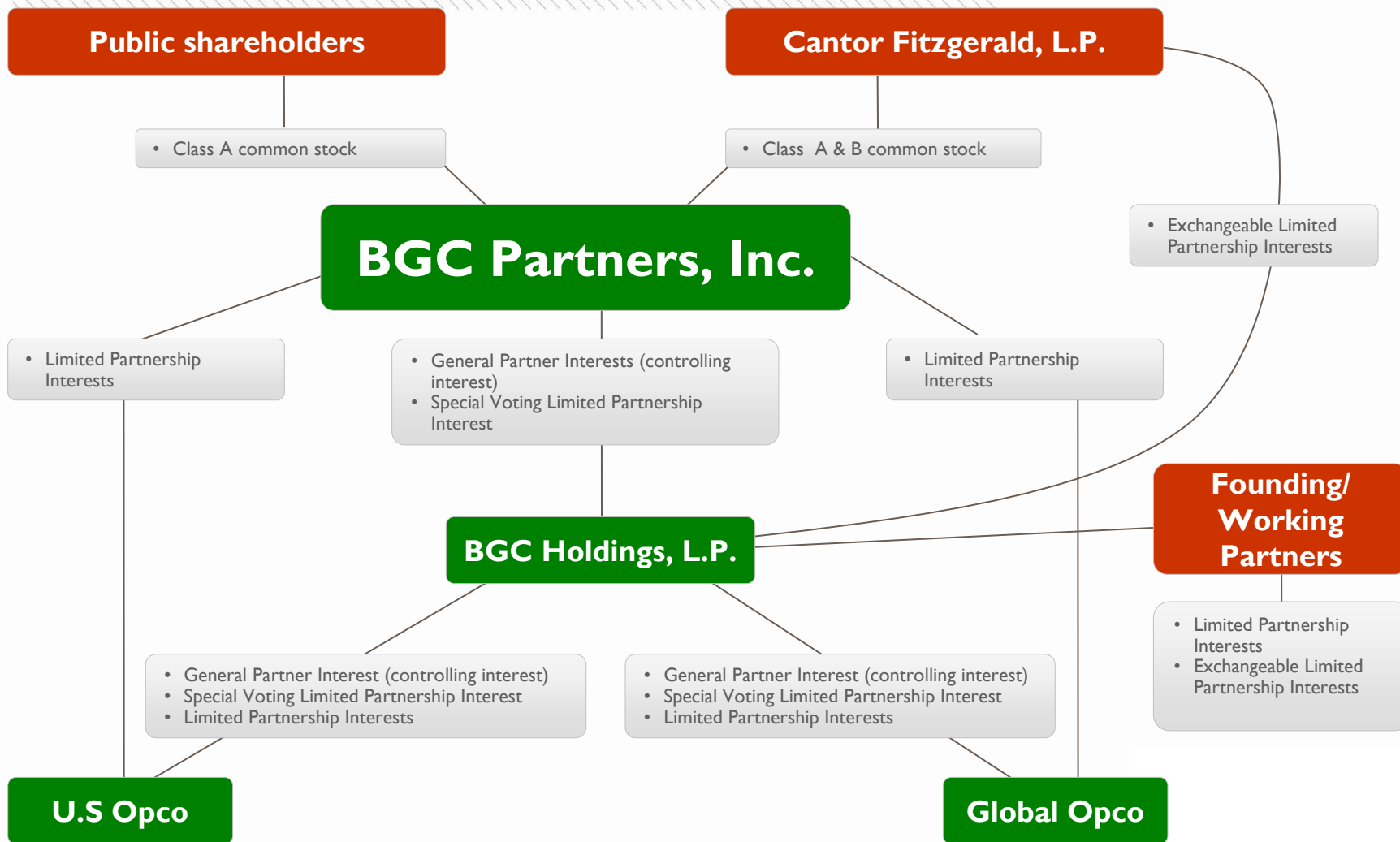
4Q2008 Outlook

- Revenues of between \$260 million and \$280 million vs. \$272.2 million in the fourth quarter 2007
- Pre-tax distributable earnings of approximately \$22 million to \$29 million which represents a substantial increase compared with \$4.3 million in the fourth quarter of 2007
- Post-tax distributable earnings to be in the range of \$17 million to \$23 million versus (\$2.4) million in the prior-year period.
- Compensation and employee benefits are expected to remain between 55% and 60% of total revenues for the full year 2008 on a distributable earnings basis
- The Company still anticipates having an effective tax rate for distributable earnings of approximately 22% in 2008 and approximately 27% for 2009 and thereafter.

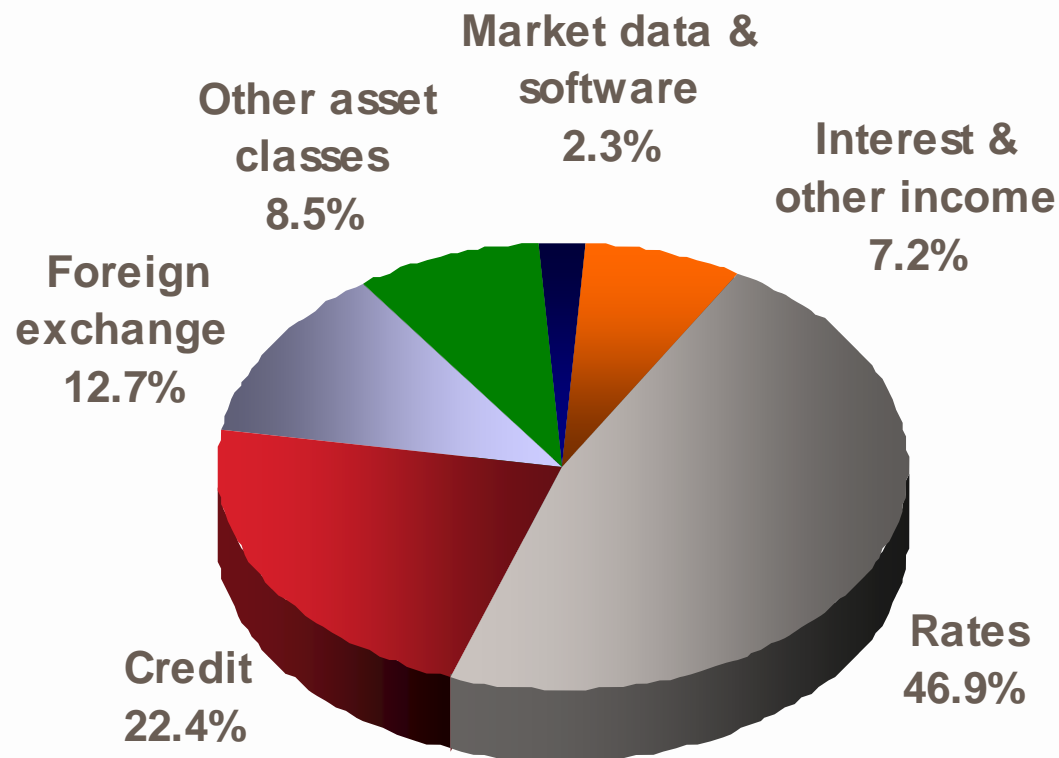
Risk Management

- ≈80% of brokerage revenue is on an agency-basis (“name give-up”) with no market or counterparty risk
- ≈20% of brokerage revenue is from principal transactions
 - The vast majority of principal transactions are done on a matched basis with no market risk and very limited counterparty exposure due to central counterparty clearing
 - A small minority of principal transactions don’t use central counterparty to clear and have only small amount of short-term settlement risk, with most trades settling in under a week
 - We employ a number of risk management processes to monitor our limited exposure to our customers
 - Trading with a new counterparty requires approval by our credit department.
 - As part of our risk management procedures, we also monitor and control the counterparty limits that are established by the credit department on a daily basis
- Our risk management processes address disaster recovery concerns. All data centers are built and equipped to best-practice standards of physical security with appropriate environmental monitoring and safeguards
 - 5 redundant and concurrent data centers and 12 hub cities throughout the world

Structure Creates Employee Retention and Lower Effective Tax Rate



3Q2008 Revenue Breakdown



- 3Q2008 total revenues for distributable earnings = \$302.8 mm
- 3Q2008 revenues related to fully electronic = 7.9% of total revenues
- 3Q2008 related to fully electronic + market data + software revenues = 10.2% of total revenues

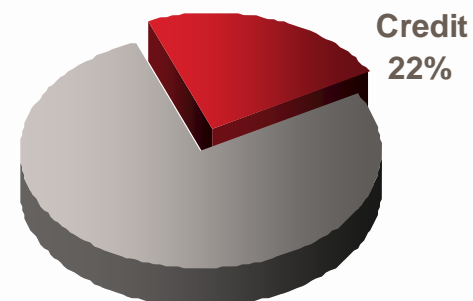
Brokerage Overview: Credit

Example of Products

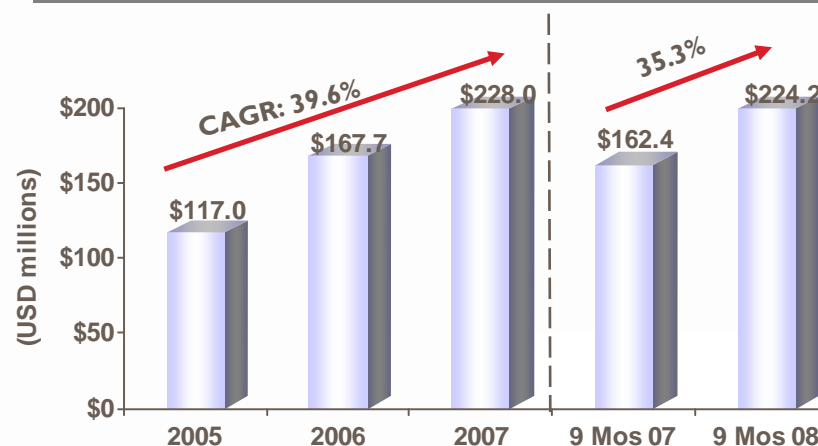
→ Credit products include:

- Credit derivatives
- Asset-backed securities
- Convertibles
- Corporate bonds
- High yield bonds
- Emerging market bonds
- Up approximately 17.2% y-o-y 3Q2008

% of 3Q2008 Distributable Earnings Revenue



Credit Revenue Growth



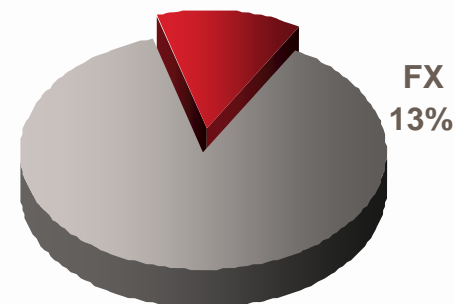
Brokerage Overview: Foreign Exchange

Example of Products

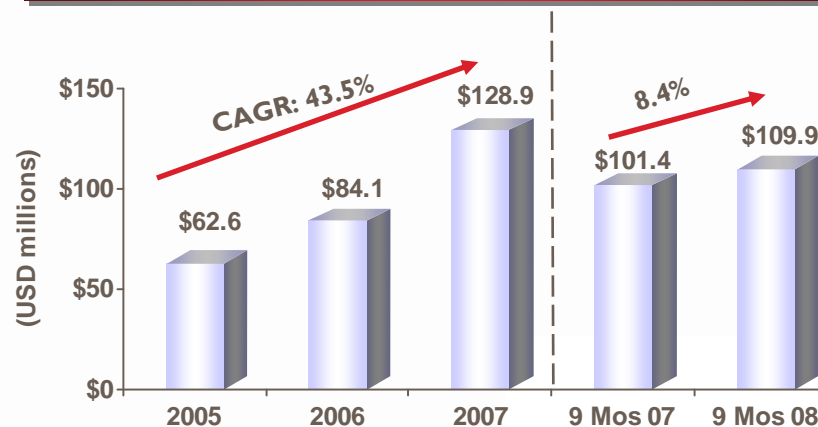
→ Foreign exchange products include:

- Foreign exchange options
- G10
- Emerging markets
- Cross currencies
- Exotic options
- G8 currency
- Emerging market FX options
- Exotic FX options
- Up approximately 6.4% y-o-y 3Q2008

% of 3Q2008 Distributable Earnings Revenue



Foreign Exchange Revenue Growth



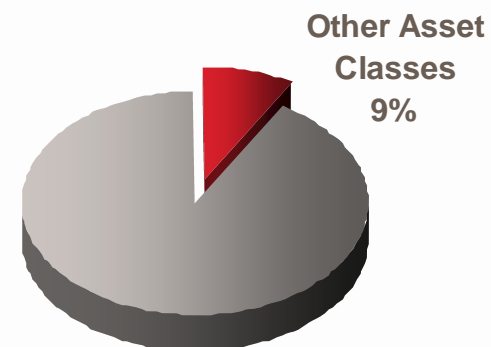
Brokerage Overview: Other Asset Classes

Example of Products

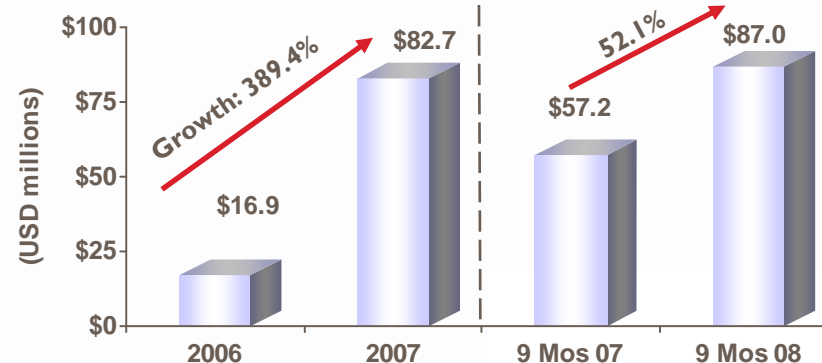
→ Products in other asset classes includes:

- Equity derivatives
- Index futures
- Commodities
- Energy derivatives
- Up approximately 42.0% y-o-y 3Q2008
- Other derivatives and futures

% of 3Q2008 Distributable Earnings Revenue



Other Asset Classes Revenue Growth

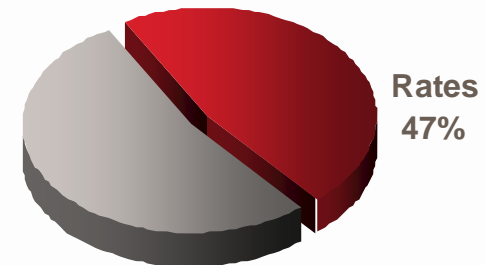


Brokerage Overview: Rates

Example of Products

- Selected Rates products include:
- Interest rate derivatives
 - U.S. Treasuries
 - Global Government Bonds
 - Futures
 - Dollar derivatives
 - Repurchase agreements
 - Non-deliverable forwards
 - Non-deliverable swaps
 - Interest Rate swaps & options
 - Down approximately 12.4% y-o-y 3Q2008

% of 3Q2008 Distributable Earnings Revenue



Rates Revenue Growth

