



BGC GROUP, INC.

NASDAQ: BGC

EARNINGS PRESENTATION Q4 2023



DISCLAIMER

DISCUSSION OF FORWARD-LOOKING STATEMENTS ABOUT BGC

Statements in this document regarding BGC 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. These include statements about the Company’s business, results, financial position, liquidity and outlook, which may constitute forward-looking statements and are subject to the risk that the actual impact may differ, possibly materially, from what is currently expected. 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 and Special Note on Forward-Looking Information set forth in these filings and any updates to such risk factors and Special Note on Forward-Looking Information contained in subsequent reports on Form 10-K, Form 10-Q or Form 8-K.

NOTE REGARDING FINANCIAL TABLES AND METRICS

Excel versions of certain tables in this document are available for download online. The Excel tables may include other useful information that may not be contained herein, including certain of BGC’s financial results and metrics from the current period to as far back as the first quarter of 2021. These excel tables are accessible in the various financial results press releases at the “Investor Relations” section of <http://www.bgcg.com>. They are also available directly at <http://ir.bgcg.com/press-releases>.

OTHER ITEMS OF NOTE

Unless otherwise stated, all results provided in this document compare the fourth quarter of 2023 with the year-earlier period. Certain reclassifications/recasts may have been made to previously reported amounts to conform to the current presentation and to show results on a consistent basis across periods.

NON-GAAP FINANCIAL MEASURES

This presentation should be read in conjunction with BGC’s most recent financial results press releases and filings or reports on Form 10-K, Form 10-Q or Form 8-K. Throughout this presentation, BGC refers to certain non-GAAP financial measures, including Adjusted Earnings, Adjusted EBITDA, Liquidity, and Constant Currency. All non-GAAP results discussed herein are comparable to and reconciled with the most directly comparable GAAP figures. For an updated complete description of Adjusted Earnings, Adjusted EBITDA, Liquidity, and Constant Currency and how, when, and why management uses these and other non-GAAP measures, as well as reconciliations of these measures to the comparable GAAP measures, and more information regarding GAAP and non-GAAP results, see the “Non-GAAP Definitions and Reconciliation Tables” section of this presentation. Below under “Highlights of Consolidated Results” is a summary of certain GAAP and non-GAAP results for BGC. Results on a GAAP and non-GAAP basis are included towards the end of this presentation, with appropriate reconciliations provided in the “Non-GAAP Definitions and Reconciliation Tables” section noted above and in our most recent financial results press release and/or are available at <http://ir.bgcg.com>.

Note: Certain numbers may not add due to rounding.

INVESTMENT HIGHLIGHTS

STRONG BROAD-BASED GROWTH



- Record Q4 revenue, up **18%** yr/yr¹
- Record FY revenue, up **13%** yr/yr¹
- Revenue growth across all asset classes and geographies in 2023 vs. 2022

HIGHER PROFITABILITY & EXPANDING MARGINS



- Profitability improved across all GAAP and Adjusted Earnings metrics in Q4 2023
- Q4 2023 Pre-tax Adjusted Earnings margin of **21.4%** expanded yr/yr for the 13th consecutive quarter

FENICS



- High-margin, technology driven trade execution, data, network & post-trade offerings
- Q4 2023 Fenics total revenue: **+20%** yr/yr
 - *Fenics Growth Platforms*: **+43%** yr/yr
 - *Fenics Markets* revenue: **+16%** yr/yr
- FY 2023 revenues of **\$522mm**, up **16%**

FMX



- Received CFTC regulatory approval in Jan. 2024
- Plan to discuss strategic partners and further details on, or before, Q1 2024 earnings call
- Intend to launch FMX Futures Exchange in the summer of 2024
- Fenics UST – revenue increased more than **70%** yr/yr and market share grew to **26%** in Q4 2023²

1. Excludes business dispositions or spin-offs, such as BGC's spin-off of its Real Estate business and sale of its Insurance Brokerage Business.
2. Central limit order book ("CLOB") market share. Source: Coalition Greenwich.

Q4 2023 & FY 2023 PERFORMANCE

Highlights of Consolidated Results <i>(USD millions, except per share data)</i>	Q4 2023	Q4 2022	Change	FY 2023	FY 2022	Change
Revenues	\$516.8	\$436.5	18.4%	\$2,025.4	\$1,795.3	12.8%
GAAP income (loss) from operations before income taxes	31.9	1.6	1,884.4%	57.7	97.5	(40.8)%
GAAP net income (loss) for fully diluted shares	18.8	2.8	582.3%	33.9	63.5	(46.5)%
Adjusted Earnings before noncontrolling interest in subsidiaries and taxes	110.8	87.1	27.3%	442.9	373.1	18.7%
Post-tax Adjusted Earnings	101.3	78.4	29.2%	411.0	343.8	19.5%
Adjusted EBITDA	151.6	124.0	22.3%	573.7	486.2	18.0%
GAAP fully diluted earnings (loss) per share	\$0.04	\$0.01	300.0%	\$0.07	\$0.13	(46.2)%
Post-tax Adjusted Earnings per share	\$0.21	\$0.16	31.3%	\$0.82	\$0.69	18.8%

BUSINESS HIGHLIGHTS

- Revenue growth **accelerated every quarter** throughout the year
- Growth across **all asset classes & geographies** in 2023
- Double-digit growth across **all Adjusted Earnings metrics** in Q4 & FY 2023
- Pre-tax AE margins expanded yr/yr for the **13th consecutive quarter**

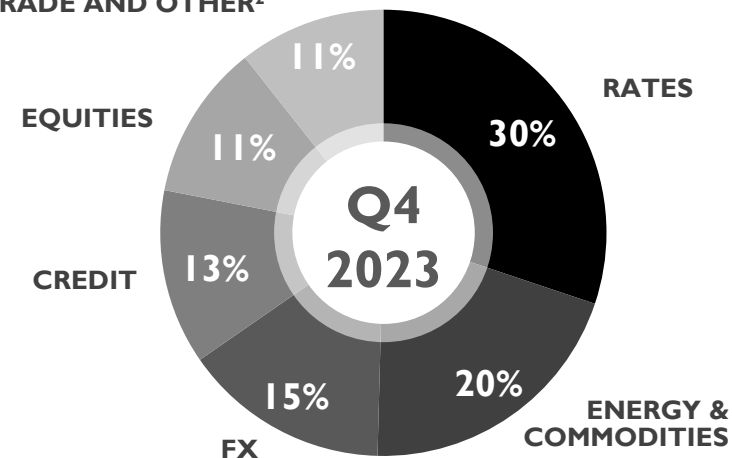
Q4 2023 Margins:

- Pre-tax AE: **21.4%** (+149 bps yr/yr)
- Post-tax AE: **19.6%** (+163 bps yr/yr)
- Adj. EBITDA: **29.3%** (+94 bps yr/yr)

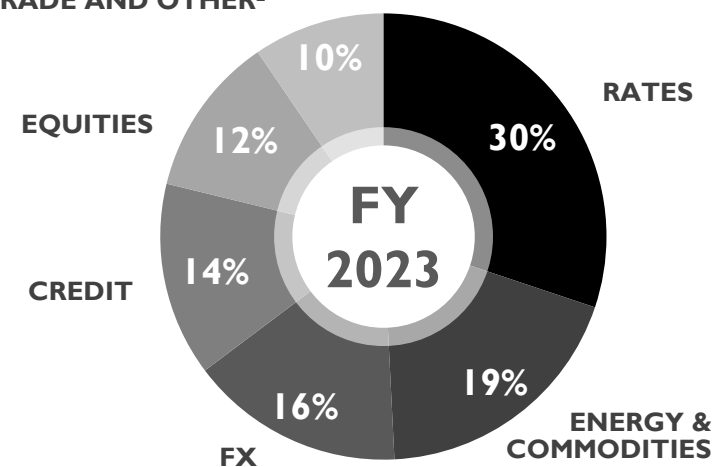
REVENUE BY ASSET CLASS

Revenue By Asset Class (USD millions)	Q4 2023	Q4 2022	Change	FY 2023	FY 2022	Change
Rates	\$155.8	\$123.6	26.1%	\$610.5	\$549.5	11.1%
Energy & Commodities	104.7	73.6	42.3%	386.2	291.7	32.4%
FX	77.2	71.9	7.5%	314.7	299.7	5.0%
Credit	65.6	68.1	(3.6)%	284.7	271.4	4.9%
Equities	58.4	60.7	(3.8)%	236.5	234.5	0.9%
Total Brokerage Revenue	\$461.8	\$397.8	16.1%	\$1,832.6	\$1,646.8	11.3%
Data, Network & Post-trade ¹	29.6	25.1	17.9%	111.5	96.4	15.6%
Other ²	25.4	13.6	86.7%	81.3	52.1	56.0%
Total Revenue	\$516.8	\$436.5	18.4%	\$2,025.4	\$1,795.3	12.8%

DATA, NETWORK & POST-TRADE AND OTHER²



DATA, NETWORK & POST-TRADE AND OTHER²

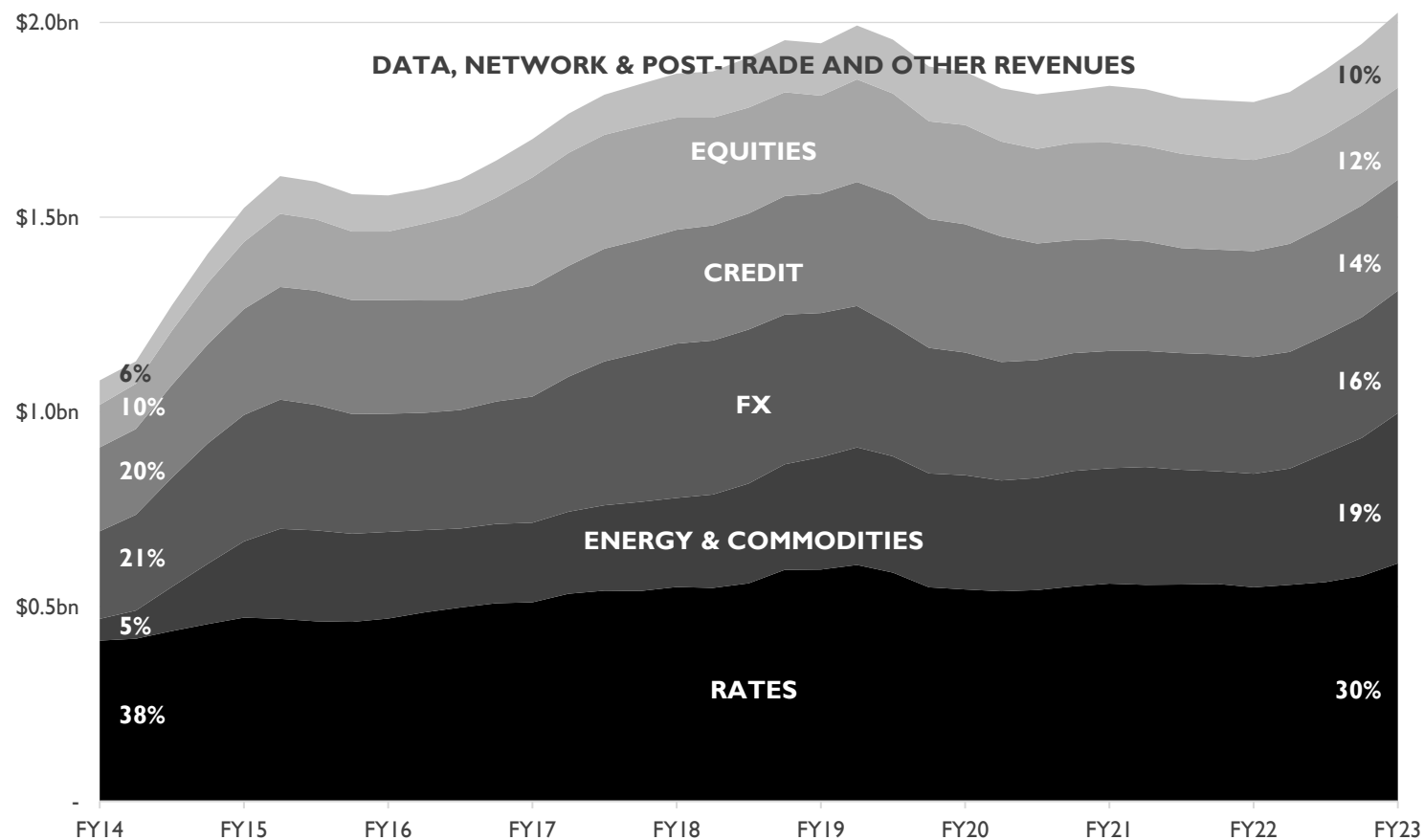


1. Beginning in the second quarter of 2023, "Data, Software, and Post-trade" was renamed to "Data, Network, and Post-trade."
 2. Other includes fees from related parties, interest and dividend income, and other revenues.

GLOBAL & DIVERSIFIED BUSINESS MODEL

HISTORIC REVENUE BY ASSET CLASS

(Percentage of Total Revenues)



DIVERSIFICATION DRIVING GROWTH

\$2bn

Eclipsed \$2 billion in full year revenue for the first time¹



Energy & Commodities has grown from BGC's smallest asset class to its second largest

1. Excludes business dispositions or spin-offs, such as BGC's spin-off of its Real Estate business and sale of its Insurance Brokerage Business.

REVENUE BY GEOGRAPHY & CURRENCY

Q4 2023
GLOBAL
REVENUE

AMERICAS
\$186mm
+22% yr/yr
(35.9% of total)

EMEA
\$265mm
+20% yr/yr
(51.2% of total)

APAC
\$66mm
+3% yr/yr
(12.9% of total)



FY 2023
GLOBAL
REVENUE

AMERICAS
\$727mm
+19% yr/yr
(35.9% of total)

EMEA
\$1,023mm
+12% yr/yr
(50.5% of total)

APAC
\$275mm
+1% yr/yr
(13.6% of total)

REVENUE BY CURRENCY (USD Equivalent¹)

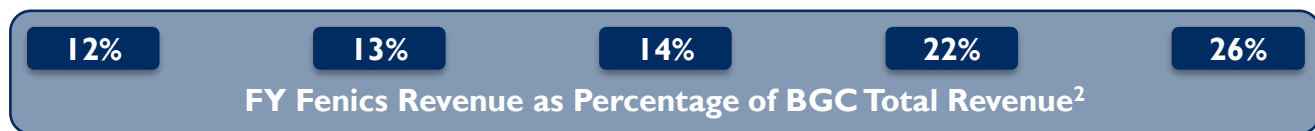
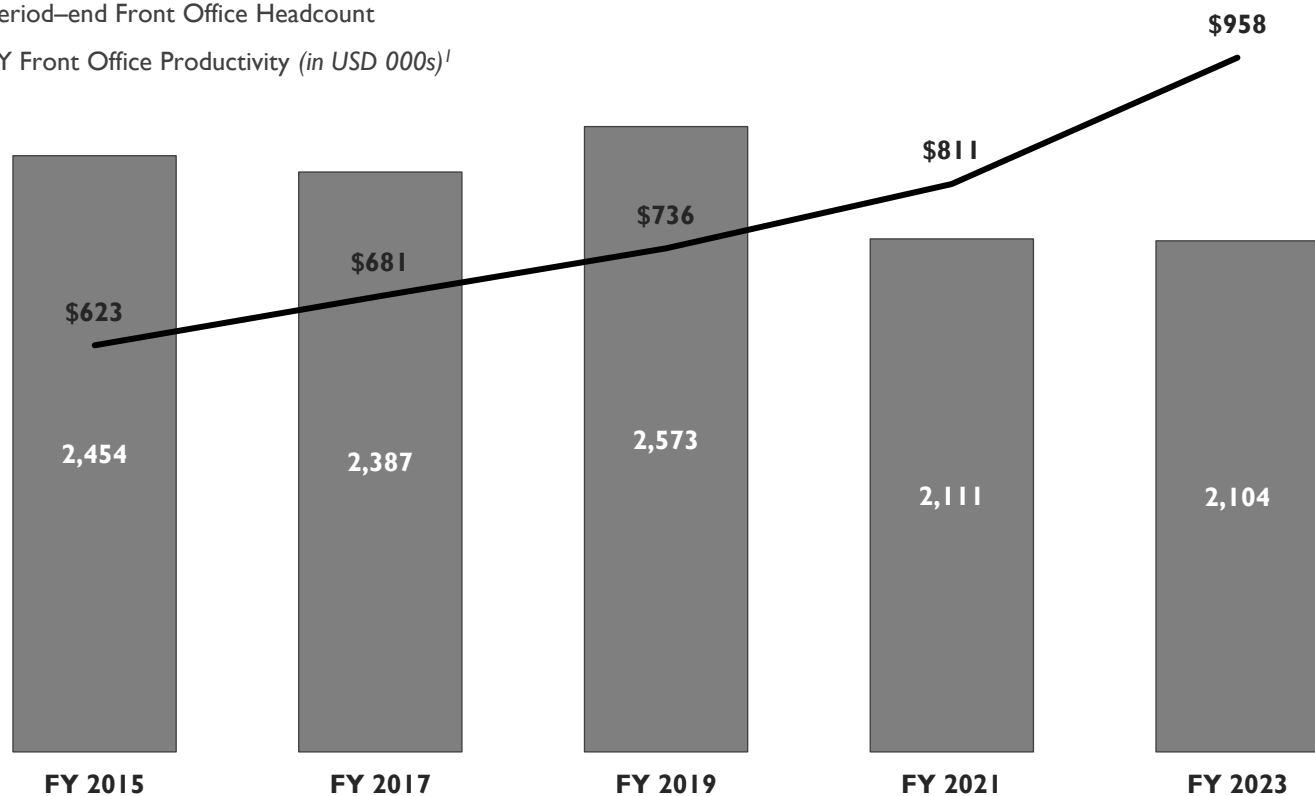
	Q4 2023	FY 2023
\$	\$327mm 63.4%	\$1,260mm 62.2%
€	\$98mm 18.9%	\$407mm 20.1%
£	\$32mm 6.2%	\$132mm 6.5%
OTHER	\$60mm 11.6%	\$225mm 11.1%
TOTAL	\$517mm	\$2,025mm

1. GBP to USD average exchange rate of 1.25 for Q4 2023, and EUR to USD average exchange rate of 1.08 for Q4 2023.

FRONT OFFICE PRODUCTIVITY CONTINUES TO ACCELERATE

FRONT OFFICE HEADCOUNT AND PRODUCTIVITY

Period-end Front Office Headcount
 FY Front Office Productivity (in USD 000s)¹

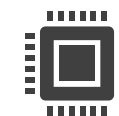


\$958k

Record FY front office productivity, 11% growth yr/yr

4th

Consecutive year of front office productivity growth



Increased use of technology and automation expected to continue to drive productivity higher

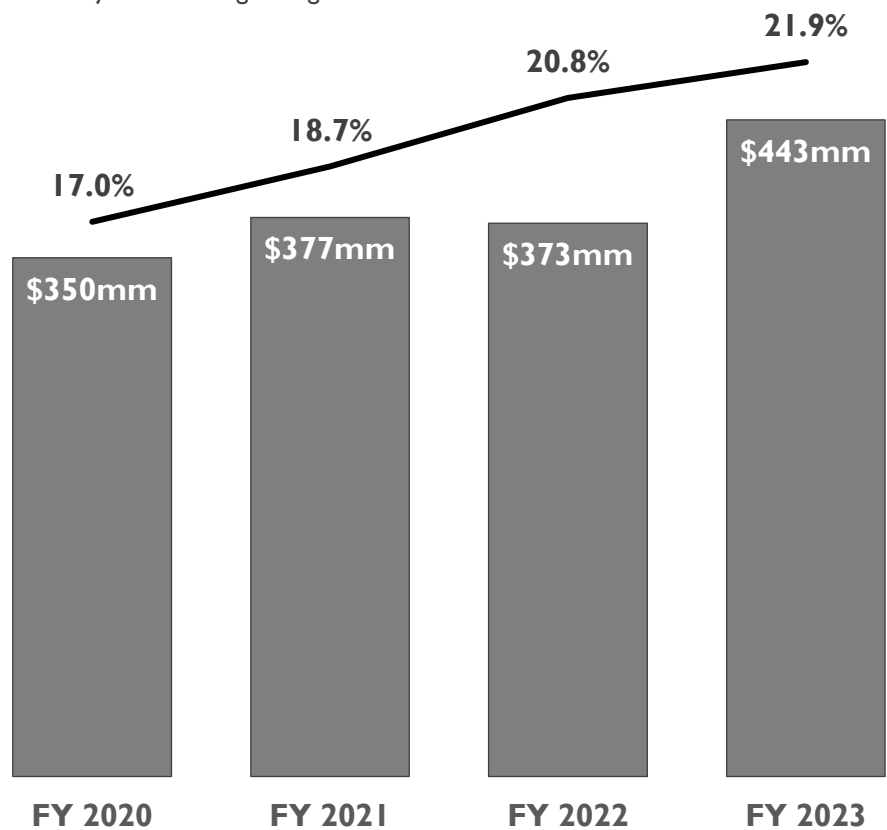
1. The figures in the above table include brokerage revenues (excluding Insurance) & revenues from data, network and post-trade. The average revenues for all producers ("productivity") are approximate & based on relevant revenues divided by average number of producers for the period.
 2. Fenics revenue excludes intercompany revenue for all periods. BGC total revenue and headcount excludes Newmark and Insurance for all periods, including prior to the 2018 spin-off of Newmark and the sale of BGC's Insurance Brokerage Business in Q4 2021.



STRONG MARGIN EXPANSION & EPS GROWTH

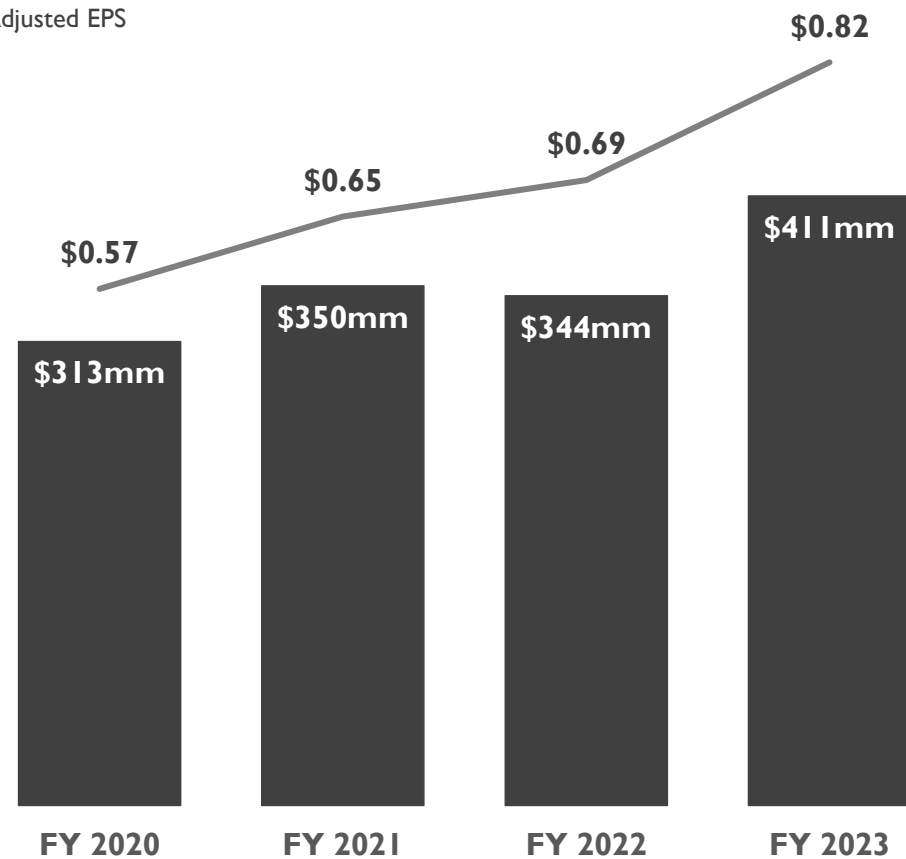
PRE-TAX ADJUSTED EARNINGS MARGIN EXPANSION

- Pre-tax Adjusted Earnings
- Pre-tax Adjusted Earnings Margin



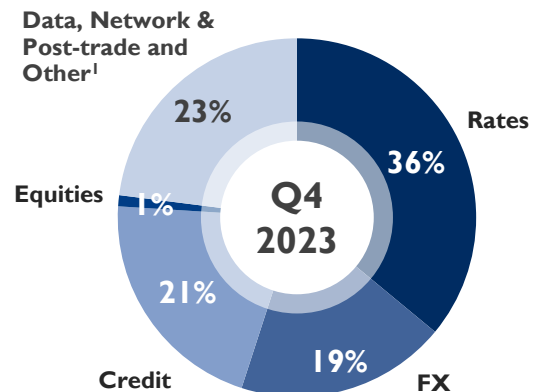
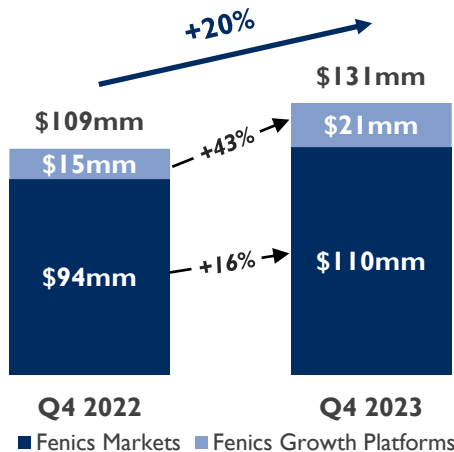
POST-TAX ADJUSTED EARNINGS & ADJUSTED EPS

- Post-tax Adjusted Earnings
- Adjusted EPS

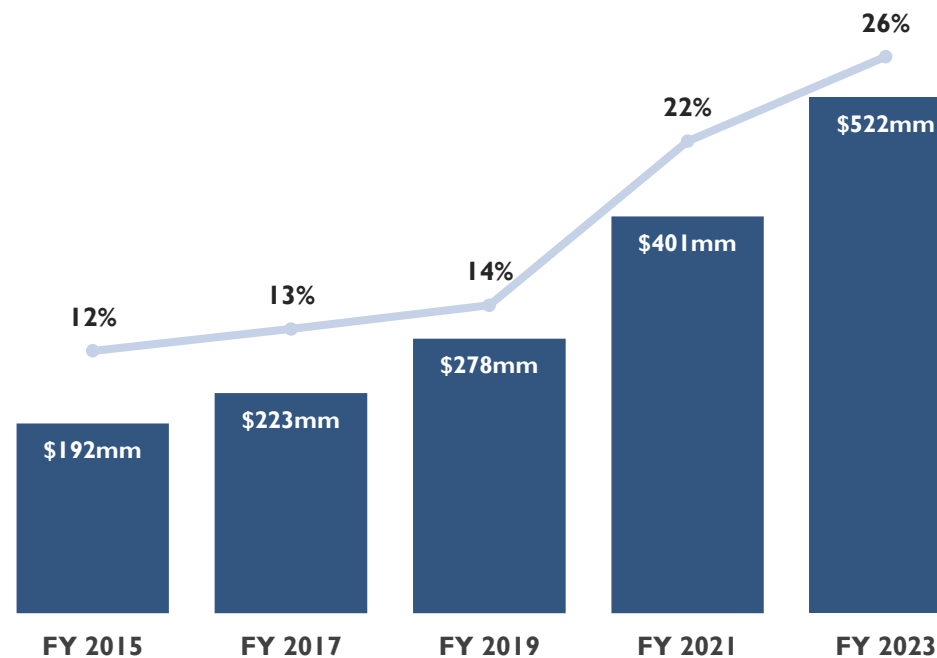


FENICS PERFORMANCE

Q4 2023



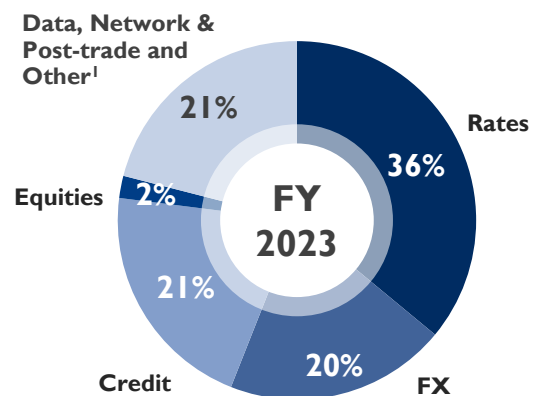
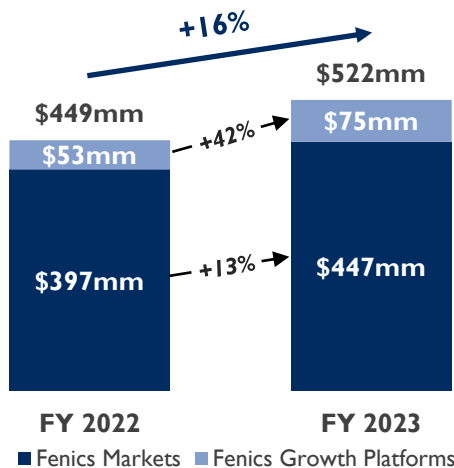
FENICS REVENUE EXCEEDED \$500 MILLION FOR THE FIRST TIME IN 2023



Fenics Revenue

— Fenics Revenue as Percentage of BGC Total Revenue²
 — Fenics Revenue

FY 2023

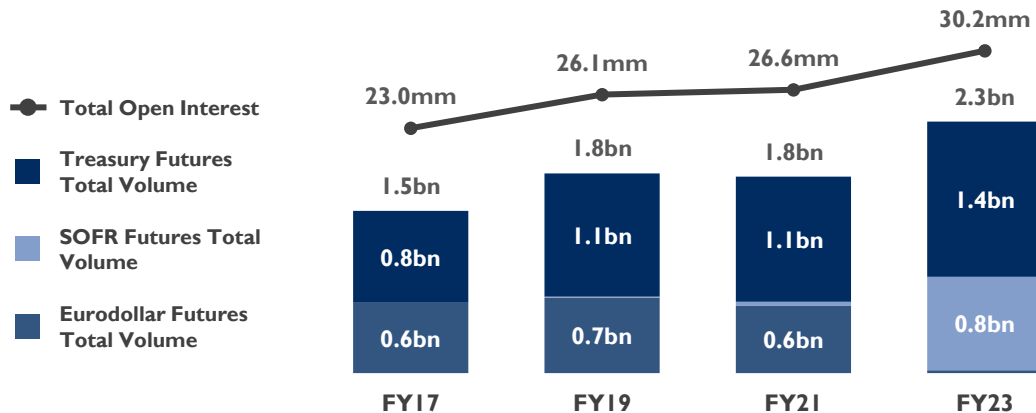


1. Other includes Other revenues.
 2. Excludes revenues from any dispositions, including the sale of the Insurance Brokerage business in 2021.

OVERVIEW

- Electronic U.S. Treasury, Rates Futures and Spot FX platform
- Fenics UST is the second largest and fastest growing U.S. Treasury marketplace globally
- Partnership with LCH, largest clearer of interest rate derivatives
- FMX represents a unique opportunity to reshape the U.S. interest rates market

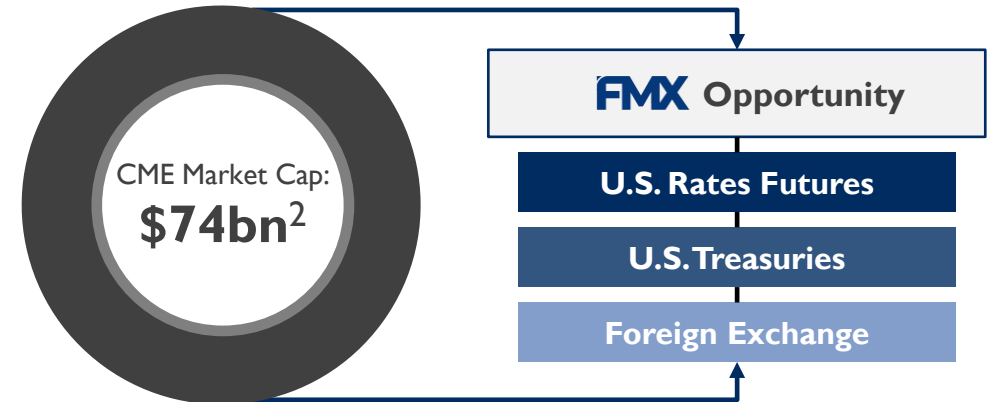
U.S. INTEREST RATE FUTURES CONTRACT GROWTH¹



UPDATES

- *Received CFTC approval for FMX to operate an exchange for U.S. interest rate futures products in Jan. 2024*
- *Plan to discuss strategic partners and further details on, or before, Q1 2024 earnings call*
- *Intend to launch FMX Futures Exchange in the summer of 2024*

FMX OPPORTUNITY



1. Source: CME Group Monthly Volumes
 2. Source: Bloomberg. Data as of 2/12/2024.

PERFORMANCE HIGHLIGHTS

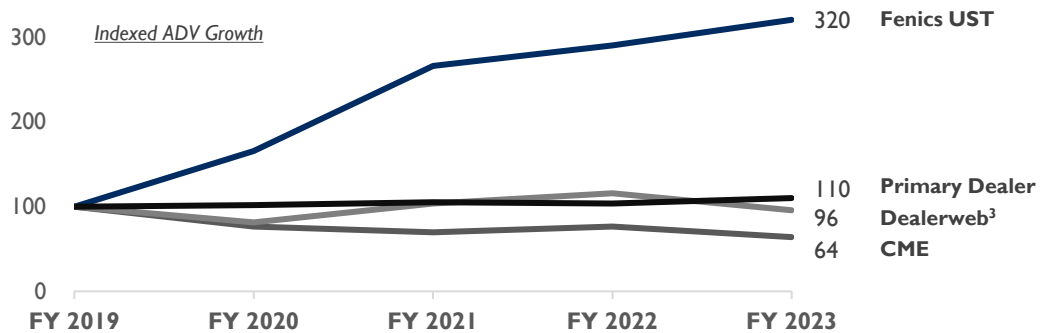
71% Revenue growth in Q4 2023

26% Record market share¹ in Q4 2023

\$119mm Estimated client cost savings in FY 2023 and \$493 million since January 2019²

FENICS UST GROWTH VS. COMPETITORS

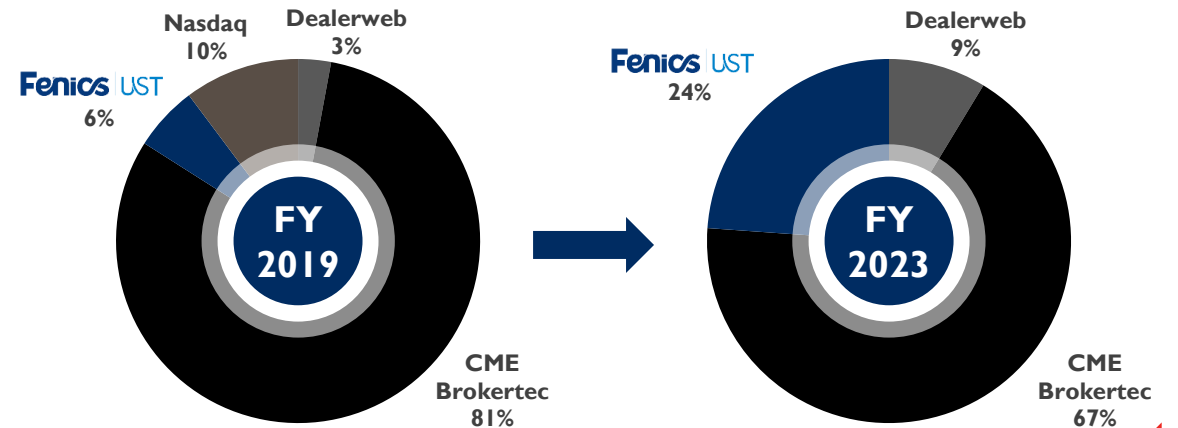
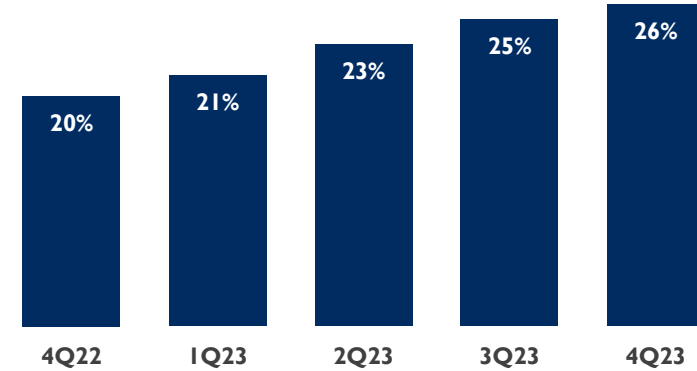
FENICS UST ADV HAS GROWN 3.2x SINCE 2019 OUTPACING THE MARKET AND PEERS



Sources: Coalition Greenwich; Bloomberg; SIFMA

1. Central limit order book ("CLOB") market share.
2. BGC internal estimates based on savings per tick (1/16 of 1/32 = \$19.53125) adjusted for tenor multiplied by the quantity of the trade (single counted)
3. Tradeweb acquired Nasdaq's U.S. Fixed Income platform on 6/25/2021; Dealerweb prior period includes Nasdaq U.S. Fixed Income platform volumes

U.S. TREASURY MARKET SHARE¹

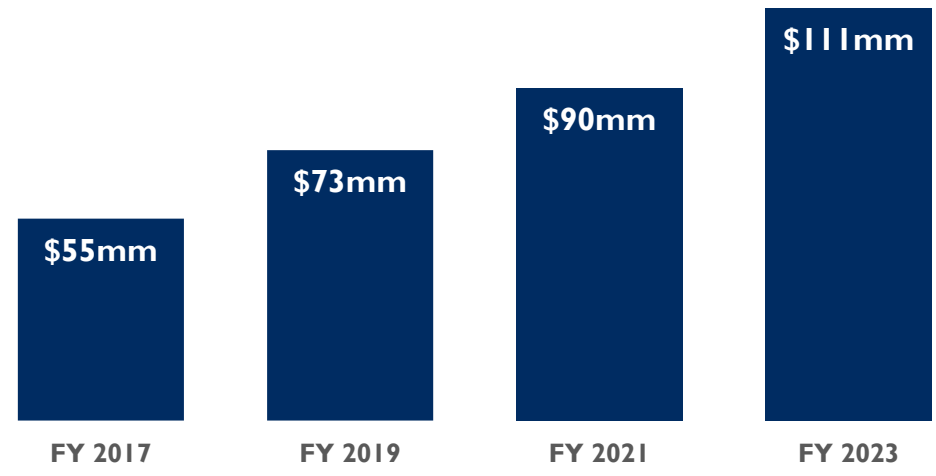


DATA, NETWORK & POST-TRADE EXCEEDED \$100MM REVENUE IN 2023

DATA, NETWORK & POST-TRADE **\$30mm** **+18%**
 Q4 2023 Revenue Growth y/yr



DATA, NETWORK & POST-TRADE REVENUE GROWTH



Fenics Market Data

Provider and generator of data across global financial and commodity markets, supported by BGC's deep wholesale liquidity pools

30% Aggregate contract value growth in Q4 2023

LUCERA™

Infrastructure software that connects financial market participants and trading venues, utilizing BGC's global network

18% Revenue growth in Q4 2023; 16th consecutive quarter of double-digit yr/yr revenue growth led by new customer contracts & the expansion of existing customer agreements

CAPITALAB

Post-trade service provider that offers initial margin & capital optimization, multilateral portfolio compression of OTC products and NDF risk mitigation

89% Revenue growth driven by higher interest rate compression and foreign exchange matching volumes



Q1 2024 OUTLOOK

OUTLOOK

Metric (USD million)	Guidance	Actual
	Q1 2024	Q1 2023
Revenues	\$560 – \$610	\$532.9
Pre-tax Adjusted Earnings	\$126 – \$144	\$124.6

BGC expects to update its quarterly outlook towards the end of March 2024.



GAAP FINANCIAL RESULTS



BALANCE SHEET

BGC GROUP, INC. CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (IN THOUSANDS, EXCEPT PER SHARE DATA) (UNAUDITED) (UNDER GAAP)

	December 31, 2023	December 31, 2022		December 31, 2023	December 31, 2022
Assets			Liabilities, Redeemable Partnership Interest, and Equity		
Cash and cash equivalents	\$ 655,641	\$ 484,989	Short-term borrowings	\$ -	\$ 1,917
Cash segregated under regulatory requirements	17,255	17,021	Accrued compensation	206,364	176,781
Financial instruments owned, at fair value	45,792	39,319	Payables to broker-dealers, clearing organizations, customers and related broker-dealers	202,266	404,675
Receivables from broker-dealers, clearing organizations, customers and related broker-dealers	350,036	559,680	Payables to related parties	17,456	10,550
Accrued commissions and other receivables, net	305,793	288,471	Accounts payable, accrued and other liabilities	668,189	683,104
Loans, forgivable loans and other receivables from employees and partners, net	367,805	319,612	Notes payable and other borrowings	1,183,506	1,049,217
Fixed assets, net	178,300	183,478	Total liabilities	<u>2,277,781</u>	<u>2,326,244</u>
Investments	38,314	38,575	Redeemable partnership interest	-	15,519
Goodwill	506,344	486,585			
Other intangible assets, net	211,285	192,783	Equity		
Receivables from related parties	2,717	1,444	Stockholders' equity:		
Other assets	496,655	463,014	Class A common stock, par value \$0.01 per share; 1,500,000 and 750,000 shares authorized at Dec 31, 2023 and Dec 31, 2022, respectively; and 403,575 and 471,934 shares issued at Dec 31, 2023 and Dec 31, 2022, respectively; and 390,095 and 325,858 shares outstanding at Dec 31, 2023 and Dec 31, 2022, respectively	\$ 4,036	\$ 4,719
Total assets	<u>\$ 3,175,937</u>	<u>\$ 3,074,971</u>	Class B common stock, par value \$0.01 per share; 300,000 and 150,000 shares authorized at Dec 31, 2023 and Dec 31, 2022, respectively; 109,453 and 45,884 shares issued and outstanding at Dec 31, 2023 and Dec 31, 2022, respectively, convertible into Class A common stock	1,095	459
			Additional paid-in capital	2,105,130	2,559,418
			Treasury stock, at cost: 13,480 and 146,076 shares of Class A common stock at December 31, 2023 and December 31, 2022, respectively	(67,414)	(711,454)
			Retained deficit	(1,119,182)	(1,138,066)
			Accumulated other comprehensive income (loss)	(38,582)	(45,431)
			Total stockholders' equity	<u>885,083</u>	<u>669,645</u>
			Noncontrolling interest in subsidiaries	13,073	63,563
			Total equity	<u>898,156</u>	<u>733,208</u>
			Total liabilities, redeemable partnership interest and equity	<u>\$ 3,175,937</u>	<u>\$ 3,074,971</u>

INCOME STATEMENT

BGC GROUP, INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (IN THOUSANDS, EXCEPT PER SHARE DATA) (UNAUDITED) (UNDER GAAP)

	Three Months Ended Dec 31,		Full Year Ended Dec 31,	
	2023	2022	2023	2022
Revenues:				
Commissions	\$ 388,211	\$ 315,658	\$ 1,464,524	\$ 1,281,294
Principal transactions	73,563	82,169	368,100	365,507
Total brokerage revenues	\$ 461,774	\$ 397,827	\$ 1,832,624	\$ 1,646,801
Fees from related parties	4,226	3,896	15,968	14,734
Data, network and post-trade	29,551	25,063	111,470	96,389
Interest and dividend income	16,586	5,501	45,422	21,007
Other revenues	4,623	4,228	19,917	16,371
Total revenues	\$ 516,760	\$ 436,515	\$ 2,025,401	\$ 1,795,302
Expenses:				
Compensation and employee benefits	\$ 248,915	\$ 181,671	\$ 992,603	\$ 853,165
Equity-based compensation and allocations of net income to limited partnership units and FPU's	78,093	89,332	355,378	251,071
Total compensation and employee benefits	\$ 327,008	\$ 271,003	\$ 1,347,981	\$ 1,104,236
Occupancy and equipment	41,062	40,197	162,743	157,491
Fees to related parties	9,172	7,377	32,649	25,662
Professional and consulting fees	16,144	24,286	60,398	68,775
Communications	29,169	26,237	114,143	108,096
Selling and promotion	17,009	14,461	61,884	49,215
Commissions and floor brokerage	15,342	13,591	61,523	58,277
Interest expense	20,795	14,788	77,231	57,932
Other expenses	26,519	26,695	74,278	87,431
Total non-compensation expenses	\$ 175,212	\$ 167,632	\$ 644,849	\$ 612,879
Total expenses	\$ 502,220	\$ 438,635	\$ 1,992,830	\$ 1,717,115

Other income (losses), net:

	Three Months Ended Dec 31,		Full Year Ended Dec 31,	
	2023	2022	2023	2022
Gains (losses) on divestitures and sale of investments	\$ -	\$ (846)	\$ -	\$ (1,029)
Gains (losses) on equity method investments	2,584	2,158	9,152	10,920
Other income (loss)	14,765	2,415	15,986	9,373
Total other income (losses), net	\$ 17,349	\$ 3,727	\$ 25,138	\$ 19,264
Income (loss) from operations before income taxes	31,889	1,607	57,709	97,451
Provision (benefit) for income taxes	10,626	(1,991)	18,934	38,584
Consolidated net income (loss)	\$ 21,263	\$ 3,598	\$ 38,775	\$ 58,867

Less: Net income (loss) attributable to noncontrolling interest in subsidiaries

	1,318	1,382	2,510	10,155
Net income (loss) available to common stockholders	\$ 19,945	\$ 2,216	\$ 36,265	\$ 48,712

Per share data:

Basic earnings (loss) per share

Net income (loss) attributable to common stockholders	\$ 18,823	\$ 2,216	\$ 34,070	\$ 48,712
Basic earnings (loss) per share	\$ 0.04	\$ 0.01	\$ 0.08	\$ 0.13

Basic weighted-average shares of common stock outstanding

Fully diluted earnings (loss) per share

Net income (loss) for fully diluted shares	\$ 18,837	\$ 2,761	\$ 33,943	\$ 63,479
Fully diluted earnings (loss) per share	\$ 0.04	\$ 0.01	\$ 0.07	\$ 0.13
Fully diluted weighted-average shares of common stock outstanding	468,747	371,174	426,436	371,561
	476,452	492,549	489,989	499,414

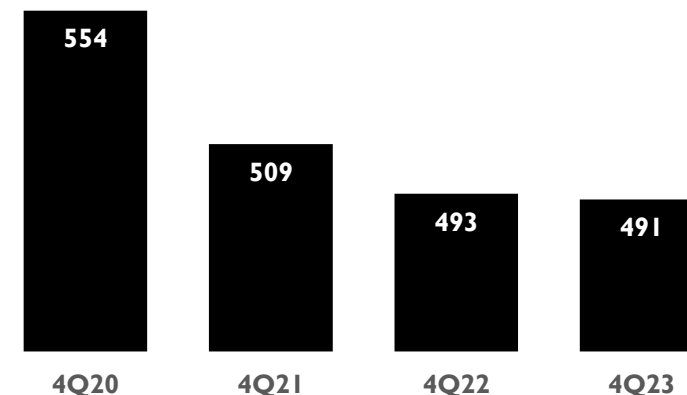


APPENDIX

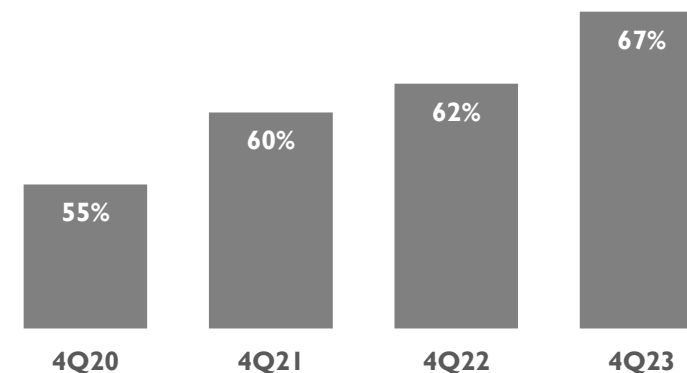
BGC'S FULLY DILUTED WEIGHTED-AVERAGE SHARE COUNT SUMMARY

Q4 2023 Fully Diluted Weighted-Average Share Count Summary For Adjusted Earnings	Fully Diluted Weighted-Average Shares (millions)	Ownership (%)
PUBLIC	330.1	67%
Class A owned by Public	330.1	67%
EMPLOYEES	64.3	13%
Class A owned by executives, board members and employees ¹	29.2	6%
Class B owned by executives	13.1	3%
RSUs & RSAs owned by employees (Treasury stock method)	14.3	2%
Other owned by employees ²	7.7	2%
CANTOR	96.3	20%
Class B owned by Cantor	96.3	20%
TOTAL	490.7	100%

FULLY DILUTED WEIGHTED-AVERAGE SHARE COUNT FOR ADJUSTED EARNINGS (MILLIONS)



PUBLIC OWNERSHIP (% OF FULLY-DILUTED SHARE COUNT)



1. Class A shares owned by board members or executives and restricted shares owned by other employees of BGC and Newmark. Any Class A share owned by an employee without restriction is included in the "Class A owned by Public".
 2. These primarily represent contingent shares.

STRONGLY CAPITALIZED & INVESTMENT GRADE CREDIT PROFILE

BGC Group, Inc.	As of 12/31/2023
Cash and cash equivalents	\$655,641
Financial instruments owned, at fair value	45,792
Total Liquidity	\$701,433
Unsecured Senior Revolving Credit Agreement	\$239,180
BGC Group, Inc. 3.750% Senior Notes due October 1, 2024	254,814
BGC Partners, Inc. 3.750% Senior Notes due October 1, 2024	44,383
BGC Group, Inc. 4.375% Senior Notes due December 15, 2025	286,729
BGC Partners, Inc. 4.375% Senior Notes due December 15, 2025	11,800
BGC Group, Inc. 8.000% Senior Notes due May 25, 2028	343,852
BGC Partners, Inc. 8.000% Senior Notes due May 25, 2028	2,748
Total Notes Payable and Other Borrowings	\$1,183,506
Net Notes Payable and Other Borrowings (after adjusting for Total Liquidity)	\$482,073
Total Equity	\$898,156
Credit Ratios (Adj. EBITDA and Ratios as of FY 2023)	
Adjusted EBITDA	\$573,727
Leverage Ratio: Total Notes Payable and Other Borrowings / Adjusted EBITDA	2.1x
Net Leverage Ratio: Net Notes Payable and Other Borrowings (after adjusting for Total Liquidity) / Adjusted EBITDA	0.8x
Interest Coverage Ratio: Adjusted EBITDA / Interest Expense	7.4x
Total Notes Payable and Other Borrowings / Total Equity	1.3x
Total Net Notes Payable and Other Borrowings (after adjusting for Liquidity) / Total Equity	0.5x

INVESTMENT GRADE CREDIT RATING

- Investment Grade Credit Rated:
 - Fitch: BBB- (Outlook: Stable)
 - S&P: BBB- (Outlook: Stable)
 - Kroll Bond Rating Agency: BBB (Outlook: Stable)
 - Japanese Credit Rating Agency (JCR): BBB+ (Outlook: Stable)
- Strong balance sheet and liquidity provide financial flexibility
- BGC continues to manage its business to maintain its Investment Grade rating

BALANCE SHEET STRENGTH

- Liquidity of \$701.4 million as of December 31, 2023



BGC CORPORATE CONVERSION EARLY IMPACT

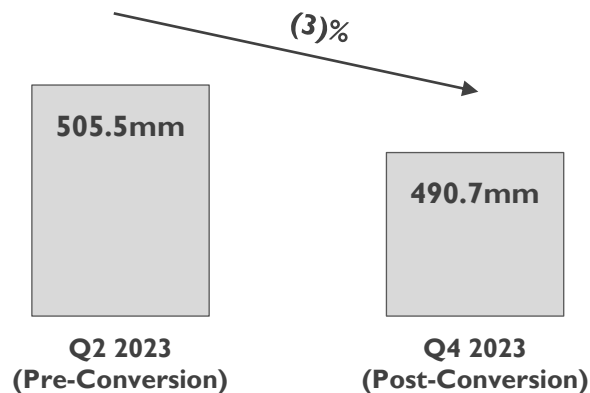
OVERVIEW

- BGC completed its corporate conversion to a **Full C-Corporation**, changing its name to **BGC Group, Inc.** and ticker symbol to **BGC**

COST SAVINGS & OPERATIONAL EFFICIENCIES

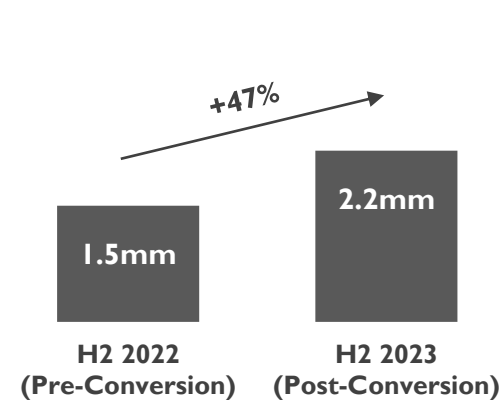
- Targeting annual operational efficiencies of **\$4mm to \$7mm**
- Legal entity rationalization to unlock capital across entities

FULLY DILUTED SHARE COUNT DECREASED BY 14.8MM²

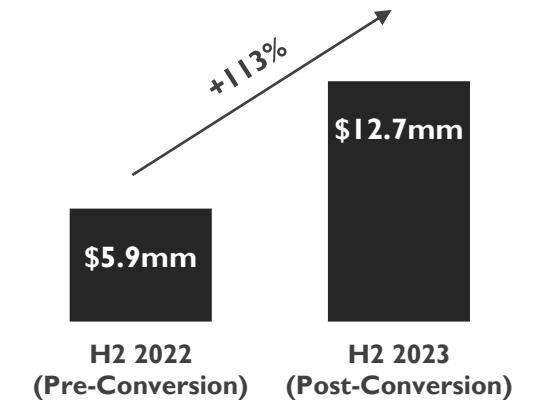


BGC STOCK TRADING VOLUME¹

AVERAGE DAILY VOLUME



AVERAGE DOLLAR VALUE TRADED



SHARE PRICE PERFORMANCE¹

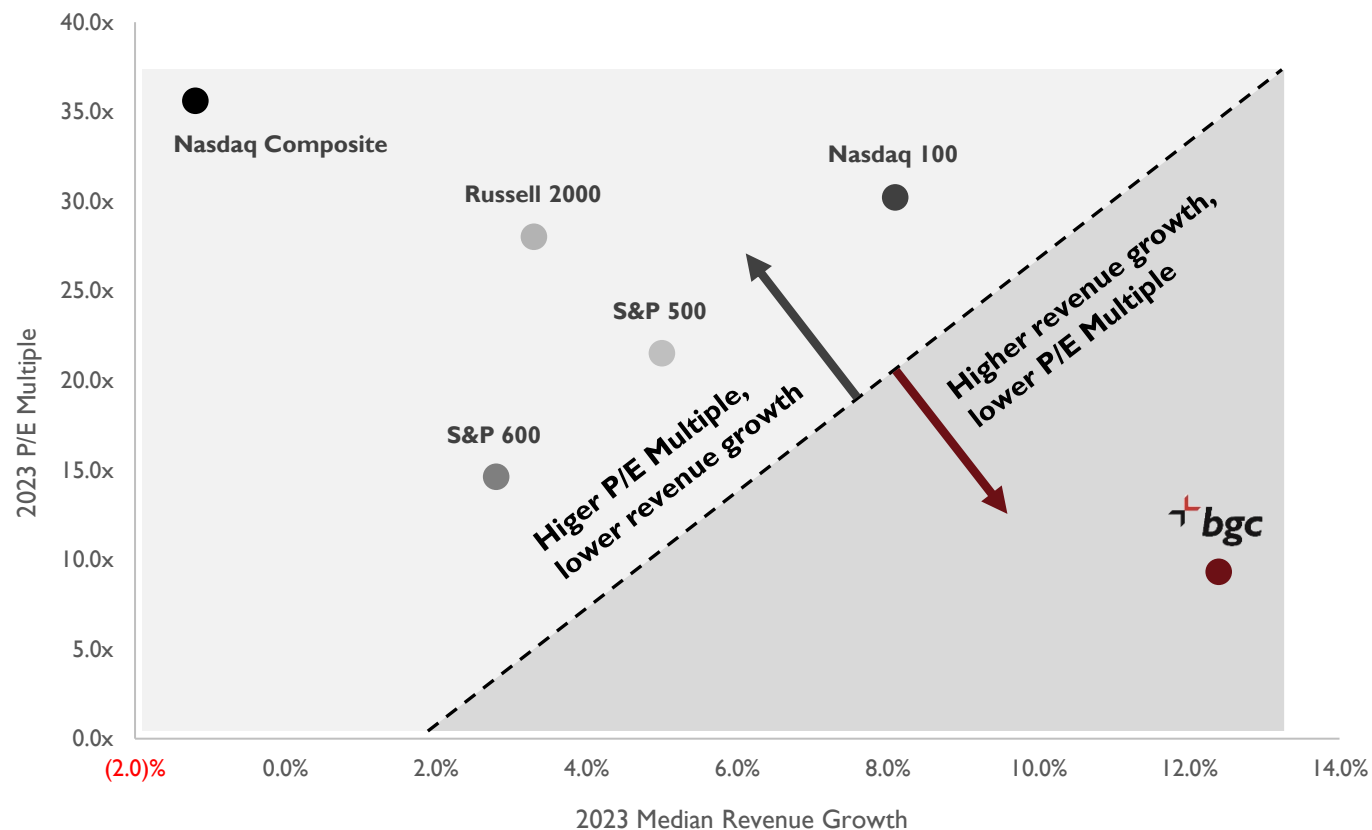


1. Source: Bloomberg. Data as of 12/31/2023
 2. Fully diluted weighted-average share count for Adjusted Earnings

INDEX MULTIPLES AND REVENUE COMPARISON

BGC TRADES AT A LOWER P/E MULTIPLE THAN COMPARATIVE INDICES, DESPITE REVENUE GROWTH OUTPERFORMING INDEX MEDIANS

P/E MULTIPLE VS. 2023 MEDIAN REVENUE GROWTH



P/E MULTIPLE AND GROWTH COMPARISON

	Median Rev. Growth (%)	2023 P/E Multiple (FY 2023)
† bgc	12.8%	9.3x
Nasdaq 100	8.1%	30.2x
S&P 500	5.0%	21.5x
Russell 2000	3.3%	28.0x
S&P 600	2.8%	14.6x
Nasdaq Composite	(1.2)%	35.6x

FENICS ECOSYSTEM

	RATES	CREDIT	FX	EQUITIES	DATA, NETWORK & POST-TRADE
<p>Fenics MARKETS</p> <p>Revenue: \$447mm Change: +13% (FY 2023)</p>	<p>KEY PRODUCTS:</p> <ul style="list-style-type: none"> Interest Rate Derivatives EGBs GILTs Inflation Products EM Government Bonds 	<p>KEY PRODUCTS:</p> <ul style="list-style-type: none"> Investment Grade Bonds (IG) High Yield Bonds (HY) Sovereign Credit Financial Credit Emerging Market Credit Index & Single Name CDS 	<p>KEY PRODUCTS:</p> <ul style="list-style-type: none"> FX Spot FX Options Asian / LatAm NDFs FX Forwards <p>FENICS PLATFORMS:</p> <ul style="list-style-type: none"> Fenics MIDFX Fenics Direct 		<p>Fenics MarketData (Fenics Markets associated Market Data)</p> <p>KACE</p> <p>CAPITALAB (NDF Matching)</p>
<p>Fenics GROWTH PLATFORMS</p> <p>Revenue: \$75mm Change: +42% (FY 2023)</p>	<p>Fenics UST</p> <p>PRODUCTS:</p> <ul style="list-style-type: none"> U.S. Treasuries U.S. Treasury Bills U.S. Repos Off-the-runs Futures (upon launch) 	<p>PORTFOLIO MATCH</p> <p>PRODUCTS:</p> <ul style="list-style-type: none"> U.S. Credit (IG & HY) European Credit (IG & HY) 	<p>Fenics FX</p> <p>PRODUCTS:</p> <ul style="list-style-type: none"> FX Spot Asian NDFs 	<p>Fenics GO</p> <p>PRODUCTS:</p> <ul style="list-style-type: none"> European Index Options Asian Index Options Equity Total Return Swaps 	<p>Fenics MarketData (Fenics Growth Platforms associated Market Data)</p> <p>LUCERA</p> <p>CAPITALAB (Compression & IMO)</p>
<p>PROTOCOLS</p>	<ul style="list-style-type: none"> CLOB Matching (continuous & session-based) Streaming Volume Clearing 	<ul style="list-style-type: none"> CLOB Matching (continuous & session-based) Volume Clearing 	<ul style="list-style-type: none"> CLOB Matching (continuous & session-based) Streaming RFQ 	<ul style="list-style-type: none"> Matching RFQ 	

BGC REVENUE CORRELATION & INDUSTRY VOLUMES

BGC'S ASSET CLASS REVENUES ARE GENERALLY CORRELATED TO RELEVANT INDUSTRY SECONDARY MARKET TRADING VOLUMES

ASSET CLASS REVENUE TO INDUSTRY VOLUME CORRELATION	CORRELATION ¹	FY 2023 VS FY 2022	
		INDUSTRY METRIC VOLUME CHANGE	BGC REVENUE CHANGE
RATES			
Primary Dealer U.S. Govt Coupon Securities (ADV)	0.82	0%	11%
CME Interest Rate Futures & Options (Total)	0.78	15%	
FX			
CME EBS Spot FX (Total)	0.85	(14)%	5%
CREDIT			
Primary Dealer U.S. Investment Grade & High Yield Corporate Securities (ADV)	0.74	7%	5%
ENERGY & COMMODITIES			
ICE Energy & Commodities Futures & Options (Total)	0.75	17%	32%
EEX Global Power Spot & Derivatives (Total)	0.84	36%	
EQUITIES			
Eurex Equity & Index Derivatives (Total)	0.77	(7)%	1%



Brokerage revenues are driven by secondary market trading volumes in the markets in which BGC transacts



Historically, industry volumes have been seasonally strongest in the first half of the year and slower in the second half



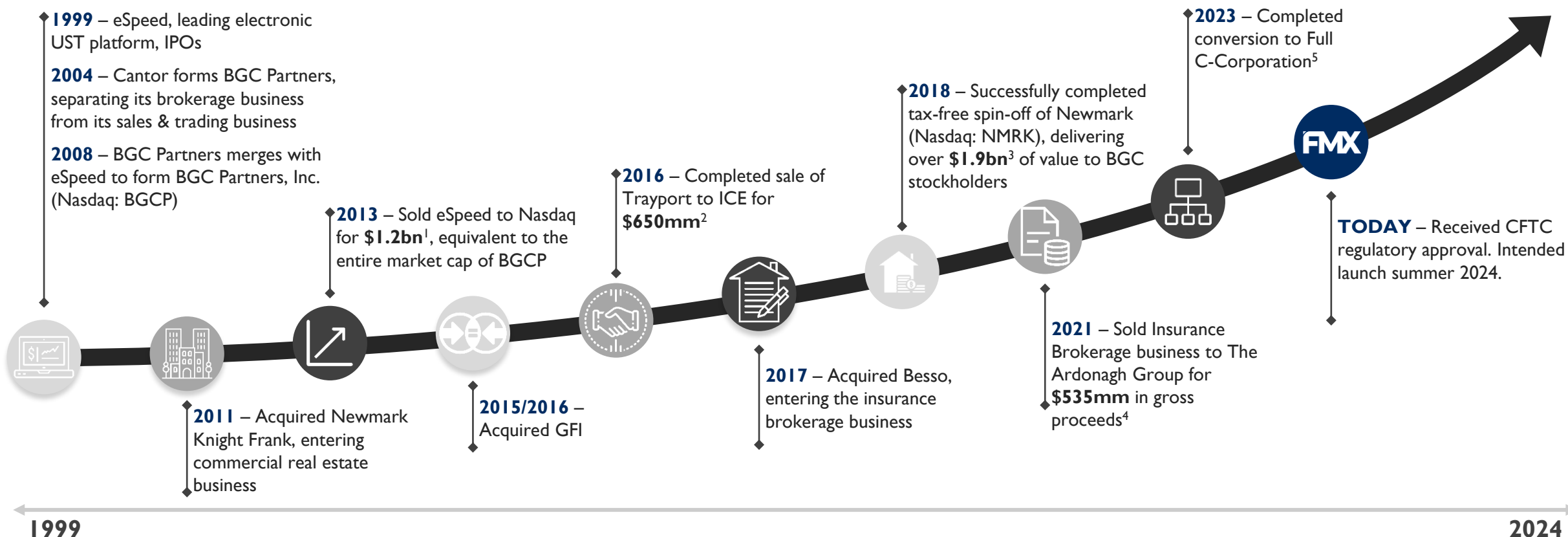
BGC's revenues, which are driven by secondary market trading volumes, tend to have low correlation in the short/medium term with global bank and broker-dealer sales & trading revenues, which are driven by bid-ask spreads, mark-to-market movements, and industry volumes in the primary & secondary markets



¹. Correlations are calculated using quarterly values for BGC asset class revenues and the relevant industry metrics starting Q1 2018.

SHAREHOLDER VALUE CREATION

BGC HAS A STRONG HISTORY OF CREATING VALUE FOR SHAREHOLDERS THROUGH ORGANIC GROWTH, ACQUISITIONS & INVESTMENTS IN TECHNOLOGY



1. Included \$750 million of cash consideration plus an expected earnout of up to \$484 million of Nasdaq common stock as of July 1, 2013. For additional information, see press release titled "BGC Announces Close of Sale of its Platform for the Fully Electronic Trading of Benchmark, on-the-Run U.S. Treasuries to NASDAQ OMX" dated July 1, 2013, and the related filing on Form 8-K filed on the same day.

2. See press released "BGC and GFI Complete Sale of Trayport to Intercontinental Exchange" dated December 11, 2015, and the related filing on Form 8-K filed on December 14, 2015, for further information.

3. Value represents total return to BGC stockholders, including dividends, and assumes investors held Newmark's share since 2018 spin-off until 6/30/2020. Newmark's share price as of 6/30/2020 was \$12.01 and 131,886,409 shares of Newmark Class A common stock and 21,285,537 shares of Newmark Class B common stock were distributed to BGC's stockholders in the Spin-Off. For further information on the Spin-Off, see section titled "Spin-Off of Newmark" under Note 1—"Organization and Basis of Presentation" in BGC's 2019 Annual Report on Form 10-K as filed with the Securities and Exchange Commission.

4. BGC received approximately \$535 million in gross proceeds, subject to limited post-closing adjustments; for additional information, please see press release titled "BGC Completes Sale of Insurance Brokerage Business to The Ardonagh Group" dated November 1, 2021.

5. For additional information, please see press release titled "BGC Partners Completes Corporate Conversion to Full C-Corporation, Name Change to BGC Group, Inc., and Ticker Symbol Change to "BGC"" dated July 3, 2023.





NON-GAAP DEFINITIONS AND RECONCILIATION TABLES

RECONCILIATION OF GAAP TO ADJUSTED EARNINGS

RECONCILIATION OF GAAP INCOME (LOSS) FROM OPERATIONS BEFORE INCOME TAXES TO ADJUSTED EARNINGS & GAAP FULLY DILUTED EPS TO POST-TAX ADJUSTED EPS

(IN THOUSANDS, EXCEPT PER SHARE DATA) (UNAUDITED)

	Three Months Ended Dec 31,		Full Year Ended Dec 31,	
	2023	2022	2023	2022
GAAP income (loss) from operations before	\$ 31,889	\$ 1,607	\$ 57,709	\$ 97,451
Pre-tax adjustments:				
Compensation adjustments:				
Equity-based compensation and allocations of net income to limited partnership units and FPU's (1)	78,093	89,332	355,378	251,071
Other Compensation charges (2)	(298)	(22,929)	3,004	(19,323)
Total Compensation adjustments	77,795	66,403	358,382	231,748
Non-Compensation adjustments:				
Amortization of intangibles (3)	4,080	3,993	16,037	15,728
Impairment charges	131	571	3,144	4,224
Other (4)	12,199	18,334	30,254	45,923
Total Non-Compensation adjustments	16,410	22,898	49,435	65,875
Other income (losses), net adjustments:				
Losses (gains) on divestitures	-	846	-	1,029
Fair value adjustment of investments (5)	(3,251)	106	(1,928)	(1,816)
Other net (gains) losses (6)	(12,029)	(4,779)	(20,726)	(21,172)
Total other income (losses), net adjustments	(15,280)	(3,827)	(22,654)	(21,959)
Total pre-tax adjustments	78,925	85,474	385,163	275,664
Adjusted Earnings before noncontrolling interest in subsidiaries and taxes	\$ 110,814	\$ 87,081	\$ 442,872	\$ 373,115
GAAP net income (loss) available to common stockholders	19,945	2,216	36,265	48,712
Allocation of net income (loss) to noncontrolling interest in subsidiaries (7)	-	(53)	(565)	8,118
Total pre-tax adjustments (from above)	78,925	85,474	385,163	275,664
Income tax adjustment to reflect adjusted earnings taxes (8)	2,427	(9,206)	(9,853)	11,347
Post-tax adjusted earnings	\$ 101,297	\$ 78,431	\$ 411,010	\$ 343,841

	Three Months Ended Dec 31,		Full Year Ended Dec 31,	
	2023	2022	2023	2022
Per Share Data				
GAAP fully diluted earnings (loss) per share	\$ 0.04	\$ 0.01	\$ 0.07	\$ 0.13
Less: Allocations of net income (loss) to limited partnership units, FPU's, and noncontrolling interest in subsidiaries, net of tax	-	-	0.01	(0.01)
Total pre-tax adjustments (from above)	0.16	0.17	0.76	0.55
Income tax adjustment to reflect adjusted earnings taxes	0.00	(0.02)	(0.02)	0.02
Post-tax adjusted earnings per share	\$ 0.21	\$ 0.16	\$ 0.82	\$ 0.69
Fully diluted weighted-average shares of common stock outstanding	\$ 490,717	\$ 492,549	\$ 503,842	\$ 499,414
Dividends declared per share of common stock	\$ 0.01	\$ 0.01	\$ 0.04	\$ 0.04
Dividends declared and paid per share of common stock	\$ 0.01	\$ 0.01	\$ 0.04	\$ 0.04

Please see footnotes to this table on the next page.

RECONCILIATION OF GAAP TO ADJUSTED EARNINGS FOOTNOTES

FOOTNOTES

(1) The components of equity-based compensation and allocations of net income to limited partnership units and FPU are as follows (in thousands):

	Three Months Ended Dec 31,		Full Year Ended Dec 31,	
	2023	2022	2023	2022
Issuance of common stock and grants of exchangeability	\$ 17,500	\$ 64,416	\$ 171,646	\$ 147,480
Allocations of net income and dividend equivalents	2,148	1,382	6,302	13,298
LPU amortization	-	20,150	40,878	73,734
RSU, RSU Tax Account, and restricted stock amortization	58,445	3,384	136,552	16,559
Equity-based compensation and allocations of net income to limited partnership units and FPUs	<u>\$ 78,093</u>	<u>\$ 89,332</u>	<u>\$ 355,378</u>	<u>\$ 251,071</u>

- (2) GAAP Expenses in the full year 2023 included certain loan impairments and other compensation related adjustments. GAAP Expenses in the fourth quarter of 2022 included \$1.5 million of certain acquisition-related compensation expenses, and (\$24.4) million of other compensation related adjustments. For the full year 2022, these amounts were \$2.9 million and (\$23.8) million, respectively. GAAP Expenses in the full year 2022 also included \$1.6 million of employee loan forgiveness.
- (3) Includes non-cash GAAP charges related to the amortization of intangibles with respect to acquisitions.
- (4) GAAP expenses in the fourth quarter of 2023 and 2022 included resolutions of litigation and other matters, including their related professional fees, as well as certain other professional fees, of \$3.3 million and \$17.8 million, respectively, as well as various other GAAP items. For the full year 2023 and 2022 these amounts were \$9.3 million and \$28.6 million, respectively. GAAP expenses in the fourth quarter of 2023 and 2022, included \$3.0 million and \$0.6 million, respectively, of reserves in connection with unsettled trades and receivables with sanctioned Russian entities. For the full year 2023 and 2022 these amounts were \$9.0 million and \$11.4 million, respectively. GAAP expenses for the full year 2023 and 2022 also included Charity Day Contributions of \$6.7 million and \$6.4 million, respectively. The above-referenced items are consistent with BGC's normal practice of excluding certain GAAP gains and charges from Adjusted Earnings that management believes do not best reflect the ordinary results of the Company, including with respect to non-recurring or unusual gains or losses, as well as resolutions of litigation.
- (5) Includes a non-cash gain of \$3.3 million and a non-cash loss of (\$0.1) million related to fair value adjustments of investments held by BGC in the fourth quarter of 2023 and 2022, respectively. For the full years 2023 and 2022, these amounts were a non-cash gain of \$1.9 million and a non-cash gain of \$1.8 million, respectively.
- (6) For the fourth quarter of 2023 and 2022, includes non-cash gains of \$2.6 million and \$2.2 million, respectively, related to BGC's investments accounted for under the equity method. For the full years 2023 and 2022, these amounts were \$9.2 million and \$10.9 million, respectively. The fourth quarter of 2023 and 2022 also included net gains of \$9.4 million and \$2.6 million, respectively, related to other recoveries and various other GAAP items. For the full year 2023 and 2022, these amounts were a net gain of \$11.6 million and a net gain of \$10.3 million, respectively.
- (7) Primarily represents Cantor's pro-rata portion of net income.
- (8) BGC's GAAP provision (benefit) for income taxes is calculated based on an annualized methodology. The Company's GAAP provision (benefit) for income taxes was \$10.6 million and (\$2.0) million for the fourth quarters of 2023 and 2022, respectively. For the full years 2023 and 2022, these amounts were \$18.9 million and \$38.6 million, respectively. The Company includes additional tax-deductible items when calculating the provision for taxes with respect to Adjusted 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 non-GAAP provision for income taxes was adjusted by \$2.4 million and (\$9.2) million for the fourth quarters of 2023 and 2022, respectively. For the full years 2023 and 2022, these adjustment amounts were (\$9.9) million and \$11.3 million, respectively. As a result, the provision (benefit) for income taxes with respect to Adjusted Earnings was \$8.2 million and \$7.2 million for the fourth quarters of 2023 and 2022, respectively. For the full years 2023 and 2022, these amounts were \$28.8 million and \$27.2 million, respectively.

OTHER SELECT FINANCIAL DATA

RECONCILIATION OF GAAP NET INCOME (LOSS) AVAILABLE TO COMMON STOCKHOLDERS TO ADJUSTED EBITDA (IN THOUSANDS) (UNAUDITED)

	Three Months Ended Dec 31,		Full Year Ended Dec 31,	
	2023	2022	2023	2022
GAAP net income (loss) available to common stockholders	\$ 19,945	\$ 2,216	\$ 36,265	\$ 48,712
Add back:				
Provision (benefit) for income taxes	10,626	(1,991)	18,934	38,584
Net income (loss) attributable to noncontrolling interest in subsidiaries (1)	1,318	1,382	2,510	10,155
Interest expense	20,795	14,788	77,231	57,932
Fixed asset depreciation and intangible asset amortization	20,300	19,268	80,417	75,054
Impairment of long-lived assets	131	571	3,144	4,224
Equity-based compensation and allocations of net income to limited partnership units and FPU's (2)	78,093	89,332	355,378	251,071
(Gains) losses on equity method investments (3)	(2,584)	(2,158)	(9,152)	(10,920)
Other non-cash GAAP expenses (4)	3,000	566	9,000	11,364
Adjusted EBITDA	\$ 151,624	\$ 123,974	\$ 573,727	\$ 486,176

- (1) Primarily represents Cantor's pro-rata portion of net income.
- (2) Represents BGC employees' pro-rata portion of net income and non-cash and non-dilutive charges relating to equity-based compensation. See Footnote 1 to the table titled "Reconciliation of GAAP Income (Loss) from Operations before Income Taxes to Adjusted Earnings and GAAP Fully Diluted EPS to Post-Tax Adjusted EPS" for more information.
- (3) For the fourth quarters of both 2023 and 2022, includes non-cash gains of \$2.6 million and \$2.2 million, respectively, related to BGC's investments accounted for under the equity method. For the full years 2023 and 2022, these amounts were \$9.2 million and \$10.9 million, respectively.
- (4) The fourth quarter of 2023 and 2022 includes \$3.0 million and \$0.6 million, respectively, of non-cash reserves in connection with unsettled trades and receivables with sanctioned Russian entities. For the full years 2023 and 2022, these amounts were \$9.0 million and \$11.4 million, respectively.

FULLY DILUTED WEIGHTED-AVERAGE SHARE COUNT (IN THOUSANDS) (UNAUDITED)

	Three Months Ended Dec 31,		Full Year Ended Dec 31,	
	2023	2022	2023	2022
Common stock outstanding	468,747	371,174	426,436	371,561
Limited partnership units	-	52,734	25,111	59,891
Cantor units	-	57,513	28,711	57,139
Founding partner units	-	7,281	3,417	7,708
RSUs	-	2,644	1,406	1,913
Other	7,705	1,203	4,908	1,202
Fully diluted weighted-average share count under GAAP	476,452	492,549	489,989	499,414
Non-GAAP Adjustments:				
RSUs	12,571	-	12,337	-
Restricted Stock	1,694	-	1,516	-
Fully diluted weighted-average share count for Adjusted Earnings	490,717	492,549	503,842	499,414

LIQUIDITY ANALYSIS (IN THOUSANDS) (UNAUDITED)

	December 31, 2023	December 31, 2022
Cash and cash equivalents	\$ 655,641	\$ 484,989
Financial instruments owned, at fair value	45,792	39,319
Total Liquidity	\$ 701,433	\$ 524,308

DIFFERENCES BETWEEN NON-GAAP AND GAAP CONSOLIDATED RESULTS

NON-GAAP FINANCIAL MEASURES

The non-GAAP definitions below include references to certain equity-based compensation instruments, such as restricted stock awards and/or restricted stock units (“RSUs”), that the Company has issued and outstanding following its corporate conversion on July 1, 2023. Although BGC is retaining certain defined terms and references, including references to partnerships or partnership units, for purposes of comparability before and after the corporate conversion, such references may not be applicable following the period ended June 30, 2023.

The Company has clarified its practice in an updated definition of its “*Calculation of Non-Compensation Adjustments for Adjusted Earnings*”. BGC has not modified any prior period non-GAAP measures related to this clarification.

This document contains non-GAAP financial measures that differ from the most directly comparable measures calculated and presented in accordance with Generally Accepted Accounting Principles in the United States (“GAAP”). Non-GAAP financial measures used by the Company include “Adjusted Earnings before noncontrolling interests and taxes”, which is used interchangeably with “pre-tax Adjusted Earnings”; “Post-tax Adjusted Earnings to fully diluted shareholders”, which is used interchangeably with “post-tax Adjusted Earnings”; “Adjusted EBITDA”; “Liquidity”; and “Constant Currency”. The definitions of these terms are below.

ADJUSTED EARNINGS DEFINED

BGC uses non-GAAP financial measures, including “Adjusted Earnings before noncontrolling interests and taxes” and “Post-tax Adjusted Earnings to fully diluted shareholders”, which are supplemental measures of operating results used by management to evaluate the financial performance of the Company and its consolidated subsidiaries. BGC believes that Adjusted Earnings best reflect the operating earnings generated by the Company on a consolidated basis and are the earnings which management considers when managing its business.

As compared with “Income (loss) from operations before income taxes” and “Net income (loss) for fully diluted shares”, both prepared in accordance with GAAP, Adjusted Earnings calculations primarily exclude certain non-cash items 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. In addition, Adjusted Earnings calculations exclude certain gains and charges that management believes do not best reflect the underlying operating performance of BGC. Adjusted Earnings is calculated by taking the most comparable GAAP measures and adjusting for certain items with respect to compensation expenses, non-compensation expenses, and other income, as discussed below.

CALCULATIONS OF COMPENSATION ADJUSTMENTS FOR ADJUSTED EARNINGS AND ADJUSTED EBITDA

Treatment of Equity-Based Compensation Line Item for Adjusted Earnings and Adjusted EBITDA

The Company’s Adjusted Earnings and Adjusted EBITDA measures exclude all GAAP charges included in the line item “Equity-based compensation and allocations of net income to limited partnership units and FPU’s” (or “equity-based compensation” for purposes of defining the Company’s non-GAAP results) as recorded on the Company’s GAAP Consolidated Statements of Operations and GAAP Consolidated Statements of Cash Flows. These GAAP equity-based compensation charges reflect the following items:

- Charges related to amortization of RSUs, restricted stock awards, other equity-based awards, and limited partnership units;
- Charges with respect to grants of exchangeability, which reflect the right of holders of limited partnership units with no capital accounts, such as LPUs and PSUs, to exchange these units into shares of common stock, or into partnership units with capital accounts, such as HDUs, as well as cash paid with respect to taxes withheld or expected to be owed by the unit holder upon such exchange. The withholding taxes related to the exchange of certain non-exchangeable units without a capital account into either common shares or units with a capital account may be funded by the redemption of preferred units such as PPSUs;
- Charges with respect to preferred units and RSU tax accounts. Any preferred units and RSU tax accounts would not be included in the Company’s fully diluted share count because they cannot be made exchangeable into shares of common stock and are entitled only to a fixed distribution or dividend. Preferred units are granted in connection with the grant of certain limited partnership units that may be granted exchangeability or redeemed in connection with the grant of shares of common stock, and RSU tax accounts are granted in connection with the grant of RSUs. The preferred units and RSU tax accounts are granted at ratios designed to cover any withholding taxes expected to be paid. This is an alternative to the common practice among public companies of issuing the gross amount of shares to employees, subject to cashless withholding of shares, to pay applicable withholding taxes;
- GAAP equity-based compensation charges with respect to the grant of an offsetting amount of common stock or partnership units with capital accounts in connection with the redemption of non-exchangeable units, including PSUs and LPUs;
- Charges related to grants of equity awards, including common stock, RSUs, restricted stock awards or partnership units with capital accounts;
- Allocations of net income to limited partnership units and FPU’s. Such allocations represent the pro-rata portion of post-tax GAAP earnings available to such unit holders; and
- Charges related to dividend equivalents earned on RSUs and any preferred returns on RSU tax accounts.

DIFFERENCES BETWEEN NON-GAAP AND GAAP CONSOLIDATED RESULTS

(CONTINUED)

The amounts of certain quarterly equity-based compensation charges are based upon the Company's estimate of such expected charges during the annual period, as described further below under "Methodology for Calculating Adjusted Earnings Taxes."

Virtually all of BGC's key executives and producers have equity stakes in the Company and its subsidiaries and generally receive deferred equity as part of their compensation. A significant percentage of BGC's fully diluted shares are owned by its executives, partners and employees. The Company issues RSUs, restricted stock, limited partnership units (prior to July 1, 2023) as well as other forms of equity-based compensation, including grants of exchangeability into shares of common stock (prior to July 1, 2023), to provide liquidity to its employees, to align the interests of its employees and management with those of common stockholders, to help motivate and retain key employees, and to encourage a collaborative culture that drives cross-selling and revenue growth.

All share equivalents that are part of the Company's equity-based compensation program, including REUs, PSUs, LPU, HDUs, and other units that may be made exchangeable into common stock, as well as RSUs (which are recorded using the treasury stock method), are included in the fully diluted share count when issued or at the beginning of the subsequent quarter after the date of grant.

Compensation charges are also adjusted for certain other cash and non-cash items.

CERTAIN OTHER COMPENSATION-RELATED ADJUSTMENTS FOR ADJUSTED EARNINGS

BGC also excludes various other GAAP items that management views as not reflective of the Company's underlying performance in a given period from its calculation of Adjusted Earnings. These may include compensation-related items with respect to cost-saving initiatives, such as severance charges incurred in connection with headcount reductions as part of broad restructuring and/or cost savings plans.

CALCULATION OF NON-COMPENSATION ADJUSTMENTS FOR ADJUSTED EARNINGS

Adjusted Earnings calculations may also exclude items such as:

- Non-cash GAAP charges related to the amortization of intangibles with respect to acquisitions;
- Acquisition related costs;
- Non-cash GAAP asset impairment charges;
- Resolutions of litigation, disputes, investigations, or enforcement matters that are generally non-recurring, exceptional, or unusual, or similar items that management believes do not best reflect BGC's underlying operating performance, including related unaffiliated third-party professional fees and expenses; and
- Various other GAAP items that management views as not reflective of the Company's underlying performance in a given period, including non-compensation-related charges incurred as part of broad restructuring and/or cost savings plans. Such GAAP items may include charges for professional fees and expenses, exiting leases and/or other long-term contracts as part of cost-saving initiatives, as well as non-cash impairment charges related to assets, goodwill and/or intangible assets created from acquisitions.

CALCULATION OF ADJUSTMENTS FOR OTHER (INCOME) LOSSES FOR ADJUSTED EARNINGS

Adjusted Earnings calculations also exclude gains from litigation resolution and certain other non-cash, non-dilutive, and/or non-economic items, which may, in some periods, include:

- Gains or losses on divestitures;
- Fair value adjustment of investments;
- Certain other GAAP items, including gains or losses related to BGC's investments accounted for under the equity method; and
- Any unusual, non-ordinary, or non-recurring gains or losses.

DIFFERENCES BETWEEN NON-GAAP AND GAAP CONSOLIDATED RESULTS

(CONTINUED)

METHODOLOGY FOR CALCULATING ADJUSTED EARNINGS TAXES

Although Adjusted Earnings are calculated on a pre-tax basis, BGC also reports post-tax Adjusted Earnings to fully diluted shareholders. The Company defines post-tax Adjusted Earnings to fully diluted shareholders as pre-tax Adjusted Earnings reduced by the non-GAAP tax provision described below and net income (loss) attributable to noncontrolling interest for Adjusted Earnings.

The Company calculates its tax provision for post-tax Adjusted Earnings using an annual estimate similar to how it accounts for its income tax provision under GAAP. To calculate the quarterly tax provision under GAAP, BGC estimates its full fiscal year GAAP income (loss) from operations before income taxes and noncontrolling interests in subsidiaries and the expected inclusions and deductions for income tax purposes, including expected equity-based compensation during the annual period. The resulting annualized tax rate is applied to BGC's quarterly GAAP income (loss) from operations before income taxes and noncontrolling interests in subsidiaries. At the end of the annual period, the Company updates its estimate to reflect the actual tax amounts owed for the period.

To determine the non-GAAP tax provision, BGC first adjusts pre-tax Adjusted Earnings by recognizing any, and only, amounts for which a tax deduction applies under applicable law. The amounts include charges with respect to equity-based compensation; certain charges related to employee loan forgiveness; certain net operating loss carryforwards when taken for statutory purposes; and certain charges related to tax goodwill amortization. These adjustments may also reflect timing and measurement differences, including treatment of employee loans; changes in the value of units between the dates of grants of exchangeability and the date of actual unit exchange; changes in the value of RSUs and/or restricted stock awards between the date of grant and the date the award vests; variations in the value of certain deferred tax assets; and liabilities and the different timing of permitted deductions for tax under GAAP and statutory tax requirements.

After application of these adjustments, the result is the Company's taxable income for its pre-tax Adjusted Earnings, to which BGC then applies the statutory tax rates to determine its non-GAAP tax provision. BGC views the effective tax rate on pre-tax Adjusted Earnings as equal to the amount of its non-GAAP tax provision divided by the amount of pre-tax Adjusted Earnings.

Generally, the most significant factor affecting this non-GAAP tax provision is the amount of charges relating to equity-based compensation. Because the charges relating to equity-based compensation are deductible in accordance with applicable tax laws, increases in such charges have the effect of lowering the Company's non-GAAP effective tax rate and thereby increasing its post-tax Adjusted Earnings.

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 Adjusted Earnings are expected to be presented to show the tax provision the consolidated Company would expect to pay if 100% of earnings were taxed at global corporate rates.

CALCULATIONS OF PRE- AND POST-TAX ADJUSTED EARNINGS PER SHARE

BGC's pre- and post-tax Adjusted Earnings per share calculations assume either that:

- The fully diluted share count includes the shares related to any dilutive instruments, but excludes the associated 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 expense, net of tax, when the impact would be anti-dilutive.

The share count for Adjusted Earnings excludes certain shares and share equivalents expected to be issued in future periods but not yet eligible to receive dividends and/or distributions. Each quarter, the dividend payable to BGC's stockholders, if any, is expected to be determined by the Company's Board of Directors with reference to a number of factors. The declaration, payment, timing, and amount of any future dividends payable by the Company will be at the discretion of its Board of Directors using the fully diluted share count. For more information on any share count adjustments, see the table titled "Fully Diluted Weighted-Average Share Count under GAAP and for Adjusted Earnings" in the Company's most recent financial results press release.

DIFFERENCES BETWEEN NON-GAAP AND GAAP CONSOLIDATED RESULTS

(CONTINUED)

MANAGEMENT RATIONALE FOR USING ADJUSTED EARNINGS

BGC's calculation of Adjusted Earnings excludes the items discussed above because they are either non-cash in nature, because the anticipated benefits from the expenditures are not expected to be fully realized until future periods, or because the Company views results excluding these items as a better reflection of the underlying performance of BGC's ongoing operations. Management uses Adjusted Earnings in part to help it evaluate, among other things, the overall performance of the Company's business and to make decisions with respect to the Company's operations.

The term "Adjusted Earnings" should not be considered in isolation or as an alternative to GAAP net income (loss). The Company views Adjusted 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 Adjusted Earnings, as well as related measures, are not intended to replace the Company's presentation of its GAAP financial results. However, management believes that these measures help provide investors with a clearer understanding of BGC's 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 the GAAP and Adjusted Earnings measures of financial performance should be considered together.

For more information regarding Adjusted Earnings, see the sections of this document and/or in the Company's most recent financial results press release titled "Reconciliation of GAAP Income (Loss) from Operations before Income Taxes to Adjusted Earnings and GAAP Fully Diluted EPS to Post-Tax Adjusted EPS", including the related footnotes, for details about how BGC's non-GAAP results are reconciled to those under GAAP.

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:

- Provision (benefit) for income taxes;
- Net income (loss) attributable to noncontrolling interest in subsidiaries;
- Interest expense;
- Fixed asset depreciation and intangible asset amortization;
- Equity-based compensation, dividend equivalents and allocations of net income to limited partnership units and FPU's;
- Impairment of long-lived assets;(Gains) losses on equity method investments; and
- Certain other non-cash GAAP items, such as non-cash charges of amortized rents.

The Company's management believes that its Adjusted EBITDA measure 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 this measure 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 BGC's Adjusted EBITDA is not a recognized measurement under GAAP, investors should use this measure 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 the Company's Adjusted EBITDA does not consider certain cash requirements, such as tax and debt service payments.

For more information regarding Adjusted EBITDA, see the section of this document and/or in the Company's most recent financial results press release titled "Reconciliation of GAAP Net Income (Loss) Available to Common Stockholders to Adjusted EBITDA", including the footnotes to the same, for details about how BGC's non-GAAP results are reconciled to those under GAAP.

DIFFERENCES BETWEEN NON-GAAP AND GAAP CONSOLIDATED RESULTS

(CONTINUED)

TIMING OF OUTLOOK FOR CERTAIN GAAP AND NON-GAAP ITEMS

BGC anticipates providing forward-looking guidance for GAAP revenues and for certain non-GAAP measures from time to time. However, the Company does not anticipate providing an outlook for other GAAP results. This is because certain GAAP items, which are excluded from Adjusted Earnings and/or Adjusted EBITDA, are difficult to forecast with precision before the end of each period. The Company therefore believes that it is not possible for it to have the required information necessary to forecast GAAP results or to quantitatively reconcile GAAP forecasts to non-GAAP forecasts with sufficient precision without unreasonable efforts. For the same reasons, the Company is unable to address the probable significance of the unavailable information. The relevant items that are difficult to predict on a quarterly and/or annual basis with precision and may materially impact the Company's GAAP results include, but are not limited, to the following:

- Certain equity-based compensation charges that may be determined at the discretion of management throughout and up to the period-end;
- Unusual, non-ordinary, or non-recurring items;
- The impact of gains or losses on 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; and
- Acquisitions, dispositions, and/or resolutions of litigation, disputes, investigations, or enforcement matters, or similar items, which are fluid and unpredictable in nature.

LIQUIDITY DEFINED

BGC may also use a non-GAAP measure called "liquidity". The Company considers liquidity to be comprised of the sum of cash and cash equivalents, reverse repurchase agreements (if any), financial instruments owned, at fair value, less securities lent out in securities loaned transactions and repurchase agreements (if any). The Company considers liquidity to be an important metric for determining the amount of cash that is available or that could be readily available to the Company on short notice.

For more information regarding Liquidity, see the section of this document and/or in the Company's most recent financial results press release titled "Liquidity Analysis", including any footnotes to the same, for details about how BGC's non-GAAP results are reconciled to those under GAAP.

CONSTANT CURRENCY DEFINED

BGC generates a significant amount of its revenues in non-U.S. dollar denominated currencies, particularly in the euro and pound sterling. In order to present a better comparison of the Company's revenues during the period, which exhibited highly volatile foreign exchange movements, BGC provides revenues year-over-year comparisons on a "Constant Currency" basis. BGC uses a Constant Currency financial metric to provide a better comparison of the Company's underlying operating performance by eliminating the impacts of foreign currency fluctuations between comparative periods. Since BGC's consolidated financial statements are presented in U.S. dollars, fluctuations in non-U.S. dollar denominated currencies have an impact on the Company's GAAP results. The Company's Constant Currency metric, which is a non-GAAP financial measure, assumes the foreign exchange rates used to determine the Company's comparative prior period revenues, apply to the current period revenues. Constant Currency revenue percentage change is calculated by determining the change in current quarter non-GAAP Constant Currency revenues over prior period revenues. Non-GAAP Constant Currency revenues are total revenues excluding the effect of foreign exchange rate movements and are calculated by remeasuring and/or translating current quarter revenues using prior period exchange rates. BGC presents certain non-GAAP Constant Currency percentage changes in Constant Currency revenues as a supplementary measure because it facilitates the comparison of the Company's core operating results. This information should be considered in addition to, and not as a substitute for, results reported in accordance with GAAP.



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