



**May 27, 2010 Investor & Analyst Day**

# Agenda

- 10:00 AM - Introduction and overview of BGC by Chairman/CEO Howard W. Lutnick
- 10:15 AM – Financial Overview by Graham Sadler, Chief Financial Officer
- 10:45 AM - Update on BGC growth drivers by President Shaun D. Lynn
- 11:15 AM - Jean-Pierre Aubin, Executive Managing Director and Global Head, Listed Products
- 11:40 AM - Mark Webster, Executive Managing Director and General Manager, The Americas
- 12:00 PM - Buffet lunch available at this time (30 minute pause for webcast.)
- 12:30 PM - Philip Norton, Executive Managing Director, e-Commerce
- 1:15 PM General Q&A for any of the above
- 1:45 PM - Bus departs for short trip to optional tour of the BGC's 199 Water Street broking floor and expanded BGC Trader demonstration
- 2:30 PM - Expected finish



## Overview

Chairman/CEO Howard W. Lutnick

# Discussion of Forward-Looking Statements

The information in this document contains 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 (the “Exchange Act”). 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.

Our actual results 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 include, but are not limited to: our relationship with Cantor Fitzgerald, L.P. and its affiliates (“Cantor”) and any related conflicts of interest, competition for and retention of brokers and other managers and key employees, reliance on Cantor for liquidity and capital and other relationships; pricing and commissions and market position with respect to any of our products and services and those 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 regulations requiring central clearing or exchange-based execution for certain of our products; market conditions, including trading volume and volatility, and further deterioration of the equity and debt capital markets; economic or geopolitical conditions or uncertainties; the extensive regulation of the Company’s businesses, changes in regulations relating to the financial services industry, and risks relating to compliance matters; factors related to specific transactions or series of transactions, including credit, performance and unmatched principal risk, as well as counterparty failure; 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; 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 or refinancing of existing debt, and risks of the resulting leverage, as well as interest and currency rate fluctuations; 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 and to secure and maintain market share; the ability 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; the ability to hire new personnel; the ability to expand the use of technology for our hybrid platform, including screen-assisted, voice-assisted and fully electronic trading; effectively managing any growth that may be achieved; financial reporting, accounting and internal control factors, including identification of any material weaknesses in our internal controls and our ability to prepare historical and pro forma financial statements and reports in a timely manner; the effectiveness of risk management policies and procedures, including the ability to detect and deter unauthorized trading or fraud, unexpected market moves and similar events; the ability to meet expectations with respect to payment of dividends, distributions and repurchases of our common stock or purchases of BGC Holdings, L.P. (“BGC Holdings”) limited partnership interests or other equity interests in our subsidiaries, including from Cantor, our executive officers, and our employees; and the risks and other factors described herein under the heading “Item 1A—Risk Factors” in our most recent Form 10-K filed with the SEC on March 16, 2010, and as updated in subsequent filings on Form 10-Q.

The foregoing risks and uncertainties, as well as those risks discussed under the heading “Item 7A—Quantitative and Qualitative Disclosures About Market Risk” and elsewhere in our most recent 10-K and subsequent filings on Form 10-Q, may cause actual results to differ materially from the forward-looking statements. The information included herein is given as of the filing date of our most recent Form 10-K with the SEC, as updated from time to time in subsequent filings on Form 10-Q, and future events or circumstances could differ significantly from these forward-looking statements. The Company does not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

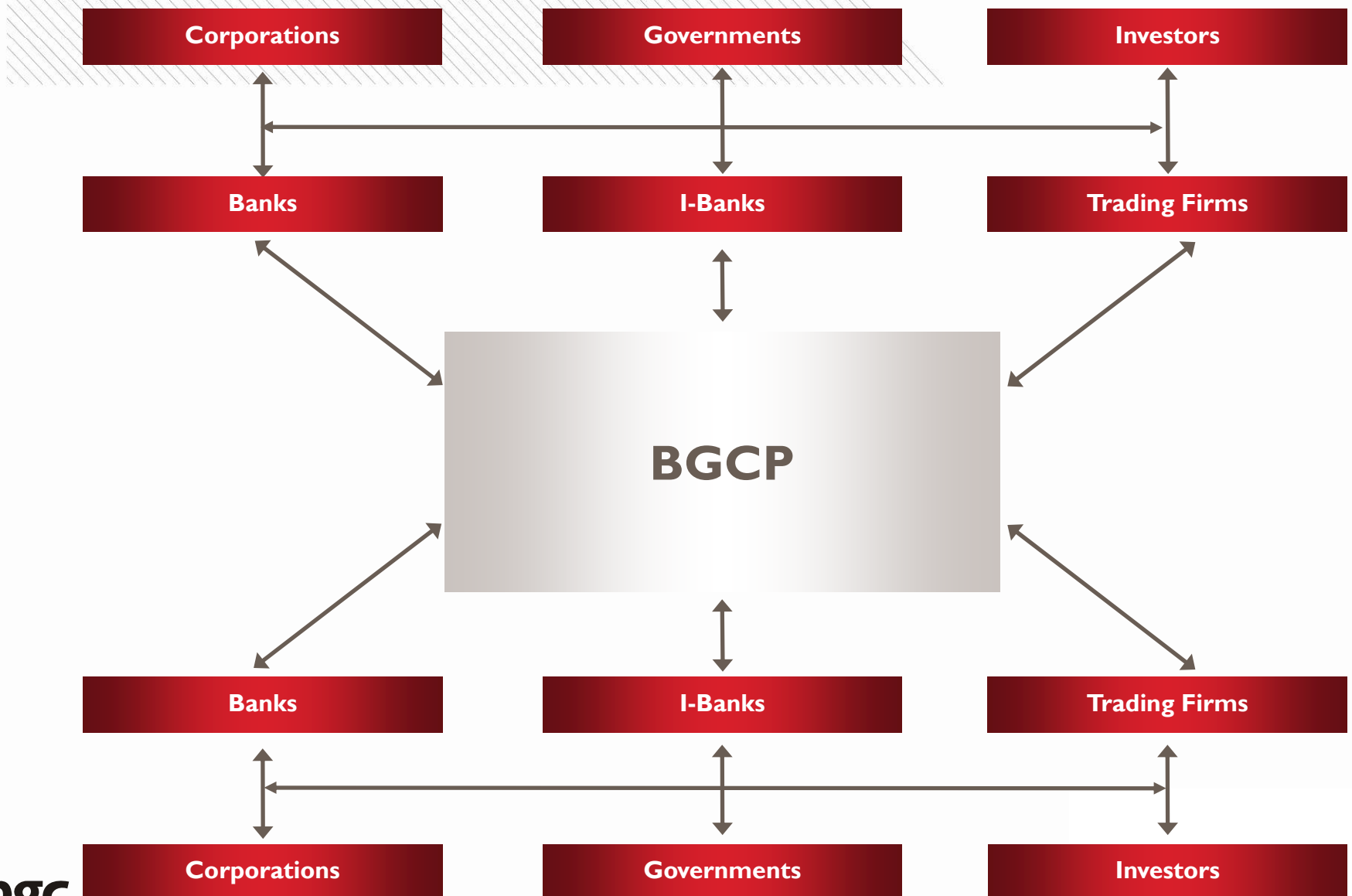
Our discussions in financial releases often summarize the significant factors affecting our results of operations and financial condition during the years ended December 31, 2009, 2008 and 2007, respectively. This discussion is provided to increase the understanding of, and should be read in conjunction with, our Consolidated Financial Statements and the accompanying Notes thereto included elsewhere in our most recent Form 10-K



# Distributable Earnings

- Unless otherwise stated, throughout this presentation we refer to our results only on a distributable earnings basis
- For a complete description of this term and how, when and why management uses it, see the final page of this presentation
- For both this description and a reconciliation to GAAP, see the sections of BGC's IQ2010 financial results release titled "Distributable Earnings" and "Reconciliation Of GAAP Income To Distributable Earnings", which are incorporated by reference, and available in the "Investor Relations" section of our website at [www.bgcpartners.com](http://www.bgcpartners.com)

# BGC Partners – A Leading Inter-Dealer Broker



# Business Overview

## Voice / Hybrid Broking

- Key products include:
  - Rates
  - Credit
  - Foreign Exchange
  - Equity Derivatives
  - Other
- 1,551 brokers and salespeople
- Over 160 desks
- In 20 cities



## Electronic Broking

- Key products include:
  - Treasuries
  - Credit Default Swaps
  - FX Derivatives
  - European Government Bonds
  - Spot FX
  - Canadian Sovereigns
- Proprietary network connected to the global financial community
- Substantial investments in creating proprietary technology / network



## Market Data/ Software Solutions

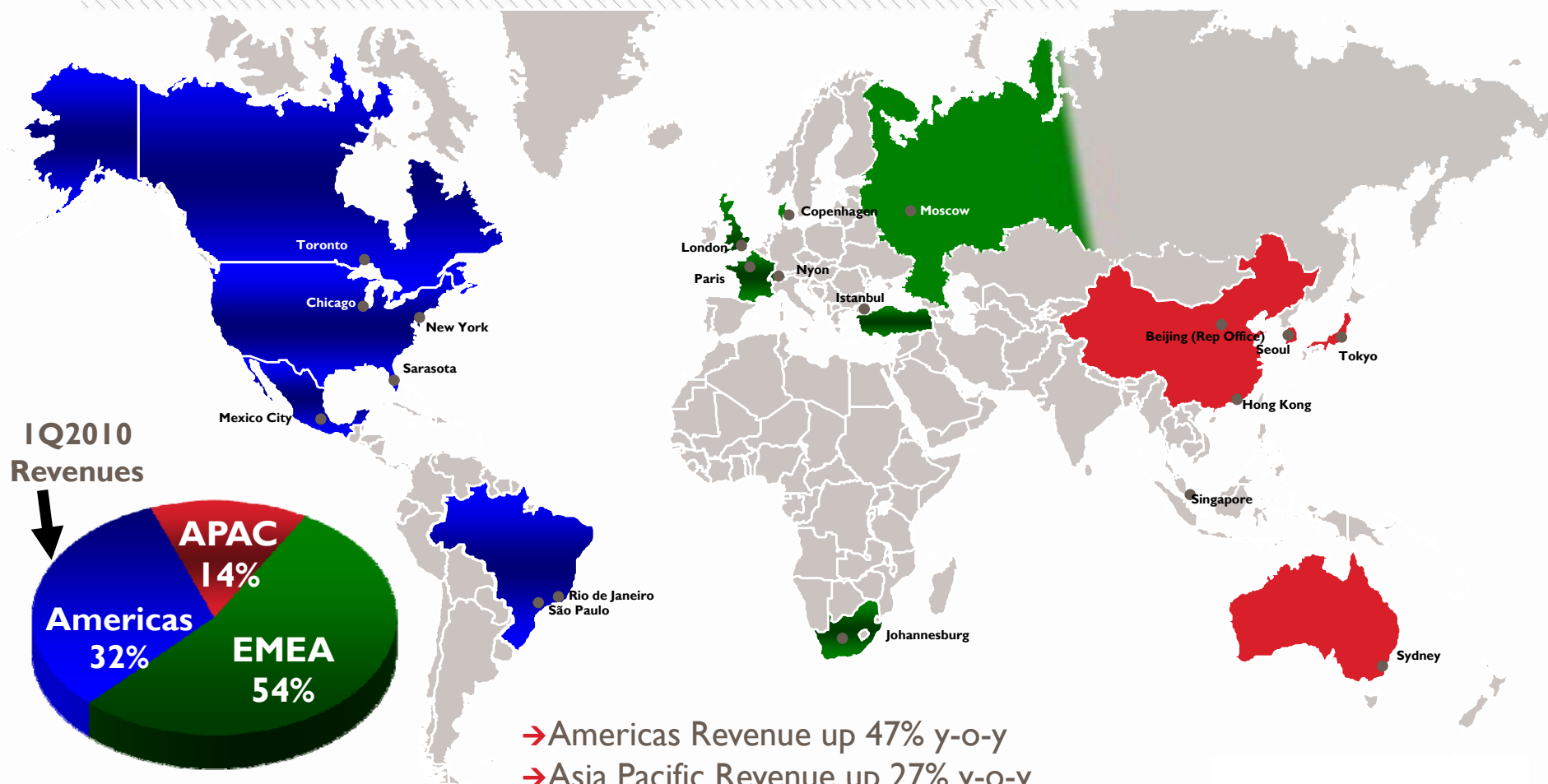
- Develops and markets real-time proprietary pricing data



- Provider of customized screen-based solutions which enable clients to develop electronic marketplaces



# Increasingly Diverse Global Revenues



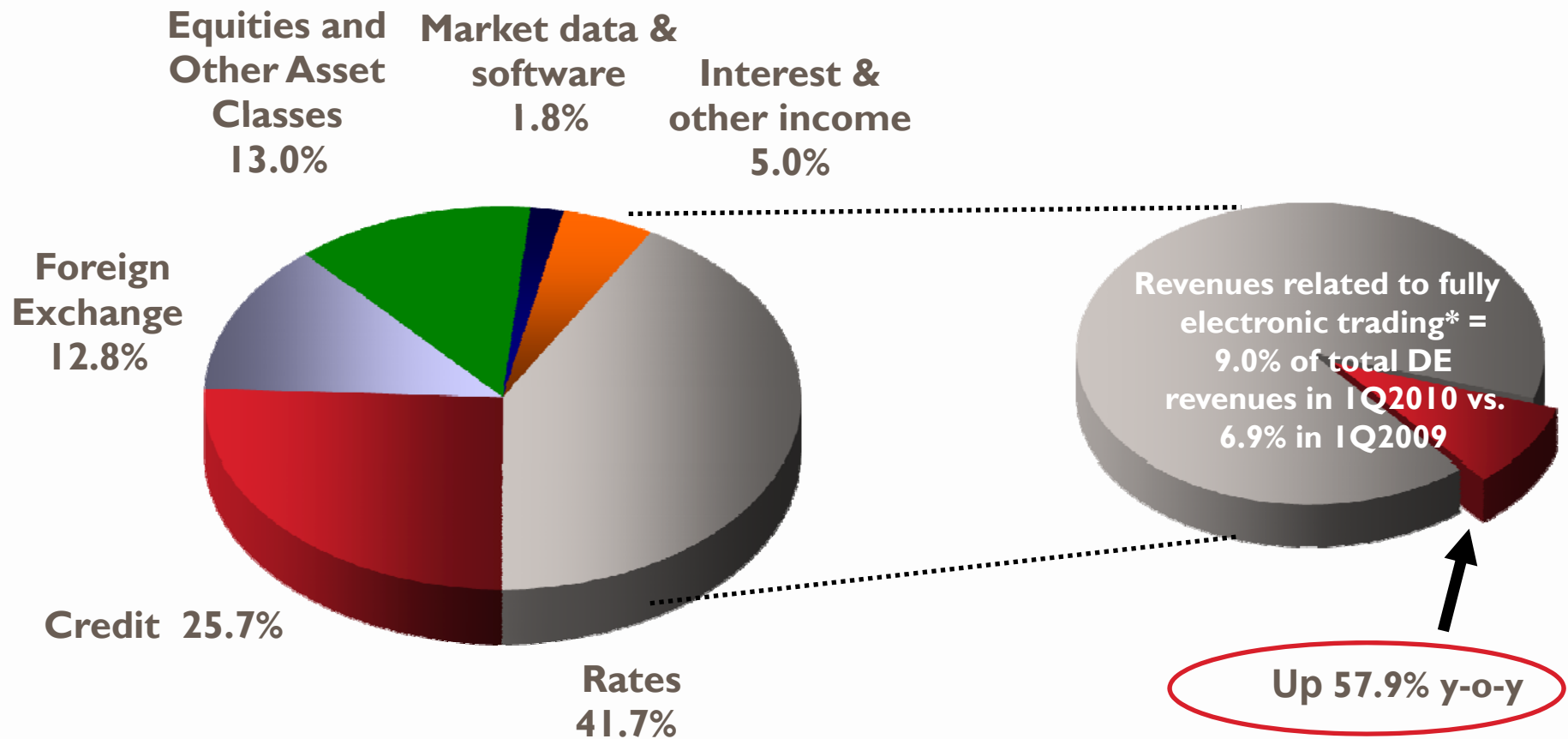
- Americas Revenue up 47% y-o-y
- Asia Pacific Revenue up 27% y-o-y
- Europe, Middle East & Africa Revenue up 10% y-o-y



voice + electronic brokerage

Note: Based on Distributable Earnings. For the purposes of this chart, \$1.7 million related to the non-cash impact of BGC Partners' pro rata share of losses from its equity investments, such as in Aqua Securities, L.P. ("Aqua") and ELX Electronic Liquidity Exchange ("ELX") for the first quarter was added back to "Americas" GAAP revenues. In the year earlier period, the amount added back was \$2.1 million.

# IQ2010 Revenue Breakdown by Product

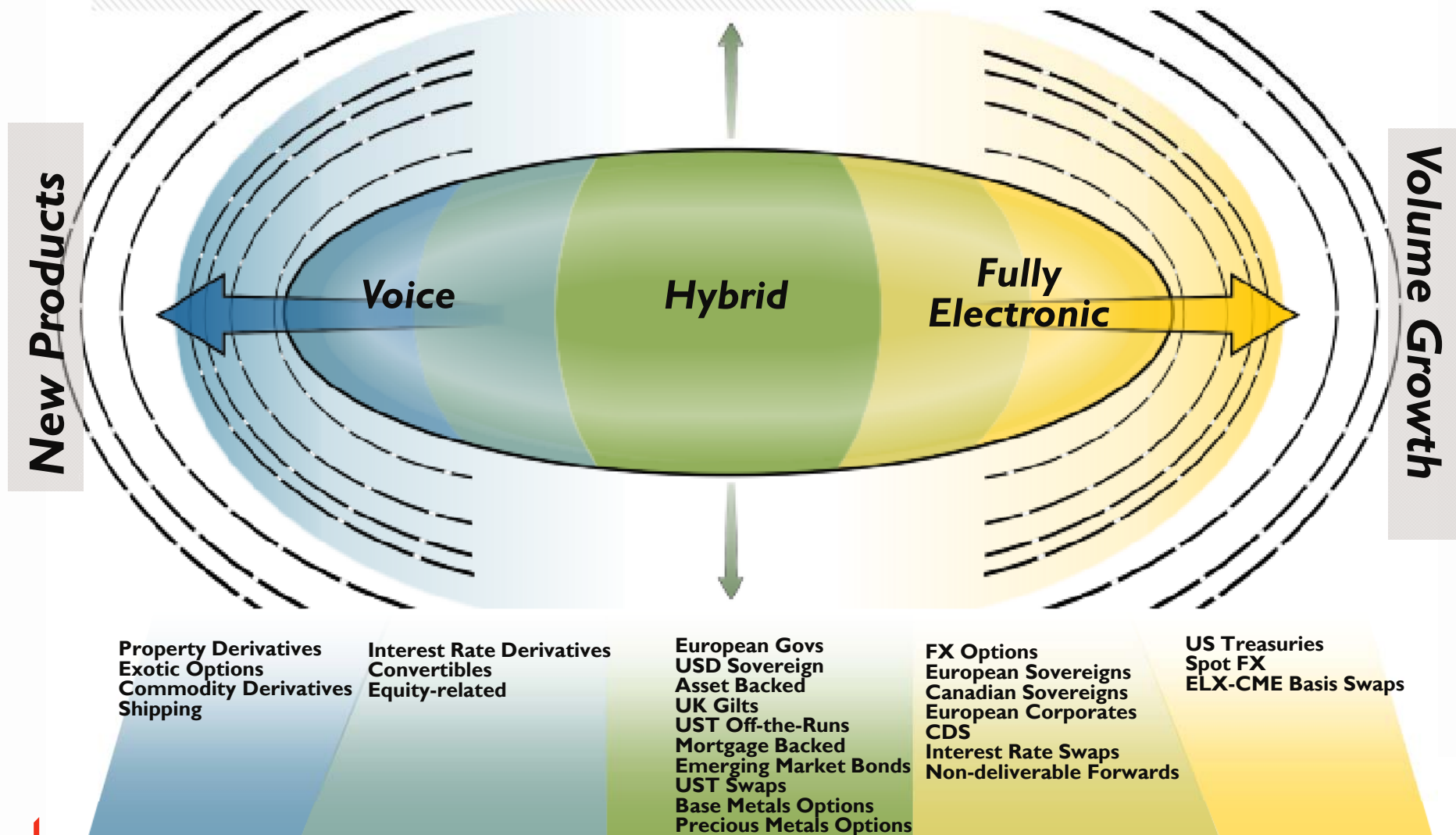


# BGC May Benefit from Proposed OTC Changes

- We profitably broker OTC and exchange traded, centrally cleared products
- We strongly favor open and non-discriminatory central clearing
- Traditionally, we have been paid significantly faster by central clearing organizations
- Central clearing may lead to higher OTC volumes in certain markets
- BGC has competitive advantage versus IDB peers if hybrid or electronic trading is encouraged and/or required
- BGC should qualify as a "swap execution facility" and other similar terms



# Technology + New Products = Expanded Markets



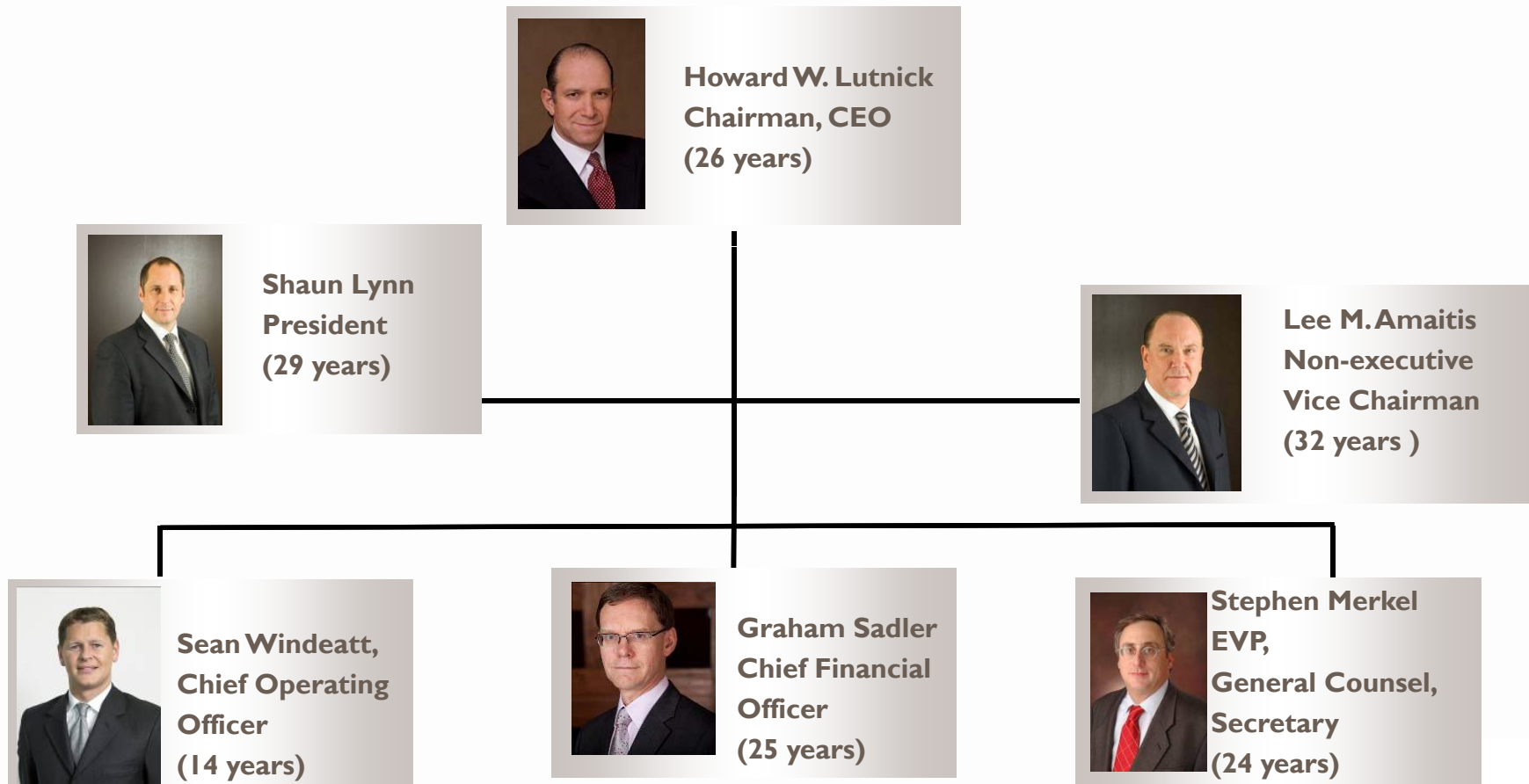
## ELX Update

- Launched July 10, 2009 with US Treasury futures contracts
- Partners include nearly all the largest FCMs\* and most active futures trading firms
  - Bank of America Merrill Lynch, Barclays Capital, Breakwater, Citi, Credit Suisse, Deutsche Bank Securities, GETCO, Goldman Sachs, JPMorgan, Morgan Stanley, PEAK6 and The Royal Bank of Scotland
- Customers include top FCMs like MF & Newedge
- OCC provides clearing services
- CFTC is reviewing EFFs
- Will launch Eurodollar Futures June 18, 2010
  - Options on Futures, other products in development



# Executive Management of BGC Partners

## 150+ Years of Experience

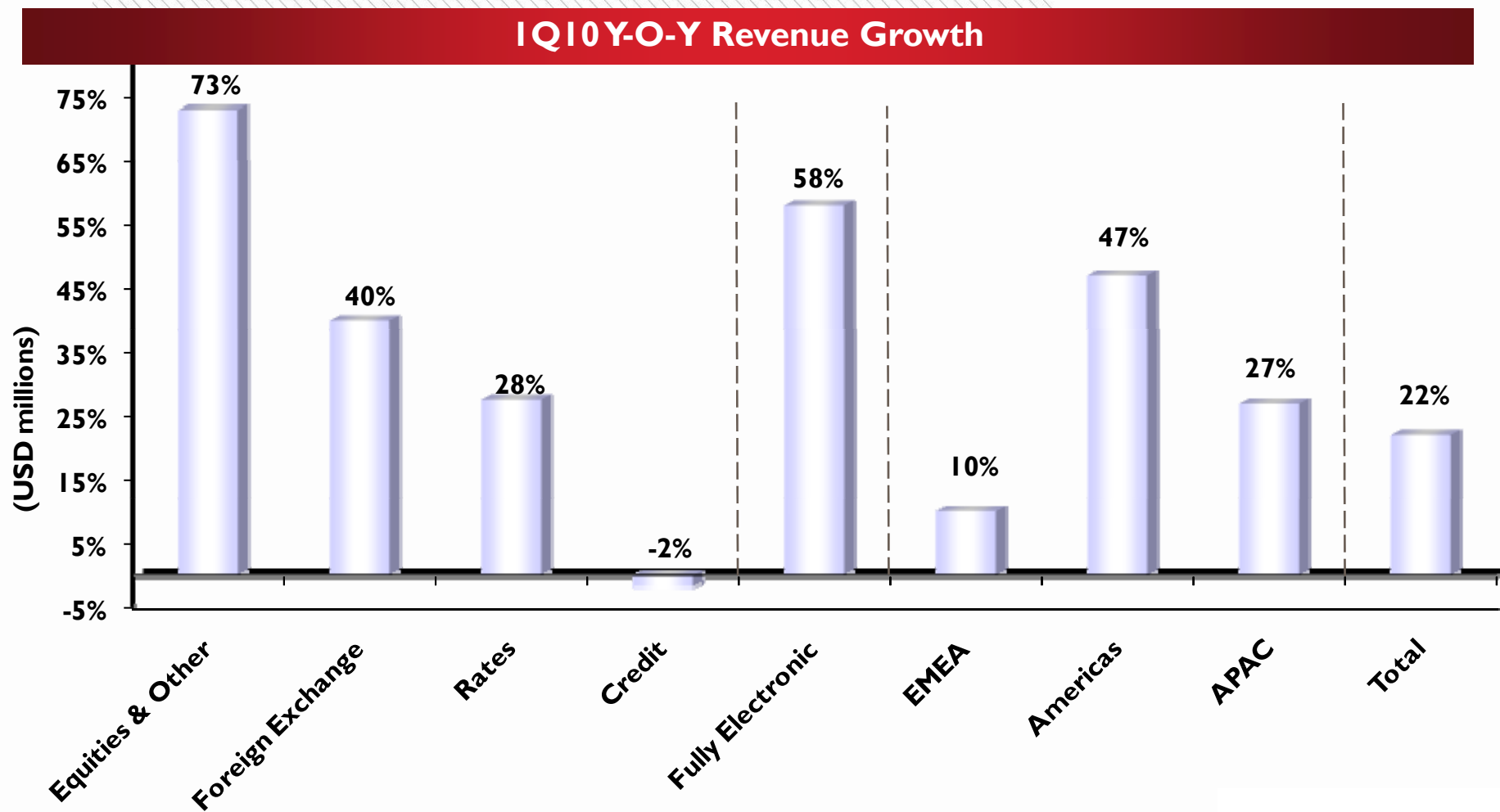




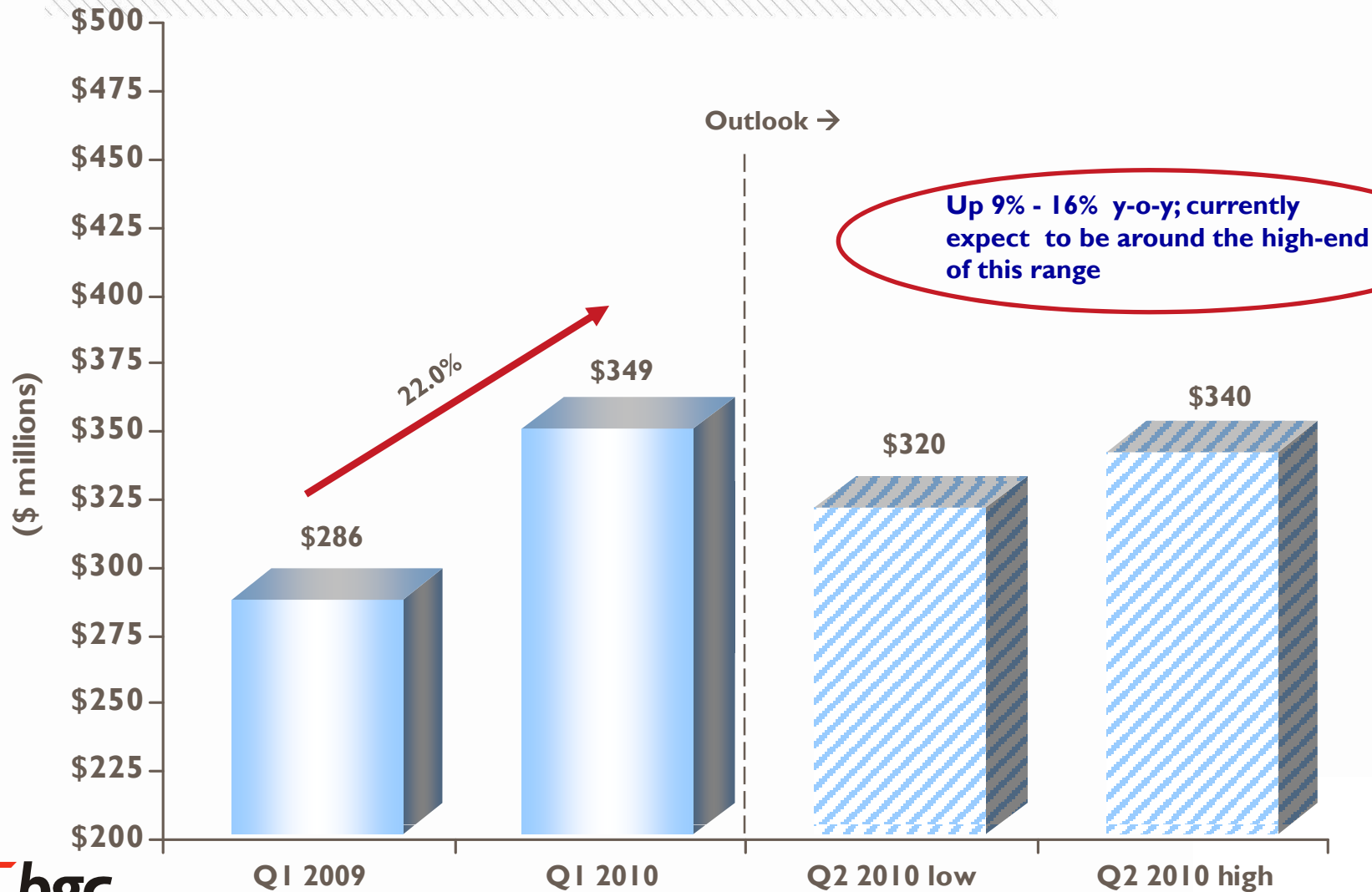
**voice  electronic brokerage**

Graham Sadler, Chief Financial Officer

# Revenue Growth Across Most Businesses & Geographies

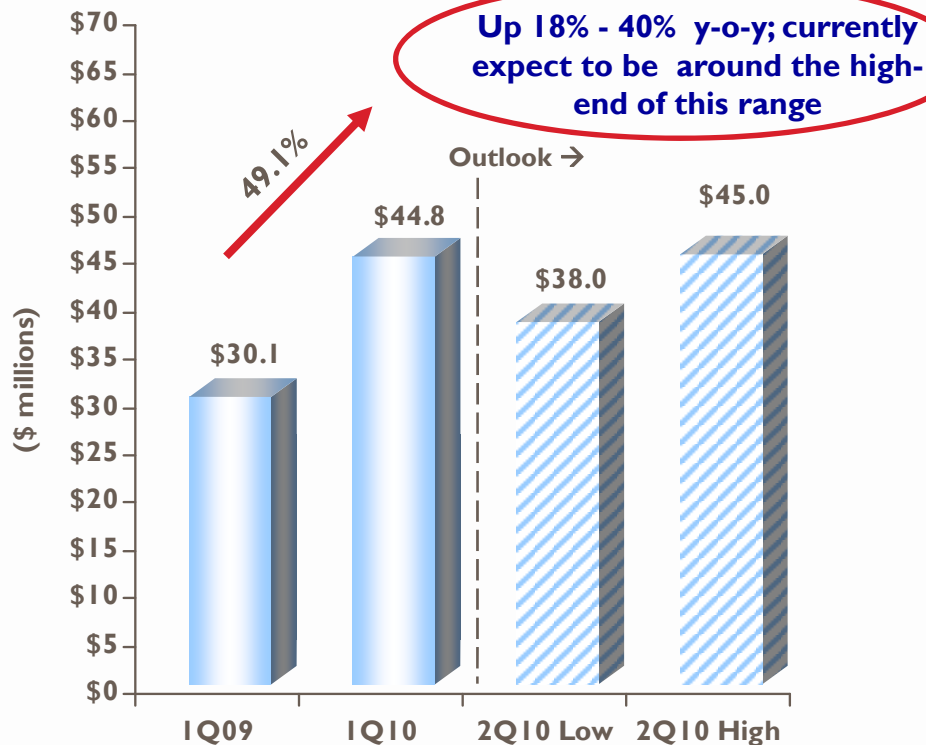


# BGC Revenue Trend (millions)

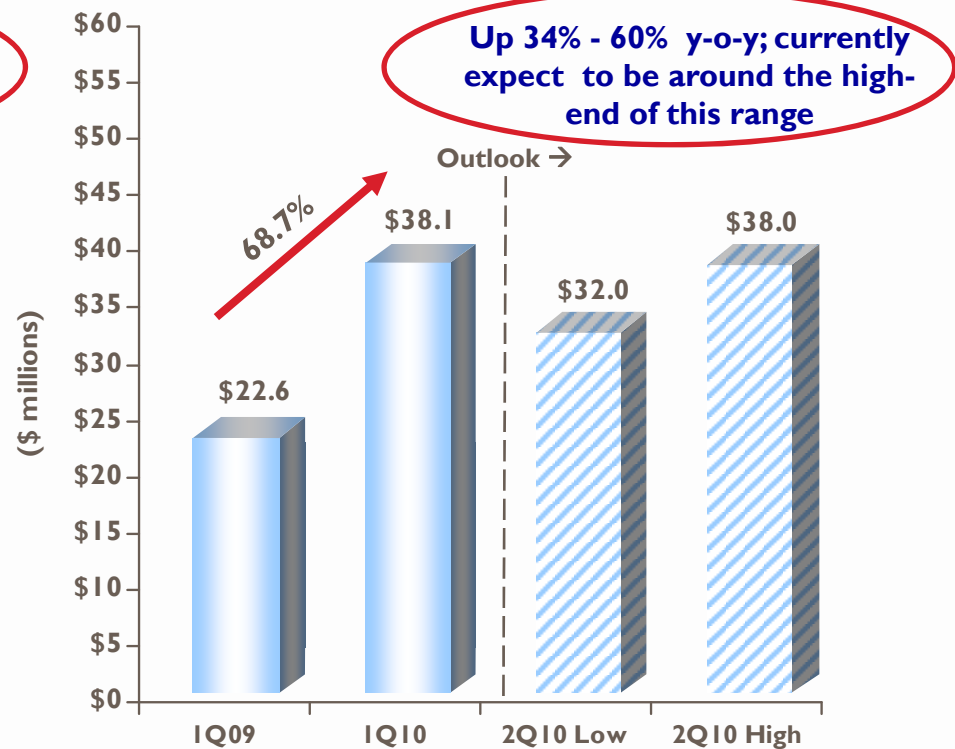


# Distributable Earnings Growth

## Pre-tax Distributable Earnings Growth

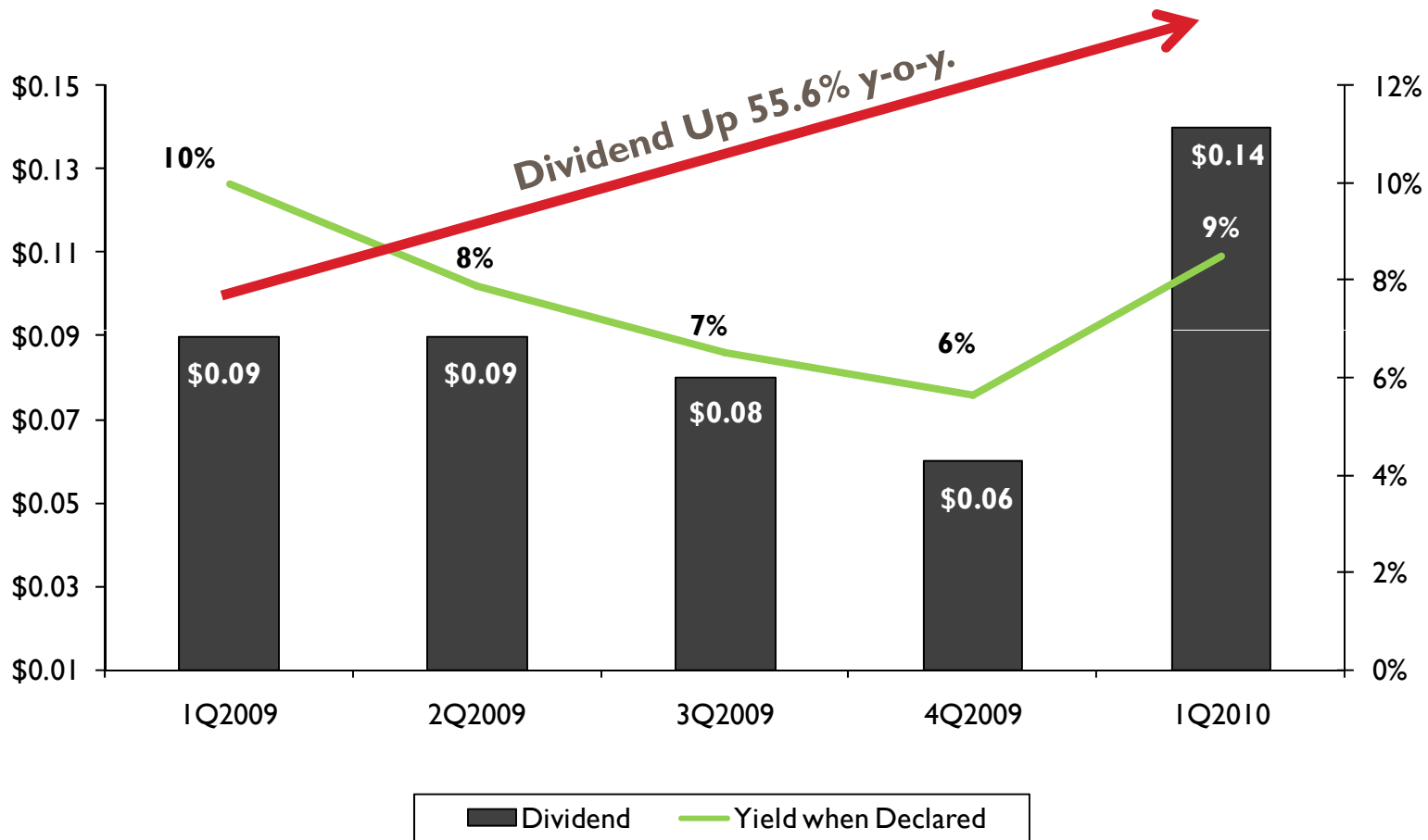


## Post-tax Distributable Earnings Growth



→ First Quarter Pre-tax & Post-tax distributable earnings per fully diluted share were up 33.3% and 54.5% y-o-y respectively

# Dividend Growth and Attractive Yield



# Strong Balance Sheet

	March 31, 2010
<b>Assets:</b>	
Cash and cash equivalents	\$ 389,268
Cash segregated under regulatory requirements	2,651
Reverse repurchase agreements with related parties	-
Securities Borrowed	35,035
Loan receivables from related parties	980
Securities owned	2,124
Marketable securities	1,534
Receivables from brokers, dealers, clearing organizations, customers and related broker-	894,692
Accrued commissions receivable, net	145,819
Forgivable and other loan receivables from employees and partners	135,459
Fixed assets, net	136,859
Investments	22,134
Goodwill	76,802
Other intangible assets, net	13,083
Receivables from related parties	14,161
Other assets	50,987
<b>Total assets</b>	<b>\$ 1,921,588</b>

## Liabilities, Redeemable Partnership Interest and Total Equity:

Accrued compensation	\$ 180,083
Securities sold, not yet purchased	39
Payables to brokers, dealers, clearing organizations, customers and related broker-dealer	870,765
Payables to related parties	23,604
Accounts payable, accrued and other liabilities	278,427
Deferred revenue	9,162
Notes payable and collateralized borrowings	166,144
<b>Total liabilities</b>	<b>1,528,224</b>
Redeemable partnership interest	101,558
<b>Equity</b>	
Stockholders' equity:	
Class A common stock, par value \$0.01 per share; 500,000 shares authorized; 72,408 and 70,661 shares issued at March 31, 2010 and December 31, 2009, respectively; and 55,551 and 56,124 shares outstanding at March 31, 2010 and December 31, 2009, respectively	724
Class B common stock, par value \$0.01 per share; 100,000 shares authorized; 26,448 and 26,448 shares issued and outstanding at March 31, 2010 and December 31, 2009, respectively, convertible into Class A common stock	264
Additional paid-in capital	295,996
Treasury stock, at cost: 16,857 and 14,537 shares of Class A common stock at March 31, December 31, 2009, respectively	(103,127)
Retained deficit	(11,390)
Accumulated other comprehensive income (loss)	(1,350)
<b>Total stockholders' equity</b>	<b>181,117</b>
Noncontrolling interest in subsidiaries	110,689
<b>Total equity</b>	<b>291,806</b>
<b>Total liabilities, redeemable partnership interest, and equity</b>	<b>\$ 1,921,588</b>

**BGC does not make money using its balance sheet so our results should not vary based on equity and cash levels. BGC currently has more than adequate cash for regulatory and clearing purposes.**

**Debt: \$166.2 MM**

**Total capital: \$393.4 MM \***

## Strong Balance Sheet (continued)

- Simple balance sheet
- Low leverage
- Safe securities position – no “mark to model” assets
- BGC brokers trades either on a name-give-up basis ( $\approx 70\%$ ) or on a matched principal basis ( $\approx 30\%$ )
  - Generally do not have inventory
- BGC does not generally engage in proprietary trading, have margin accounts with customers, or otherwise use its balance sheet for trading purposes
- Book value per share \$2.21
  - Consistent near this level since eSpeed merger in 2Q2008

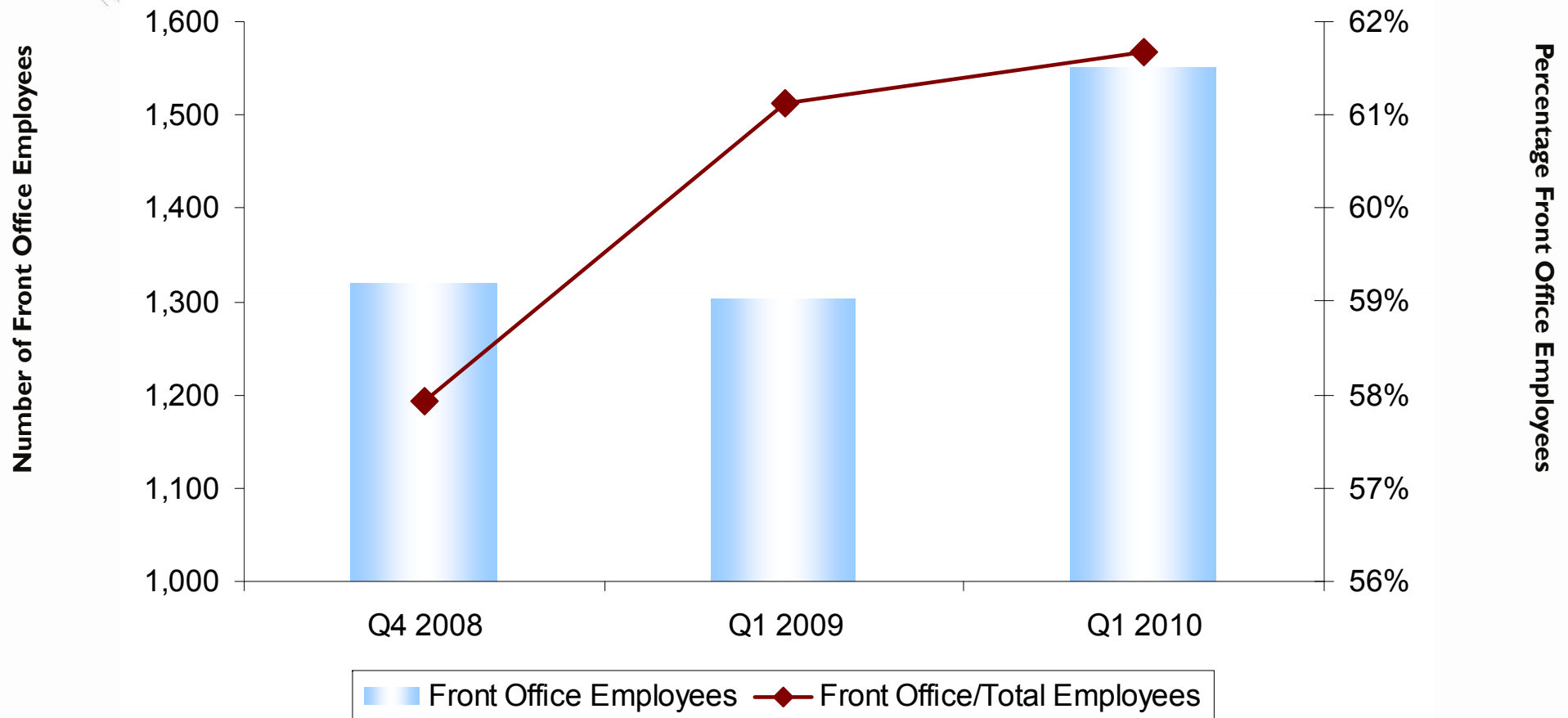


# Platform to take Growth to Next Level

## → Margin Improvement

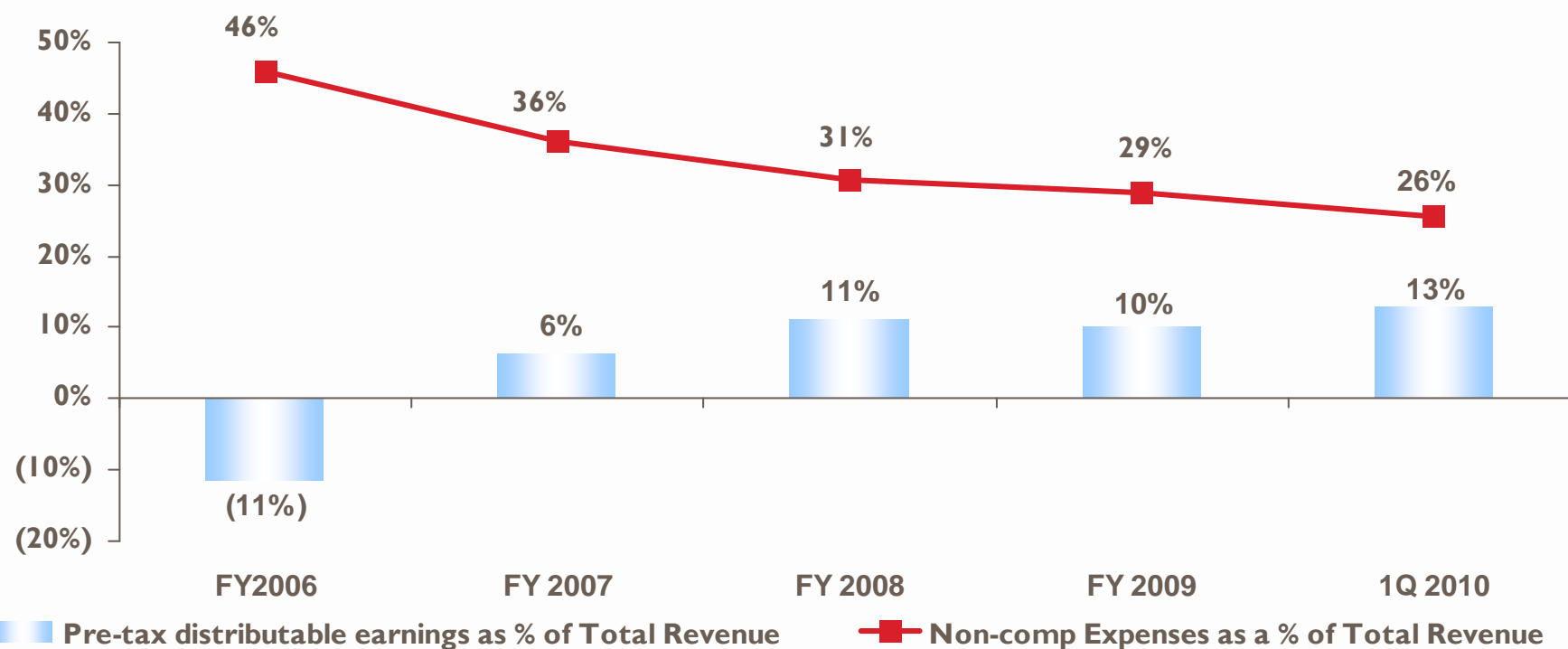
- Organic through new hires and broker productivity gains
- Operating Leverage
- Lower Comp Rate
- Partnership Enhancement Program
- Effective Tax Rate
- Acquisitions

# BGC: Scalable Business Poised for Margin Expansion



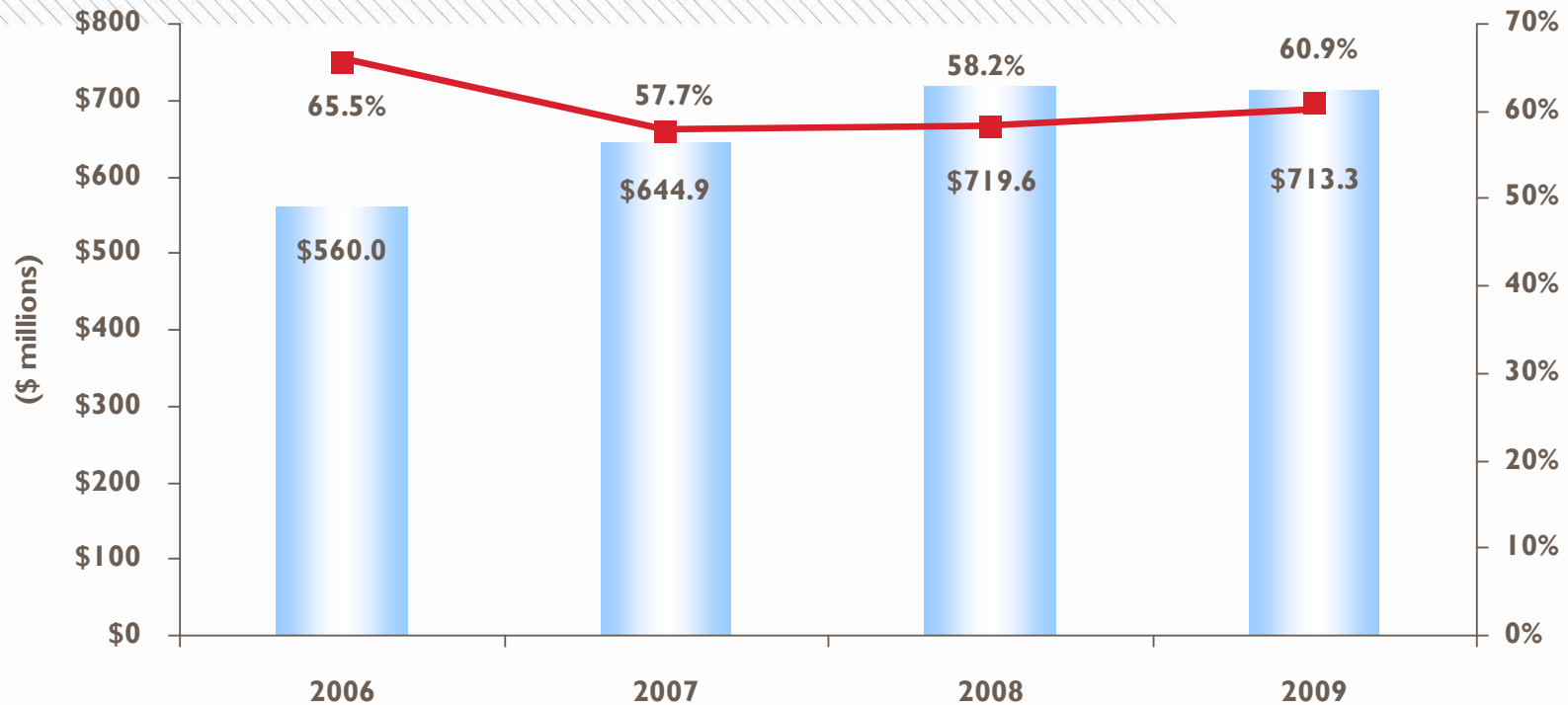
→ As new brokers/salespeople improve productivity, BGC expects positive impact on compensation ratio & margins

# Operating Leverage / Fixed Expense Base



- Non-comp expenses were 25.6% of distributable earnings revenues in 1Q2010 versus 28.6% in 1Q2009
- Pre-tax distributable earnings margin was 12.8% in 1Q2010 vs. 10.5% in 1Q2009
- Post-tax distributable earnings margin was 10.9% in 1Q2010 vs. 7.9% in 1Q2009

# BGC Partners Compensation Ratio



■ Compensation and Employee Benefits

■ Compensation and Employee Benefits as % of Total Revenue

- Compensation ratio was 61.5% in IQ2010 vs. 60.9% in IQ2009
- Historically the compensation ratio increases during periods of rapid headcount growth, as new brokers typically take several quarters to achieve expected productivity levels

# Partnership Enhancement Program

## → What did it involve?

- Extending employment contracts
- Increasing restricted partnership units as part of compensation
- Redemption or exchangeability for units

## → Impact

- Interest aligned with investors'
- Improve employee retention
- Lower compensation rate leading to higher Distributable Earnings
- Lower effective tax rate – 15% down from 27% in 2009

# Our Structure Leads to Lower Effective Tax Rate

- Partnership Units and common stock treated equivalently for accounting purposes
- All shares, partnership units & RSUs included in fully diluted share count
- Redemption of partnership units similar to share repurchases
- Exchanges of partnership units into common stock have no effect on fully diluted share count
- Redemptions and Exchanges do not impact pre-tax distributable earnings
- Leads to lower tax rate for benefit of the Company and its public shareholders

# Lower Tax Rate Primarily Benefits Common Stockholders

## Pre- and Post-Partnership Enhancement: 28% and 15% Effective Tax Rates for Distributable Earnings

	28% Tax Rate			15% Tax Rate		
	Total	Allocated to		Total	Allocated to	
		Public	Partners		Public	Partners
Share of Pretax Income		38%	62%		38%	62%
Pretax Income	\$100.0	\$38.0	\$62.0	\$100.0	\$38.0	\$62.0
Entity tax	(\$28.0)	(\$10.6)	(\$17.4)	(\$15.0)	(\$5.7)	(\$9.3)
Partner Tax			(\$31.0)			(\$31.0)
Partner Tax Credit			\$17.4			\$9.3
<b>After Tax Income</b>	<b>\$72.0</b>	<b>\$27.4</b>	<b>\$31.0</b>	<b>\$85.0</b>	<b>\$32.3</b>	<b>\$31.0</b>

At a 50% marginal personal income tax rate, a typical U.S. partner owes the same in either scenario: an additional 22% on their distributions with a 28% effective DE tax rate; or an additional 35% at a 15% effective DE tax rate.

# Hypothetical Example of 15% Tax Rate

At \$100 million in Pretax Income, \$46 Million Charge for Exchange  $\approx$  15% Tax Rate

	DE	GAAP
Distributable Earnings Pretax Income	\$100.0	\$100.0
Less Non-cash, Non-dilutive Charge for Exchange	\$0.0	(\$46.0)
Pretax Income	\$100.0	\$54.0
Tax	(\$15.1)	(\$15.1)
Tax Rate	15%	28%

Under GAAP, the difference between amortized compensation expense and exchange/redemption price = “compensation” = tax deduction for public company. This exchange has no economic impact on the company and does not lower the amount of cash available for distributions, dividends, share repurchases, or unit redemptions.



# Shelf Registration Enables Orderly Redemptions

→ BGC recently filed a \$100 million Shelf Registration Statement on Form S-3 with the SEC:

- 1) General corporate purposes including stock and unit repurchases and acquisitions
- 2) BGC's share buy-back/unit redemption authorization + S-3 = way to facilitate aforementioned redemption process

→ In the future, we may:

- 1) Redeem units for cash and reduce fully diluted share count or;
- 2) Redeem units for cash & separately sell Class A shares\*

→ Because these units or shares would already be in fully diluted share count, neither scenario should be dilutive

- 1) Second scenario would increase Class A free float



**BGC's Growth Drivers**  
President Shaun D. Lynn

# BGC Growth Drivers: Positive Momentum

## 1) Benefiting from solid growth in overall industry issuance

- Strong fundamentals for secondary market volumes

## 2) Increasing market share

- Growing front office headcount

## 3) Increasing percentage of revenue from fully electronic trading

- Improves long-term profitability

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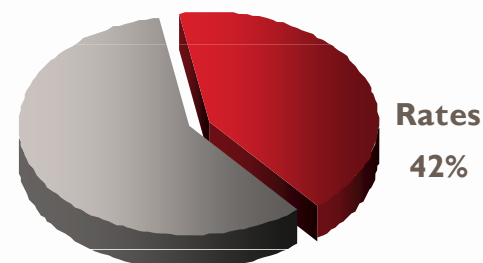
- Improves long-term profitability

# Brokerage Overview: Rates

## Example of Products

- Interest rate derivatives
- US Treasuries
- Global Government Bonds
- Agencies
- Futures
- Dollar derivatives
- Repurchase agreements
- Non-deliverable swaps
- Interest rate swaps & options

## % of IQ2010 Total Distributable Earnings Revenue



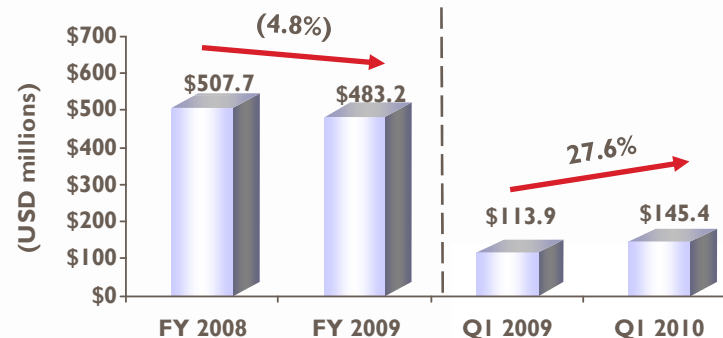
## Drivers

- Voice & fully electronic cash rates business grew due to strong sovereign debt issuance globally
- European rates business activity increased due to debt issues facing various EU states
- Global IRS activity aided by strong sovereign & corporate issuance

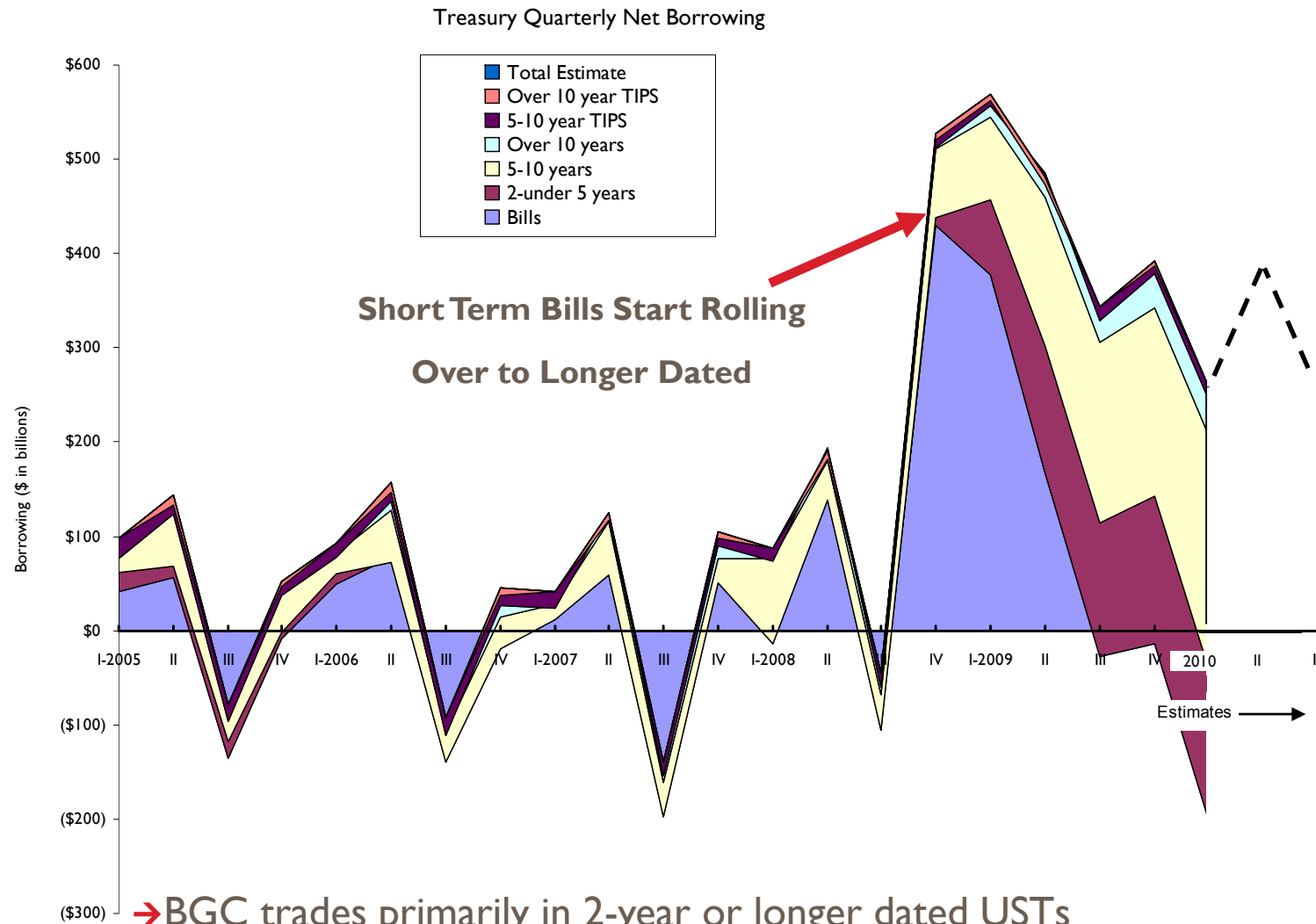
## Rates Revenue Growth

What was a headwind...

...is now a tailwind



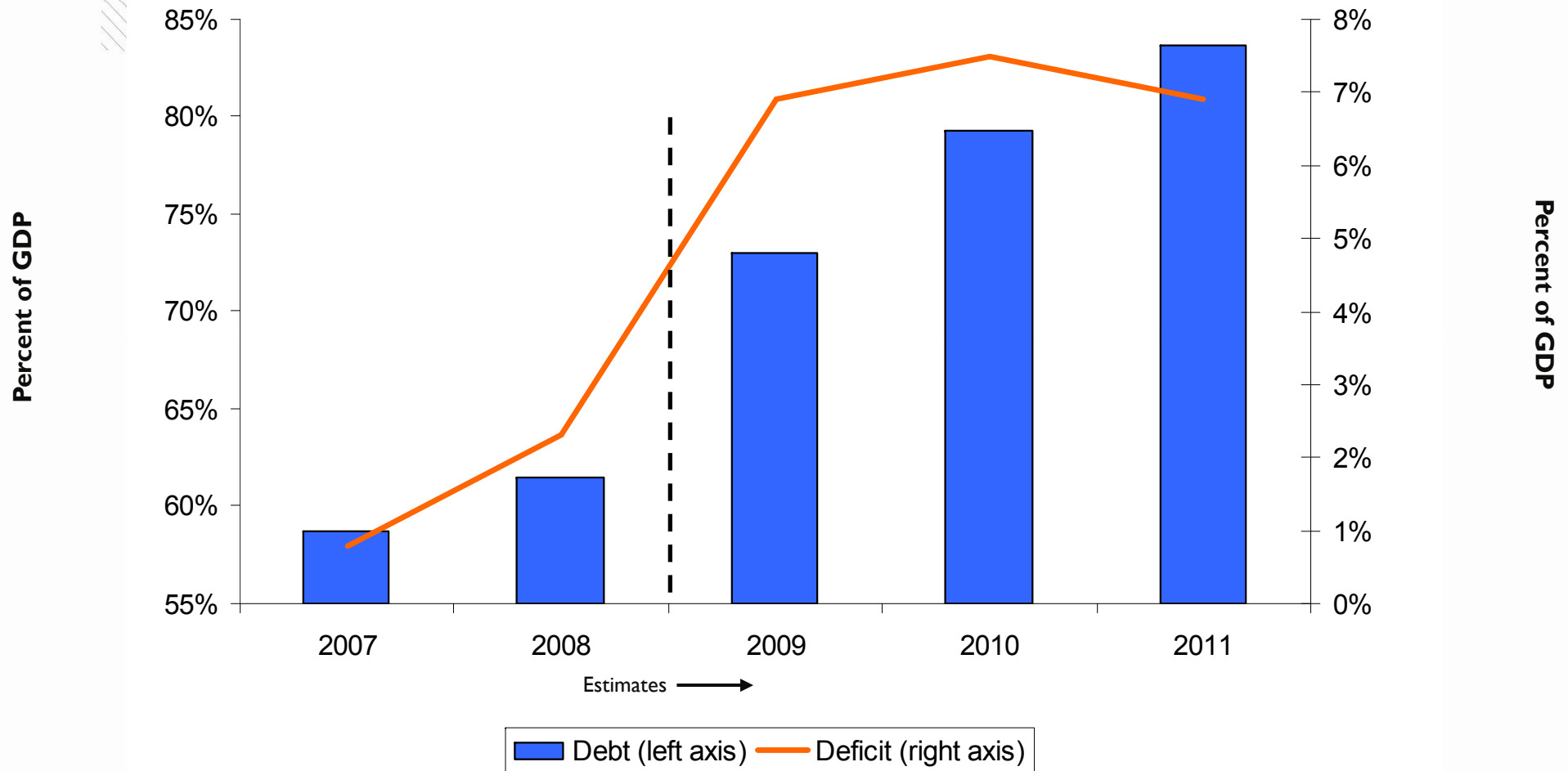
# Record US Treasury Issuance = Tailwind



→ BGC trades primarily in 2-year or longer dated USTs

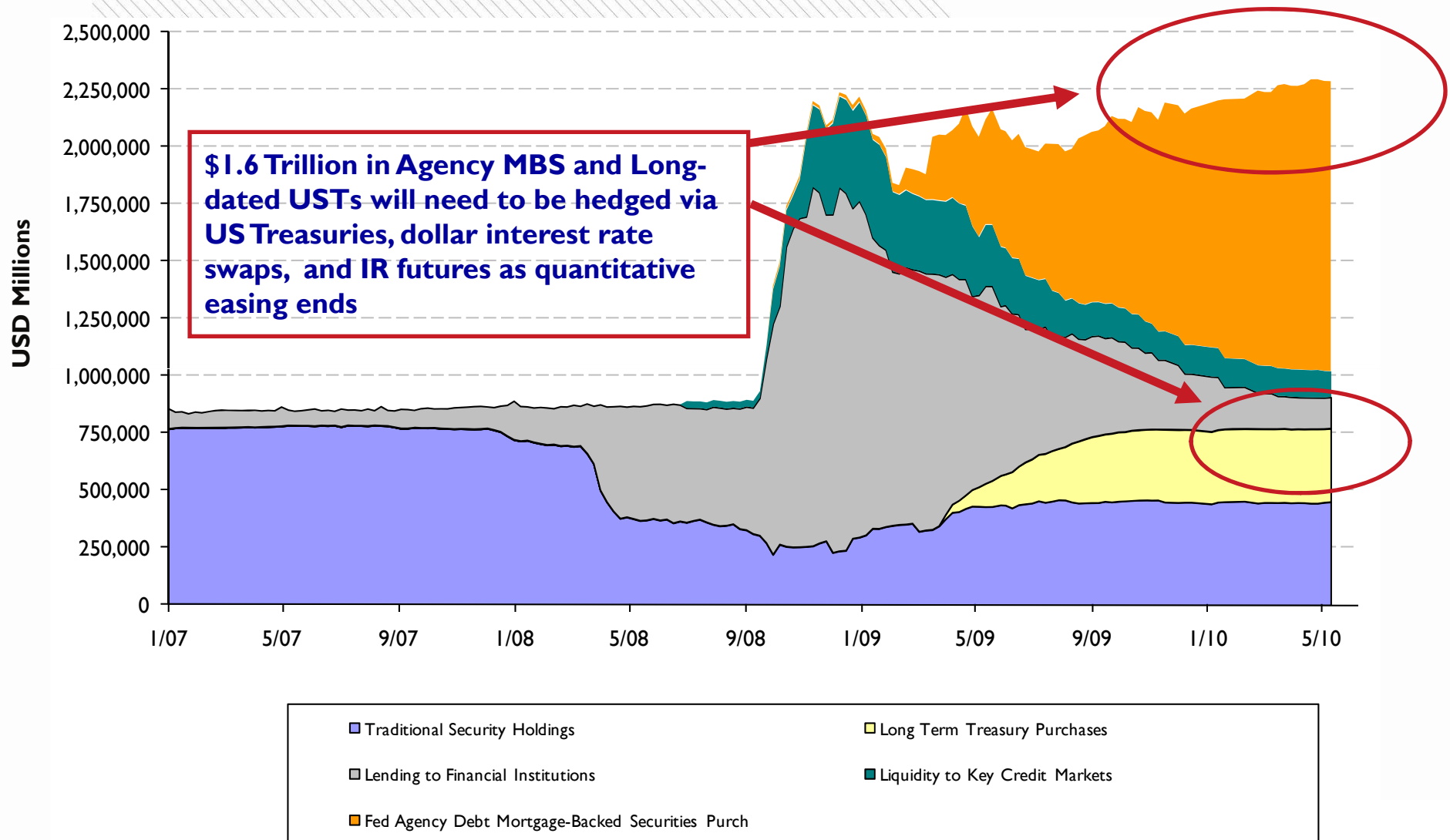
→ UST issuance for 2-year or longer dated USTs up 65% y-o-y in calendar 1Q2010

## ...As are EU Deficits and Gross Debt



- Even as deficits begin to stabilize as a percentage of GDP, gross debt continues to rise
- As national deficits rise, trading in both bonds and their related interest rate and credit derivatives increases

# Pending Fed Balance Sheet Unwind = Future Tailwind





# Interest Rate Volatility is Up



# Brokerage Overview: Equities & Other Asset Classes

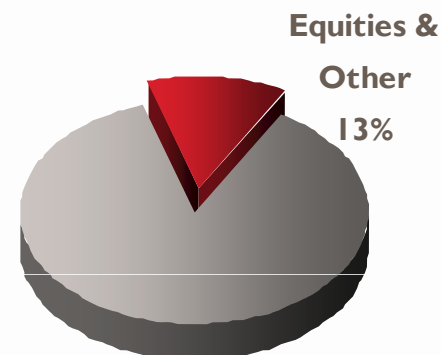
## Example of Products

- Equity derivatives
- Cash Equities
- Index futures
- Commodities
- Energy derivatives
- Other derivatives and futures

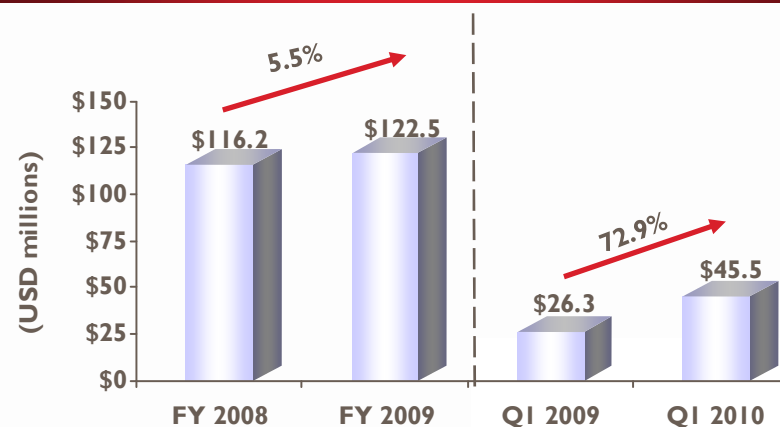
## Drivers

- Primarily strong growth globally from the Company's equity derivatives products

## % of IQ2010 Total Distributable Earnings Revenue



## Equities & Other Asset Classes Revenue Growth

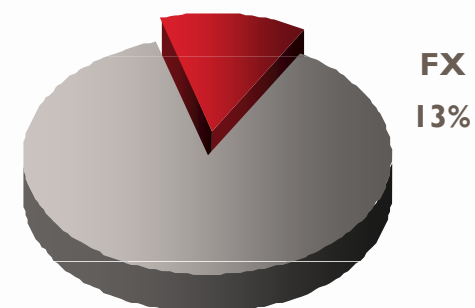


# Brokerage Overview: Foreign Exchange

## Example of Products

- Foreign exchange options
- G-10
- Emerging markets
- Cross currencies
- Exotic options
- Spot FX
- Emerging market FX options
- Exotic FX options
- Non-deliverable forwards

## % of IQ2010 Total Distributable Earnings Revenue



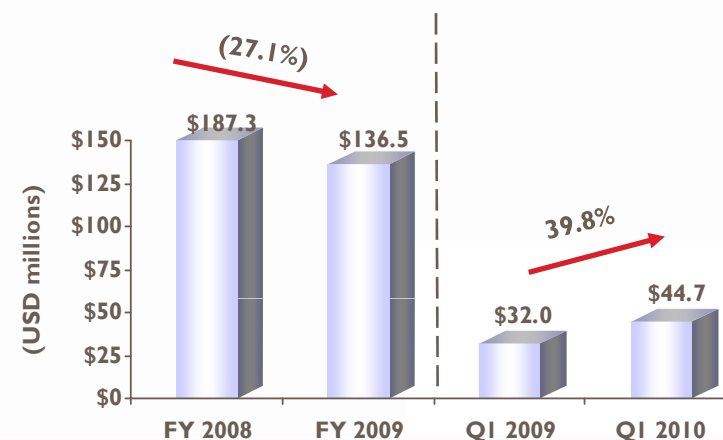
## Drivers

- Primarily due to a sharp rebound in global volumes and as credit issues eased for customers of BGC's Emerging Markets desks
- Also driven by significantly higher fully electronic revenues for BGC Sovereign debt issues in Europe have been increasing overall FX volumes

## Foreign Exchange Revenue Growth

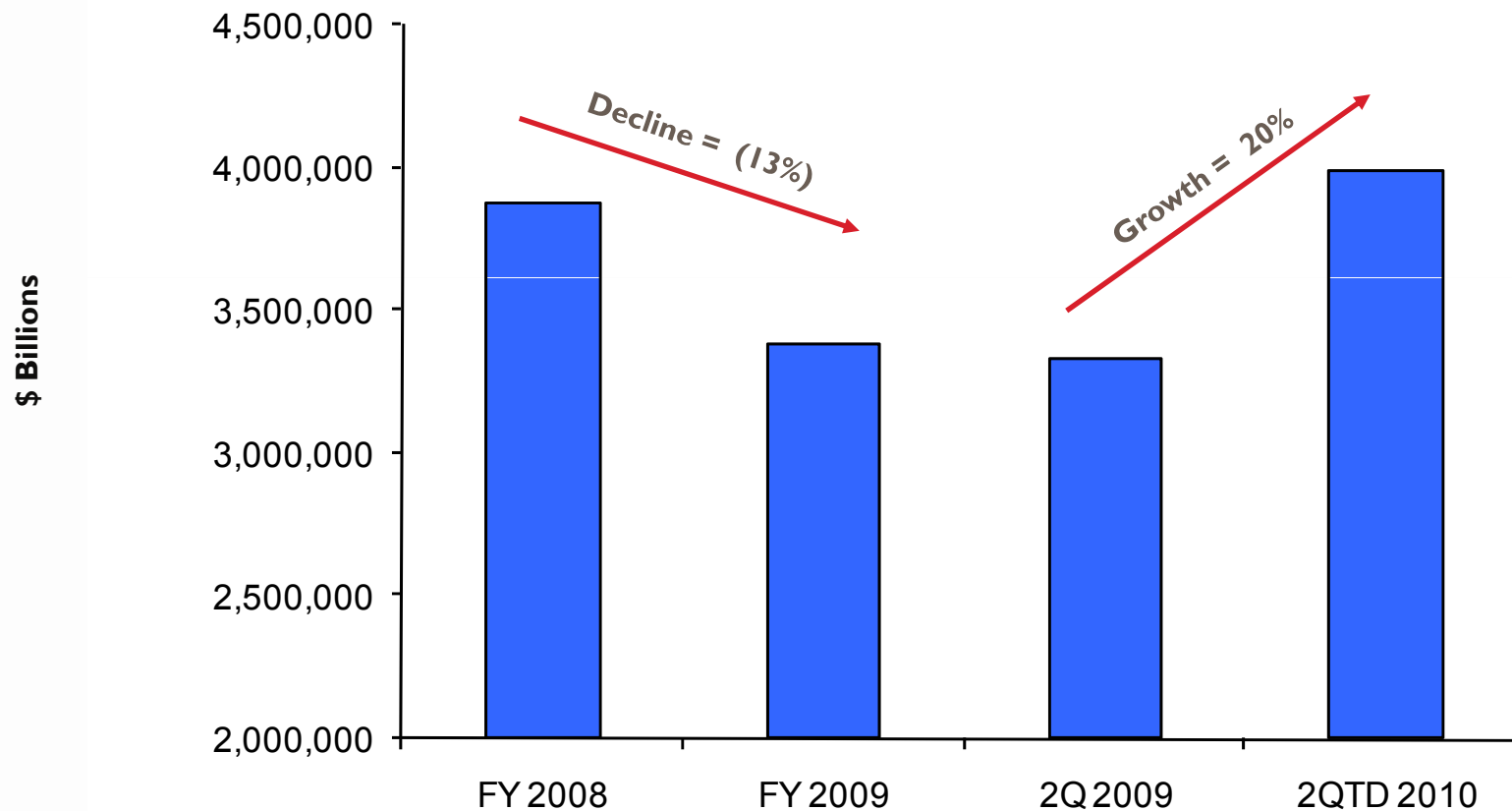
Credit Crisis: Headwind

Credit Easing = Tailwind



# Overall Industry Spot/Forward FX Growth Returns

FX Average Daily Values



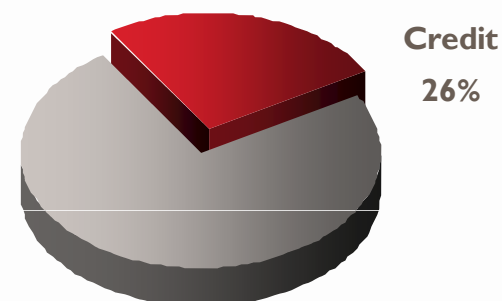
→ BGC's spot and derivatives FX volumes have been outpacing overall industry growth so far in 2010

# Brokerage Overview: Credit

## Example of Products

- Credit derivatives
- Asset-backed securities
- Convertibles
- Corporate bonds
- High yield bonds
- Emerging market bonds

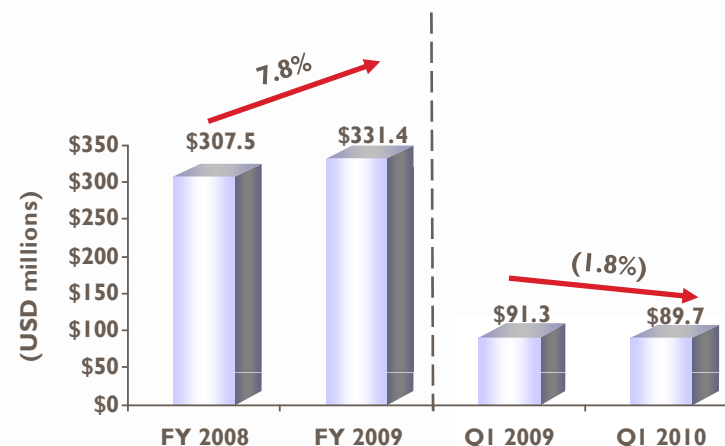
## % of IQ2010 Total Distributable Earnings Revenue



## Drivers

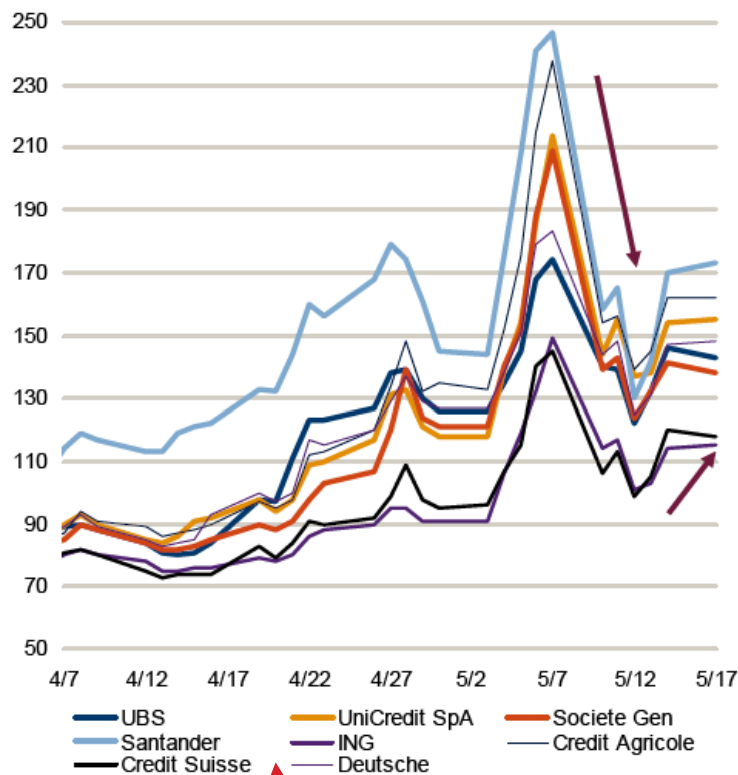
- Primarily lower industry-wide cash bond revenues & CDS activity
- Partially offset by strong y-o-y growth for BGC in fully electronic CDS trading in the US, Asia & Europe
- Sovereign CDS business has grown due to various sovereign debt concerns

## Credit Revenue Growth



# European Sovereign & Related CDS Activity is Strong

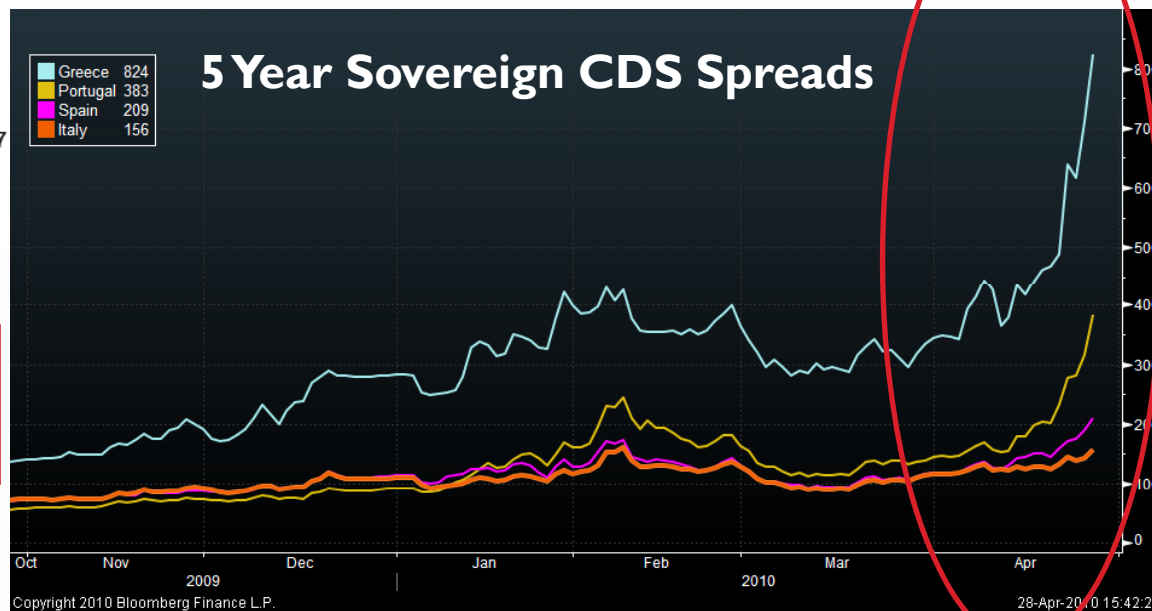
European Bank 5y CDS (bp)



CDS activity also increasing for Euro-zone banks

5 Year sovereign CDS spreads widening during 2Q2010

5 Year Sovereign CDS Spreads



# BGC Growth Drivers: Positive Momentum

## 1) Benefiting from solid growth in overall industry issuance

- Strong fundamentals for secondary market volumes

## 2) Increasing market share

- Growing front office headcount

## 3) Increasing percentage of revenue from fully electronic trading

- Improves long-term profitability



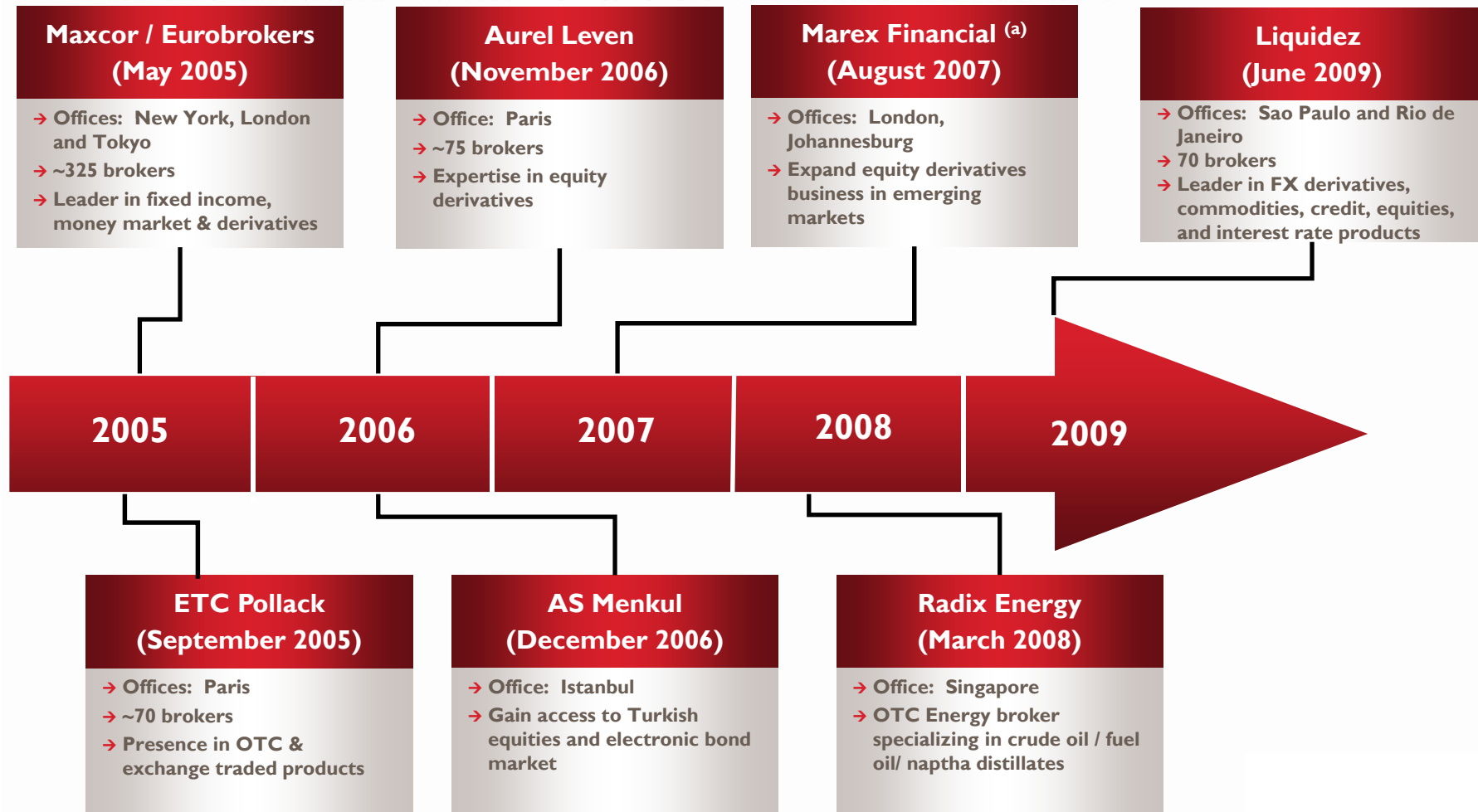
# Ability to Attract and Retain Key Talent

- Partnership structure tax efficient for both partners and public shareholders
- Partnership is a key tool in attracting and retaining key producers
- Unlike peers, large number of key employees have sizable and mostly restricted equity or unit stakes ( $\approx 39\%$  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

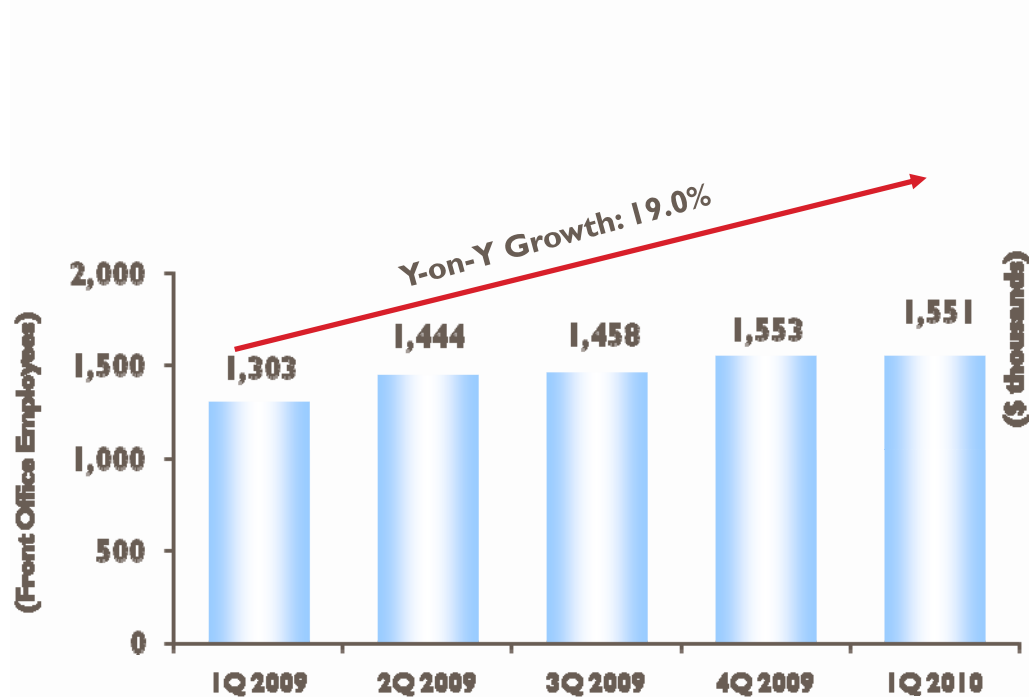


voice + electronic brokerage

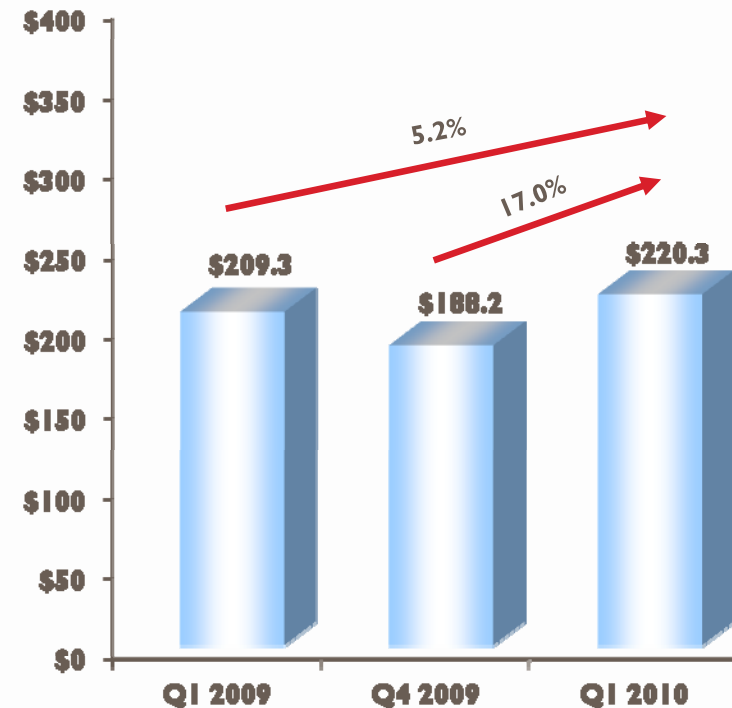
(a) BGC acquired Marex Financial's emerging markets business.

# BGC Front Office Employee Growth

## Front Office Headcount



## Front Office Productivity (in thousands)



- Historically, the Company's average revenue per broker has declined for the periods following significant headcount increases. BGC Partners' new brokers generally achieve higher productivity levels in their second year with the Company.



Note: Front office productivity is calculated as "total brokerage revenue," "market data and software sales revenue," and the portion of "fees from related party" line items related to fully electronic trading divided by average front office headcount for the relevant period.

# Business Management Team

Another 350 + Years

## Global



**Jean-Pierre Aubin**  
*Executive Managing Director and Global Head Listed Products*

(19 years)



**Philip Norton**  
*Executive Managing Director and for BGC e-Commerce*

(23 years)



**Bernard Weinstein**  
*Executive Managing Director for BGCantor Market Data*

(29 years)



**Yvette Tierney**  
*Chief Information Officer for BGC*

(18 years)



**Danny LaVecchia**  
*Executive Managing Director and Global Head of FX Products*

(24 years)

## Asia-Pacific



**Mark Spring**  
*Executive Managing Director*

(23 years)



**Len Harvey**  
*Executive Managing Director and General Manager, Asia-Pacific*

(35 years)

## UK & Europe



**Rob Kitchen**  
*Senior Managing Director and Head of Credit and Commodities*

(16 years)



**Tony Verrier**  
*Executive Managing Director and General Manager, London and Europe*

(22 years)

## France



**Jérôme Frank**  
*Senior Managing Director France*

(27 years)

## North America



**Mark Webster**  
*Executive Managing Director and General Manager, Americas*

(29 years)



**Sal Trani**  
*Executive Managing Director for BGC North America*

(44 years)



**Keith Reihl**  
*Chief Operating Officer for BGC North America*

(28 years)

# BGC Growth Drivers: Positive Momentum

## 1) Benefiting from solid growth in overall industry issuance

- Strong fundamentals for secondary market volumes

## 2) Increasing market share

- Growing front office headcount

## 3) Increasing percentage of revenue from fully electronic trading

- Improves long-term profitability

# Significant Leverage Through Scale and Technology

## Pre-Tax Distributable Earnings Contribution

30%  
Incremental  
Margin

**Hybrid Brokerage:  
Hire and Acquire**

45-75%  
Incremental  
Margin

**Fully Electronic:  
Convert**

35-50%  
or more  
Incremental  
Margin

**Market Data & Software:  
Distribute**

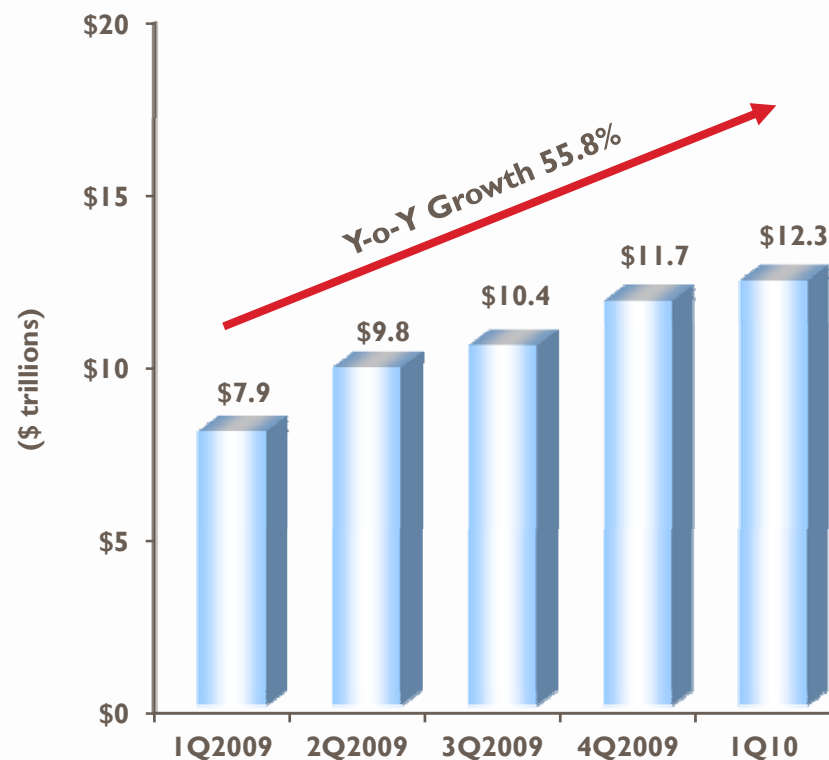


voice + electronic brokerage

Note: Incremental margin estimates based on BGC's historical financial performance.

# BGC Fully Electronic Growth

Fully Electronic Volumes (in trillions)



Fully Electronic Revenues (in millions)\*



- Year on year fully electronic revenue growth was 8.7% in 3Q2009, 38.2% in 4Q2009, and 57.9% in 1Q2010
- Over time, higher fully electronic revenues should = improved margins



voice + electronic brokerage

\* This includes fees captured in both the "total brokerage revenues" and "fees from related party" line items related to fully electronic trading.



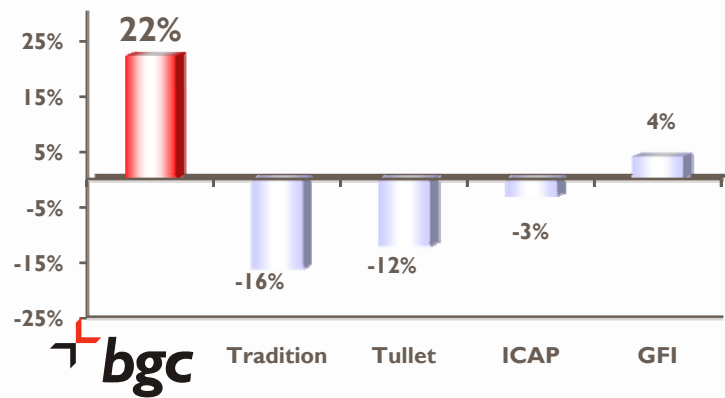
**voice  electronic brokerage**

**Result: BGC has Outperformed Peers**

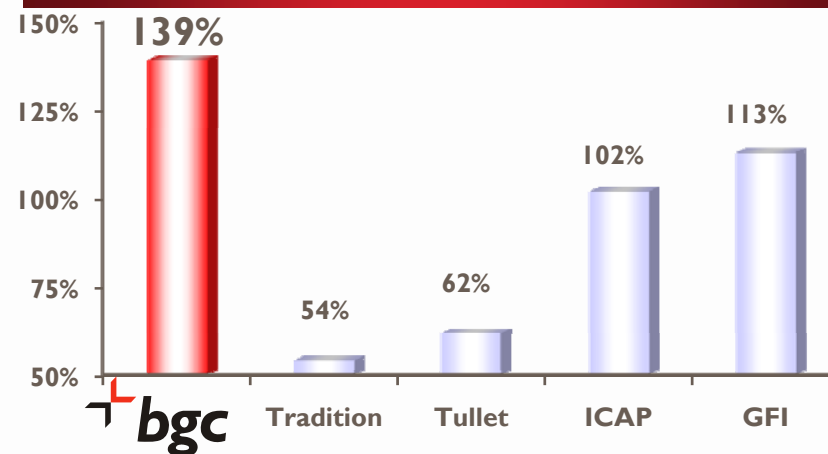
# Leading Global Inter-dealer Broker

## Operational comparison

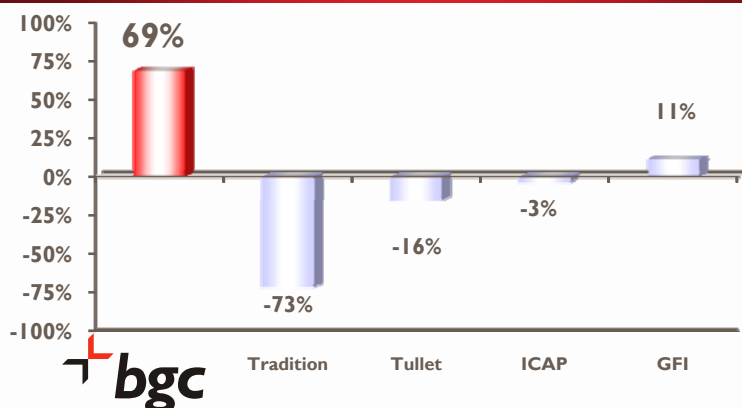
**Y-O-Y Revenue Growth (MRP Available)**



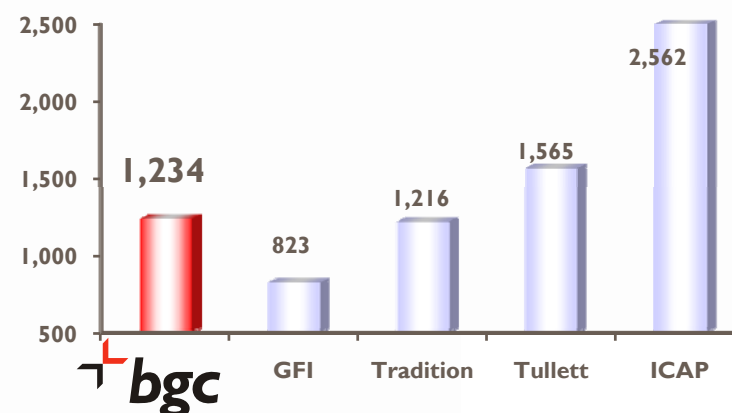
**5 Year Revenue Growth (2004-2009)**



**Y-O-Y Net Income growth (MRP Available)**



**TTM Revenue ( in USD)**

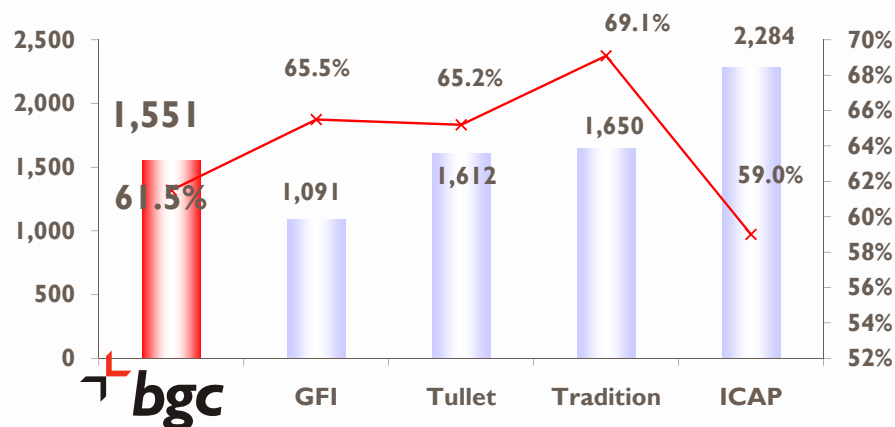




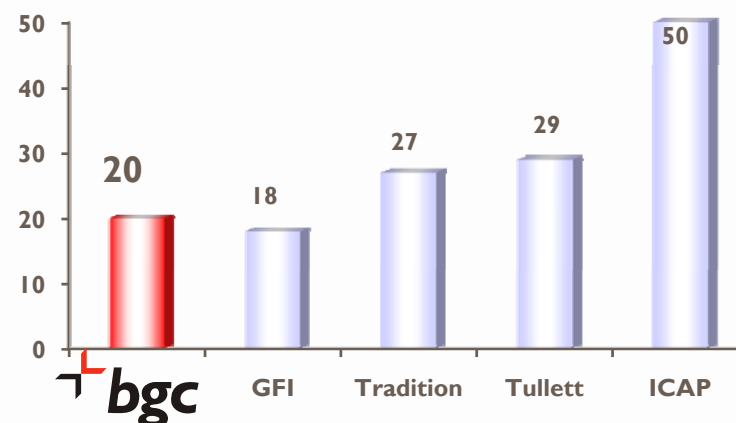
# Leading Global Inter-dealer Broker

## Operational comparison (Continued)

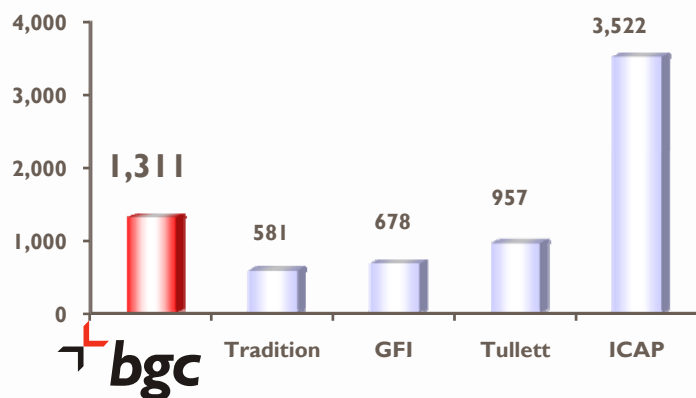
Brokers and broker compensation/revenue



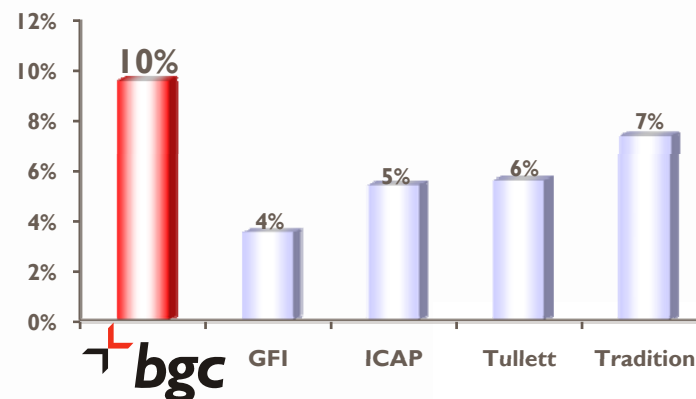
Number of cities present



Market Cap (in USD)

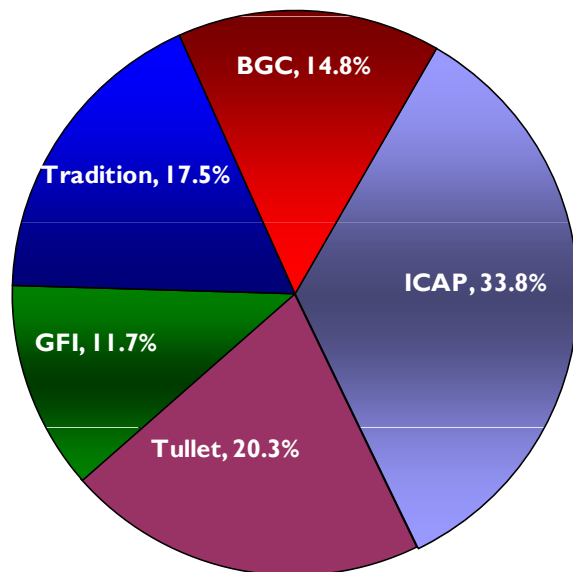


Implied Dividend Yield

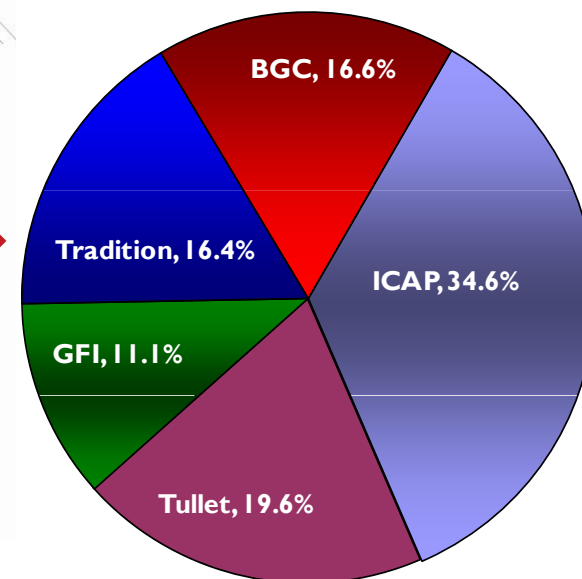


# BGC: Strongest Market Share Gain

TTM 2009 Market Share

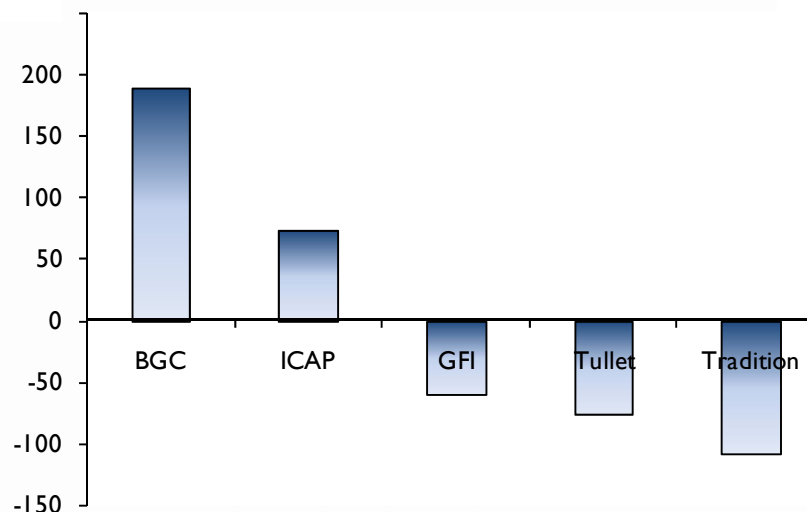


TTM 2010 Market Share

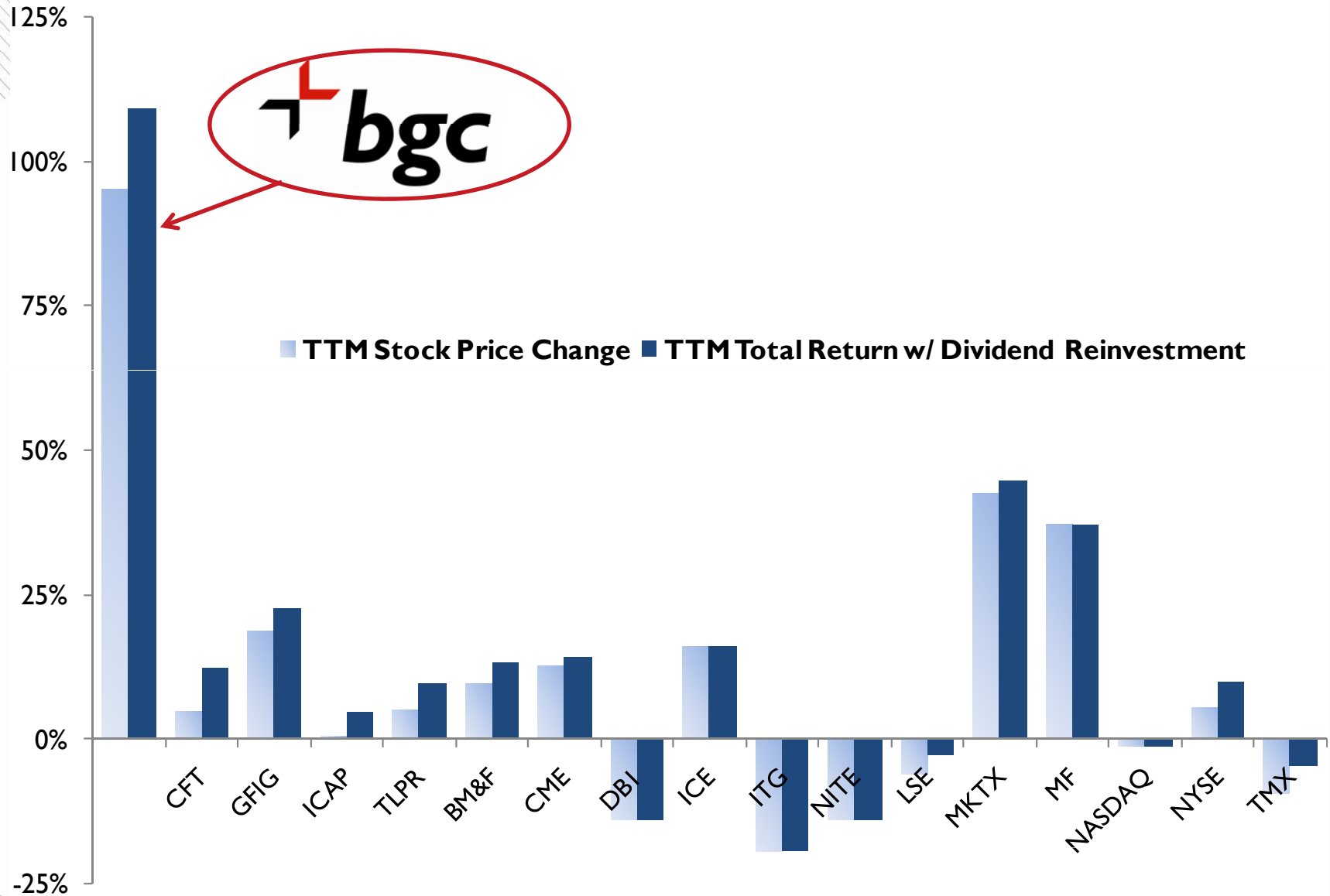


**BGC gained ~ 190 BP of market share in \$US terms y-o-y = strongest relative performance amongst public IDBs**

Share Gained (Lost) in Basis Points



# I-Year Total Return Versus Comps & Peers





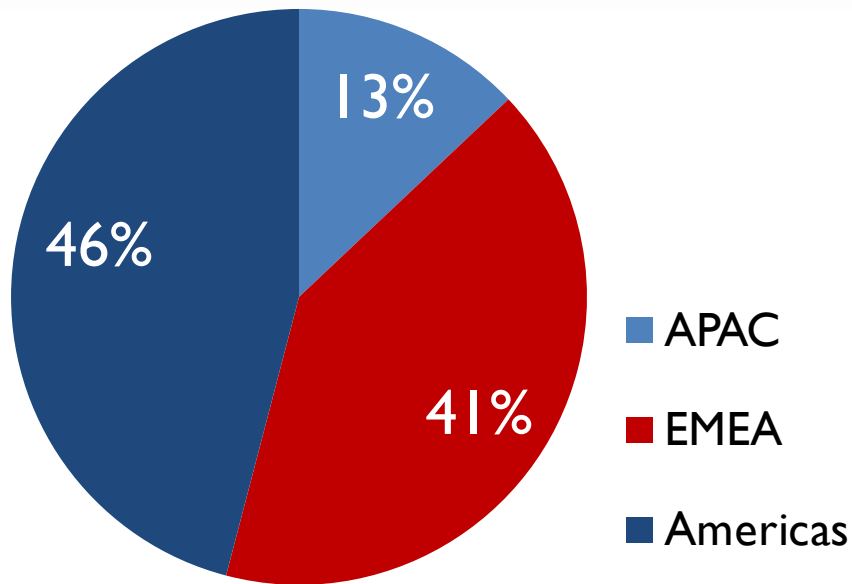
**voice  *electronic brokerage***

Jean-Pierre Aubin, Executive Managing Director and  
Global Head, Listed Products

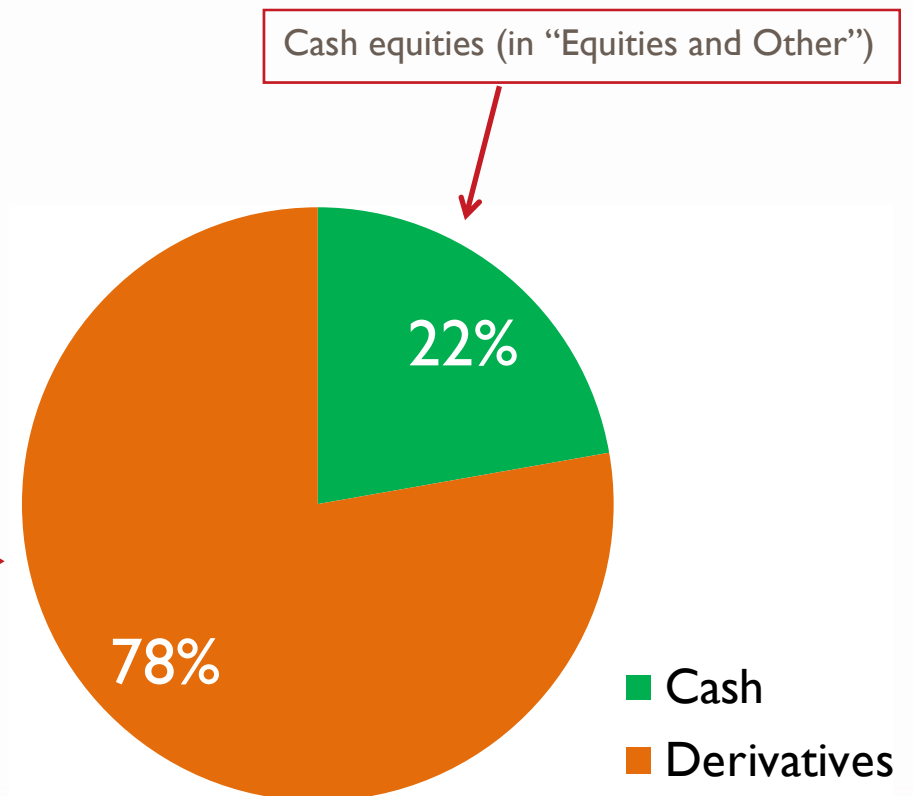
# Jean Pierre Aubin

- Executive Managing Director, Global Head of Listed Products
- Began broking career with Viel-Tradition Group in 1990
- Promoted to Tradition's President, Continental Europe
- Joined BGC in 2005 as President of Continental Europe and Head of Listed Products, Europe
- Instrumental in BGC's rapid expansion in Continental Europe, including the acquisitions of ETC Pollak in 2005 and Aurel in 2006
- Moved to BGC's New York office in 2008 as Global Head of Listed Products

# 250+ Brokers for Listed Cash, Futures, and Options



→ BGC's headcount for listed product brokers up  $\approx$  50% since 12/31/2008



Mainly equity options, equity-related futures (in "Equities and Other"); also some financial futures (in "Rates")

## Cash Equities

- Global cash equities team with access to virtually all market centers and liquidity pools
- Local execution in New York, London, Paris, Istanbul, Hong Kong, Singapore, Tokyo and São Paulo
- “Execution Plus” agency brokerage model
- Execution, flow matching
- Intra-day technical analysis
- Backed by equity research across targeted sectors



# Cash Equities & Equity Derivatives – Targeted, Actionable Research

- Loic Morvan, Aurel BGC, has been ranked #1 in Europe by Starmine (FT, Thomson Reuters) in the luxury goods sector, followed by JP Morgan
- Other coverage includes Internet, Derivatives Strategies, Technical Analysis, French stocks, and Turkish stocks

**January 26, 2010**

Colin W. Griffin  
Technology Analyst / Director  
cgriffin@bgc.com  
646.346.7032 ext. 517.521.8638

**Technology: Internet Research**

**Amazon.com Inc.** **SELL (AMZN, \$121.43)**

INITIATING COVERAGE OF AMAZON (AMZN, NASDAQ) WITH A SELL RATING AND \$300 PRICE TARGET.

**SUMMARY**  
Low Prices, Rich Valuation.  
Amazon is among the best discount retailers in the e-commerce space. In our opinion, the issue is that the nature of discount retailing implies a limited ability to expand gross margins, and the leverage available from controlling operating expense cuts, leaving margins in the single digit range (less than 10%) in our opinion. While research calls based on valuation can take multiple quarters to materialize (and such may have limited use), AMZN's valuation – the highest in our universe – is so notably above both traditional retailers and other Internet companies that any hiccup could cause multiple compression. AMZN trades at 44x our 2010 EPS, above our Internet universe average of 21x and much higher than Wal-Mart (WMT, NYSE, NY) at 16x FY 2010 EPS.

**What brings AMZN Shares Lower?**

- 1) Increased competition from other traditional retailers.  
We estimate that competition could reduce the 2.7% of total retail in the US to US Labor department to 1.2% range over the next five years. This is likely to increase competition from traditional retailers into online platforms.
- 2) Physical Media is Disappearing.  
While AMZN has digital platform in place for music, movies and books, it is not currently available with physical media.
- 3) New Retail Competition is Looming.  
Kmart's economics are already under new competition could hurt the Kindle.
- 4) E-commerce expectations are falling when AMZN reports on Thursday January 28th.

Gross margin pressure, increased shipping losses, dilution tied to Zappos' expansion. Ability to exceed lofty consumer expectations of could result in downward price.

**PRICE PERFORMANCE CHART**

**Equity research**

**Luxury goods**

**No glitter for 2009...**

**March 8, 2010**

Peter Cecchi  
Chief Strategist and Head of Special Situations  
Peter.Cecchi@bgc.com  
100 West Street, 19th Floor, New York, NY 10038  
646.346.7032 ext. 517.521.8638

**Strategy Note**

**Amazon.com Inc.**

	2008A	2009E	2010E
EPS Reported (\$)			
Q1 (Rev)	0.24	0.44A	0.52
Q2 (Rev)	0.27	0.52A	0.59
Q3 (Rev)	0.29	0.64A	0.67
Q4 (Rev)	0.32	0.79E	1.00
FY	1.12	1.80	2.20E
Yearly EPS FY (\$)	1.11	1.80	2.20

Source: Company Data, Bloomberg, BGC Research estimates. Note: FYB, FYC, FYD only may include additional FY 2010 data.

**Recommendation**  
We initiate coverage on Amazon (AMZN, Nasdaq) with a SELL rating.

See page 24 for important disclosures and disclaimers.

**Credit Spreads versus Volatility**

In the strategy piece entitled "What the Credit Markets Are Telling Us about Equity Market Risk," dated January 26, we pointed out two things: 1) HV spreads and volatility moved in a divergent fashion near their bottoms, and this signaled caution for equities; and 2) historically tight spreads and low volatility showed complacency that signaled caution for equities. Volatility subsequently jumped and caught up with spreads. Equity markets subsequently sold off about 5%, only to rally back to near their old 52-week highs. Similar arguments can be made once again. HV spread is once again near 2007 levels. In addition, a divergence exists between the movement of HV spread and the movement of volatility, as HV spread has not returned "higher" as volatility has. We recommend clients consider hedging current credit and equity long exposure. Insurance is as cheap as it has been in some time.<sup>1</sup>

More explicitly, on January 11, HV spreads (using the CDS HV Generic SVR Spread as a proxy) had tightened to their 2-yr highs (above 470) and volatility pushed to similar levels (VIX at 17.5). Compare Figures 3 and 4, which shows their longer-term ranges. However, as a comparison of Figures 1 and 2 shows, near the January low, spreads began rising steadily while the VIX spent about a week retreating to the low. Specifically,

<sup>1</sup> Clients might consider buying CDS as well as going short debt, long equities and long cheap downside gamma.

**May 18, 2010**

Roger Vale  
TECHNICAL STRATEGIST  
Global Derivatives - BGC Financial, L.P.  
199 West Street, 19th Floor - New York, NY 10038  
646.346.7032 ext. 517.521.8638

**TECHNICAL STRATEGY**

**CHART CHATTER – PRE MARKET BRIEF**

- Higher lows are left in play following a defense of 111.00 in SP 500 futures. Hedge fund repatriation announcements via IMF releases dominated overnight news flow, as does earnings as EU debt issues values ahead of the first tranche of EU/IMF loans. Gold profit taking becomes a bit more aggressive following the launch below 1220.00. Expensive week adds to chop. SP 500 futures still see a series of resistance groupings which will need to be overcome to confirm recent price action as a broad trading pattern. Our preference is for a countering wedge to unfold defined by lower highs and higher lows into month end. Resistance groupings are found at 1140.00 and 1150.00 with major above 1160.00.
- EURUSD moving to the long term monthly chart we see the bottom of the current chart model range at 1.3300 with the next downside continuation line at 1.2660. The top of the range going into Q1 2011 is 1.3300. Last week's Market Vane Sentiment release saw EURUSD bullish sentiment at 37% versus a 24-month low of 33%. A reading in the low 30% would per our construction justify floating.
- A report chart note on the Shanghai Composite which has filled the double top call from December and has reached our target at the 21-month moving average at 2635, representing a 19% retracement from the recent high. A price test of 2600 has turned on into risk reward long entry territory with the bottom of the range at 2500 with outside risk to 2580. Using a 2000 to 2580 accumulation range we'd see the top of a long term trading range to 2950 and 3000 and presents risk-reward parameters going forward.
- Swiss Research highlighted sector themes: GS adjusting its correction list, takes RUCY off buy and puts on TCT. Thomson sees GS on leverage. HANS, BP, CLSA on interest security issues. MFE, SYMC, DB cutting back. BBT, USBC. Call buying reasonable. BZL sees technical ideas as corner group. LNC, PFC. Technology along most conservative BLC.
- SP 500 futures (1141.40 last) a higher low so far after finding footing against 1120.00 / 1113.00. Still too early to declare a full range pattern given multiple series of resistance ruled up from 1140.00, 1153.00 one fast technical support line hits the daily chart. One bullish entry line is back at 1126.40.
- ND 100 futures (936.75 last) runs up off yesterday's "bounce" candlestick formation after seeing closing support from 3 session hold above 908.00. One fast short term technical support line falls to 941.00 (13-day moving average) and a recent high of this line puts the chart in another technical retail set of key resistance up at 950.00. A bullish entry line with a close below 950.00.
- STOXX 50 (2784 last) the 377-day moving average at 2682.00 helps to identify the bottom of the current range. The top of the range is 2800-2815. In momentum relief line above 2680.00 sees continuation to the top of the range at 2727.
- RUSSELL 2000 CASH (895.71 last) finding footing at the 50% retracement line measuring the short term slide from the April high to May low at 871.00 (close) with the 50.0% line forming additional support at 878.83. One technical support line at 705 and 719.00 (close), the bullish entry line at 692.00 (close). Everything in between is a non-

**Turkish Electricity Sector**

Index	Current	Target
Price (TL)	4.58	4.71
ADNOC	3.82	4.71
JOHNS	3.20	3.19

Source: BGC Partners

**Turkish Electricity Sector**

Following the growth path

Re-Initiating Coverage

April 28, 2010

Potential threat of an electricity supply shortage between 2014 and 2016... According to the latest capacity projection report released by TEIAS (State Electricity Transmission Company), Turkey may experience a supply shortage between 2014 and 2016. As an emerging country, Turkey's dynamics offer significant potential for energy sector growth due to ongoing industrialization process and low electricity consumption per capita. Turkey has the second lowest consumption per capita, just after Mexico with 2,068 kWh per capita, among OECD members that have an average of 6,932 kWh per capita as of 2007. Considering the projected demand growth, reserve ratio requirement for feasible generation may fall below 5% in or after 2011. Although current electricity production outstrips the demand due to 2.3% y/y demand contraction amid the financial crisis in 2009 and high CO2 of hydroelectric power plants due to high rainfall in 2010, new capacity investments are still needed in the coming period to meet the estimated consumption growth. We project electricity demand will grow by at

Liberalization process: A heady 9% the total installed capacity in Turkey increasing state's share to nearly of existing plants. Privatization: generation assets are to be sold to be declining gradually until all use






Supply shortages may lead to supply/demand dynamics, prices considered three main parameters supply shortage due to demand diversification of electricity power gas fired power plants (NGPP), if private sectors' aim is to diversify producers and also the price set electricity tariffs will increase by 8



# Growing Global Equity Derivatives Franchise

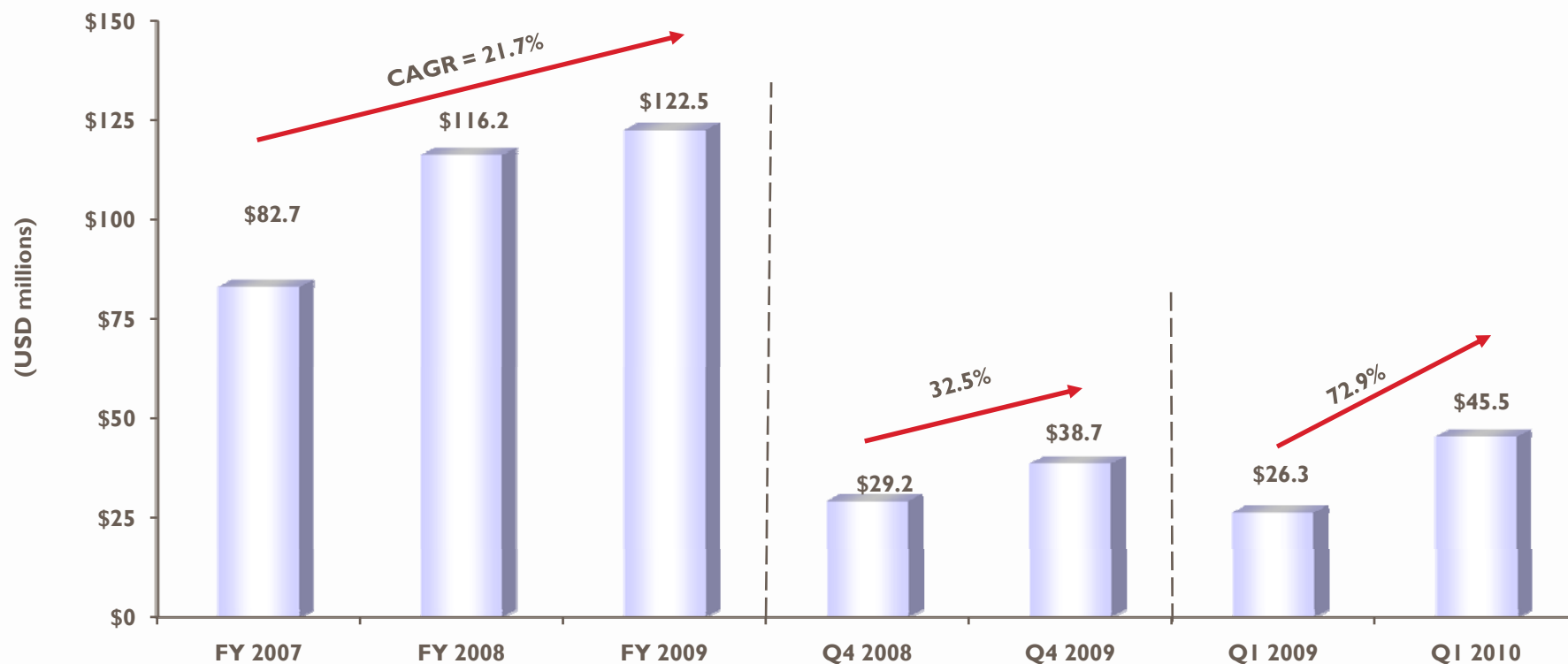
- Highly experienced team
- Access to the major derivatives exchanges
- Value-added process and methodology
- Execution – through extensive network of liquidity providers
- Monitoring – ongoing position management
- Local research – global distribution

# BGC: World Class Listed Products Franchise

Product/Market:	Ranking:	Source:
Single Stock Futures and Options:	#4 of 167: 7% market share	
Equity Index Futures and Options:	#7 of 174: EuroStoxx options	
Financial Futures and Options:	#2: Financial Options Overall #2: Euribor, Euro-Bobl	
Brazil:	#2: Average market share 13% +	
Hong Kong:	#1: HSI options #1: H-shares index options	

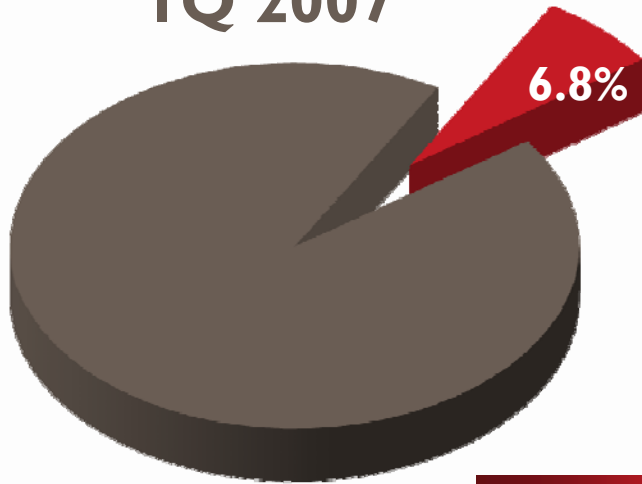
# Strong Growth Driven by BGC's Equity-Related Products

## BGC's Equities & Other Asset Classes Revenue Growth

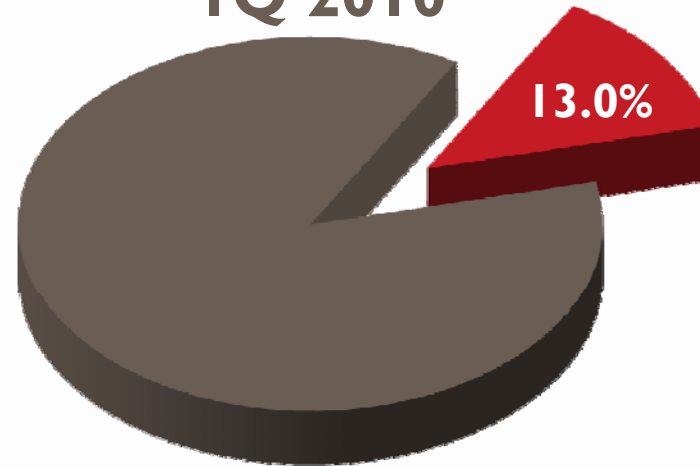


# Equities and Other Asset Classes Represents a Growing Percentage of BGC Revenues

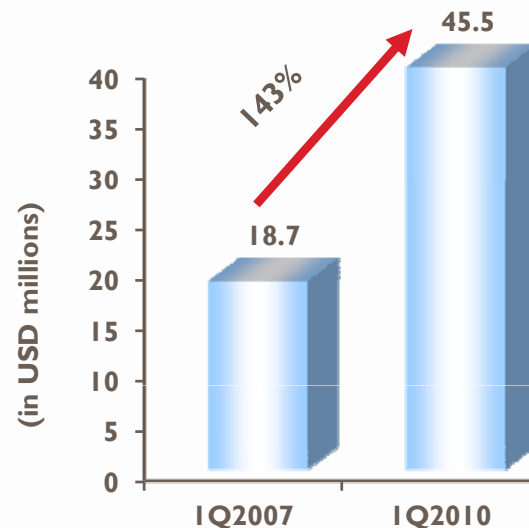
**IQ 2007**



**IQ 2010**

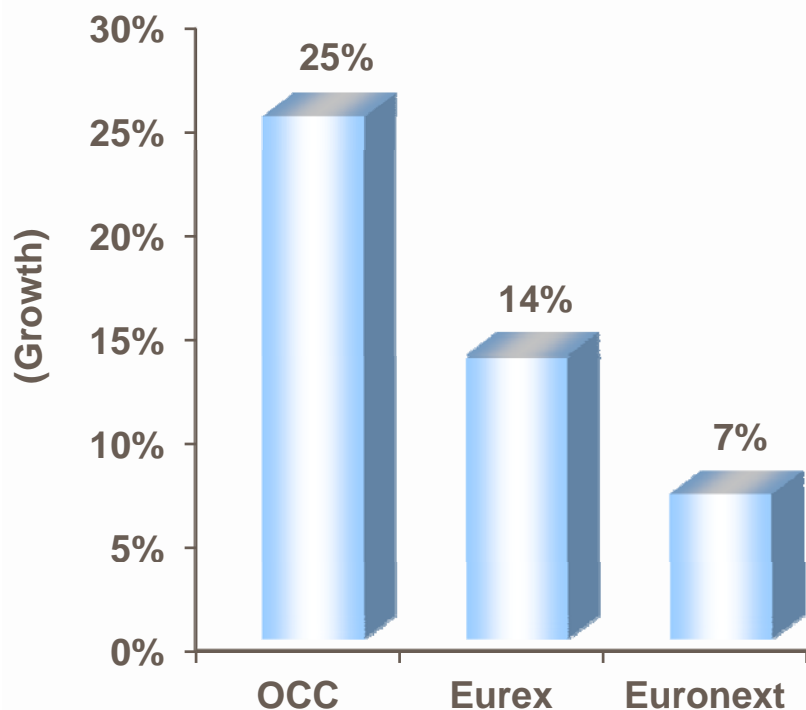


**Revenue Growth**

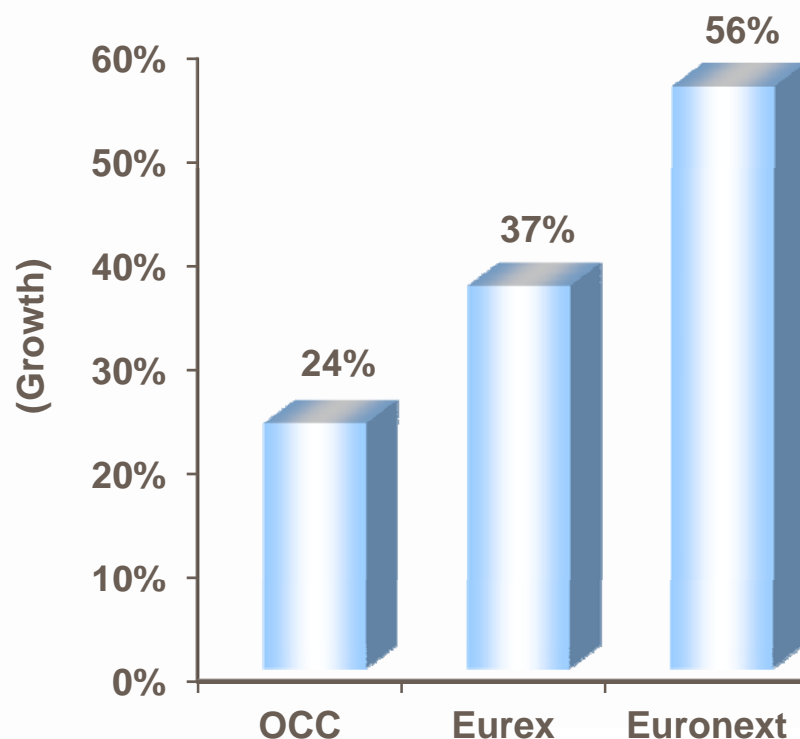


# Solid Market Fundamentals In Equity Derivatives

**CAGR 2005-2009**

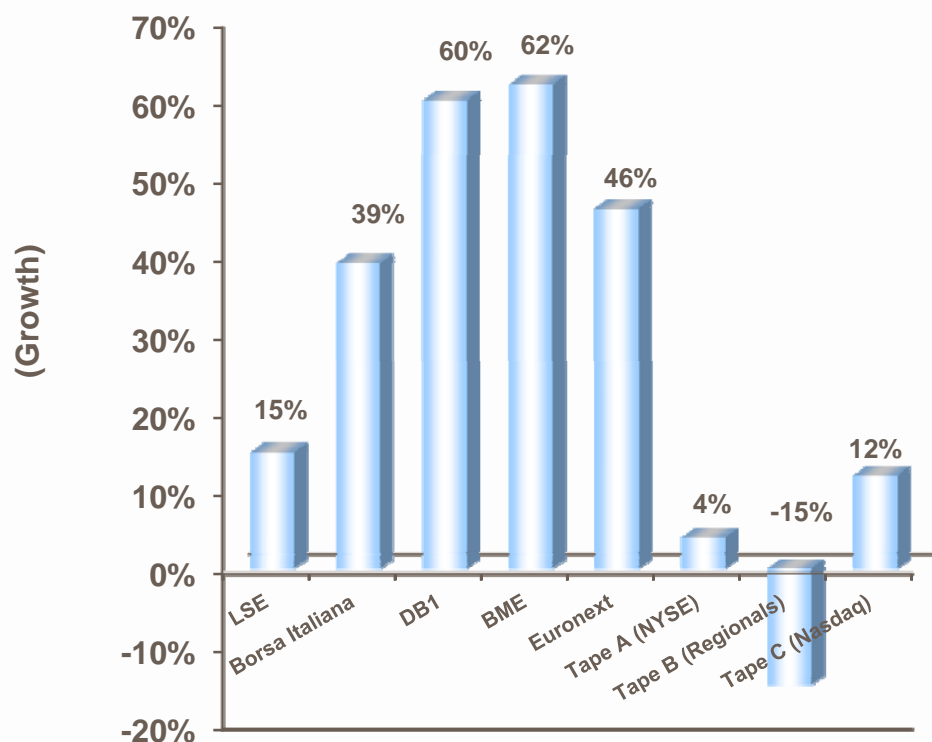


**Y-O-Y 2Q2010 To-Date Growth**

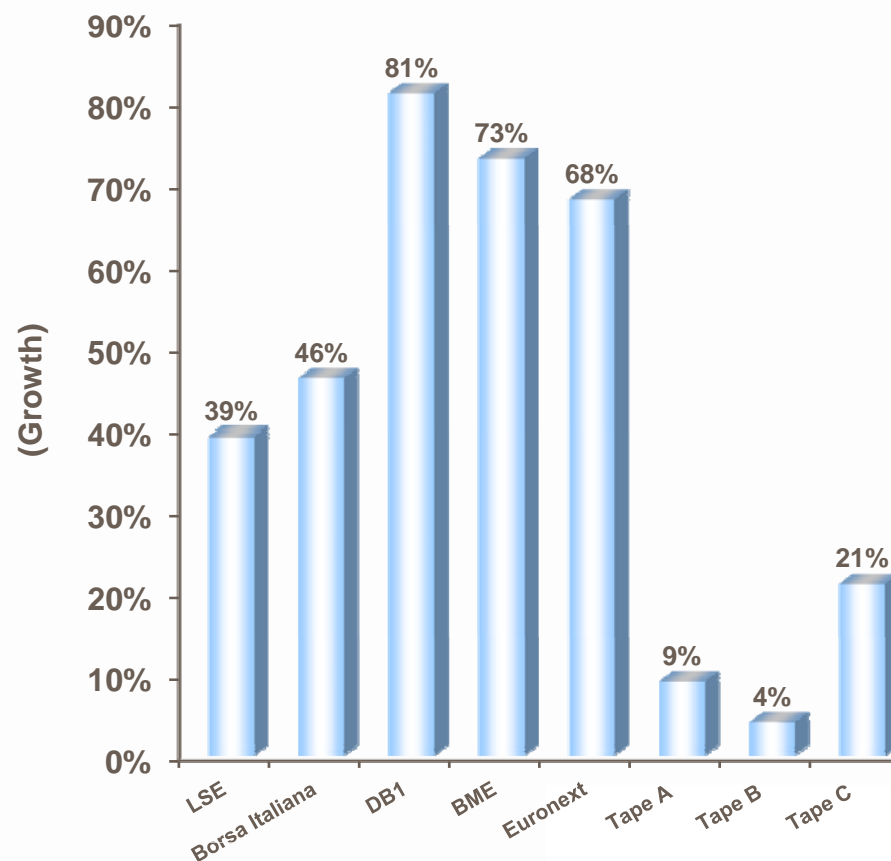


# Global Cash Equities Market Improving

## 2Q10 QTDY-O-Y Growth



## May MTDY-O-Y Growth



voice + electronic brokerage

Growth percentages based on average daily shares traded for US exchanges, and total value traded for all other European exchanges. All data is as of May 21, 2010. Source: LSE, Borsa Italiana, Deutsche Boerse, BME, Euronext, Bloomberg, BATS Trading, and erdesk.com.

## Strategy

- Replicate successful 'plug and play' business model: Paris; Istanbul
- Leverage existing relationships to grow equity-related business
- Continue to develop local content e.g. Japan, Paris, Istanbul
- Replicate in new geographies
- Further grow UK, US, Brazil
- Leverage local expertise via BGC's global reach - 'execution plus' model.
- Expand customer base



**voice  electronic brokerage**

Mark Webster, Executive Managing Director and  
General Manager, The Americas

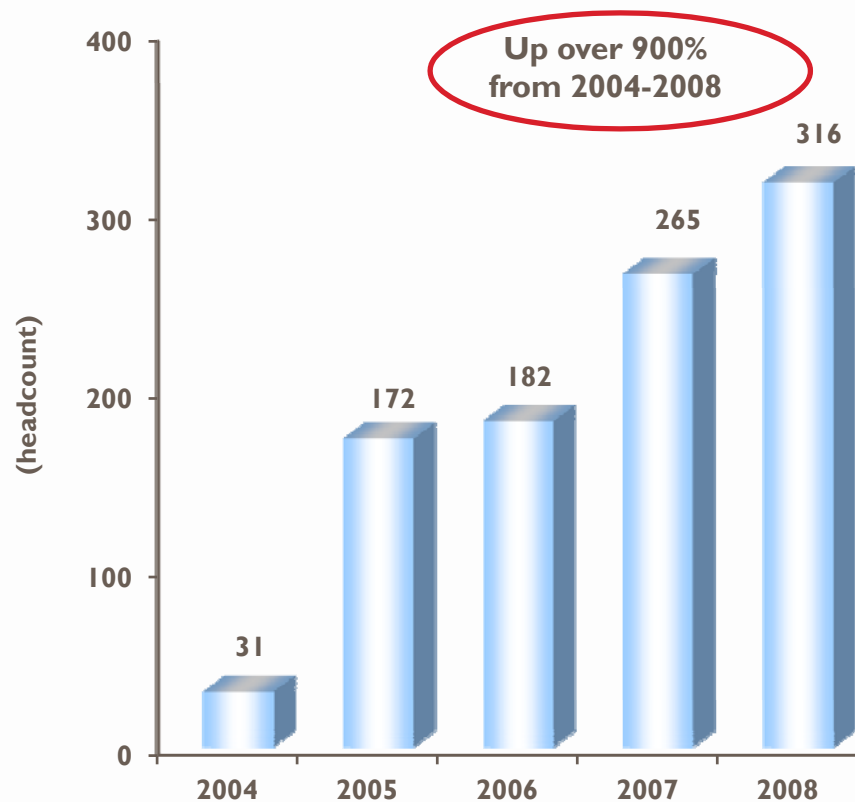


## Mark Webster – 24+ years Experience

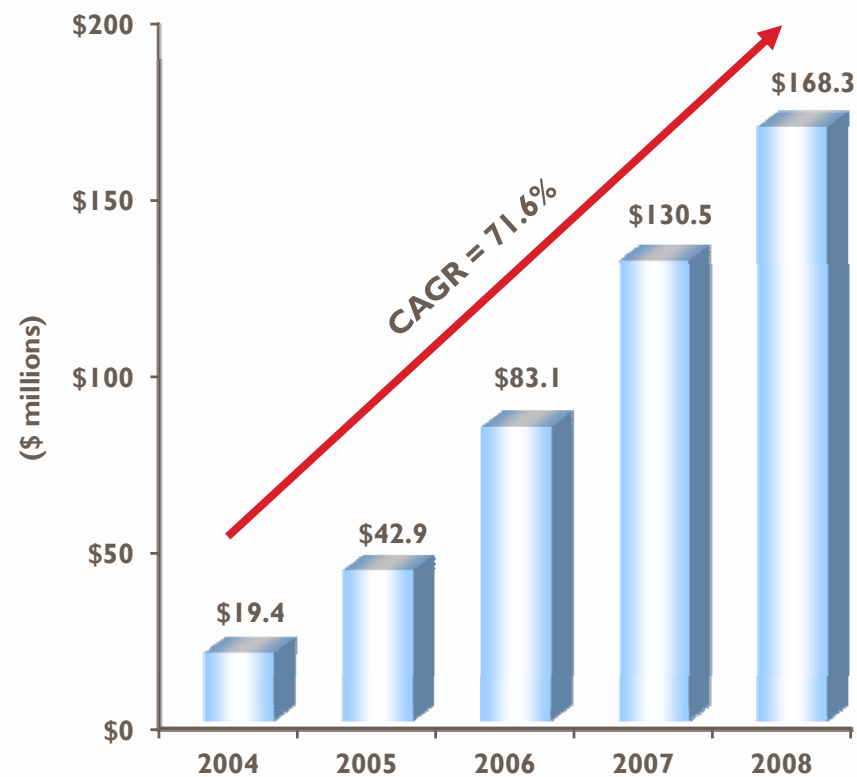
- Formerly CEO for ICAP - Asia Pacific and Middle East
- Joined BGC in late 2004
- While running BGC's APAC region, the business greatly increased the number of brokers in Tokyo, Hong Kong, Singapore and Sydney.
- 29 years of capital markets experience in broking and management.

# Past Success with BGC APAC

## APAC Front-Office Headcount



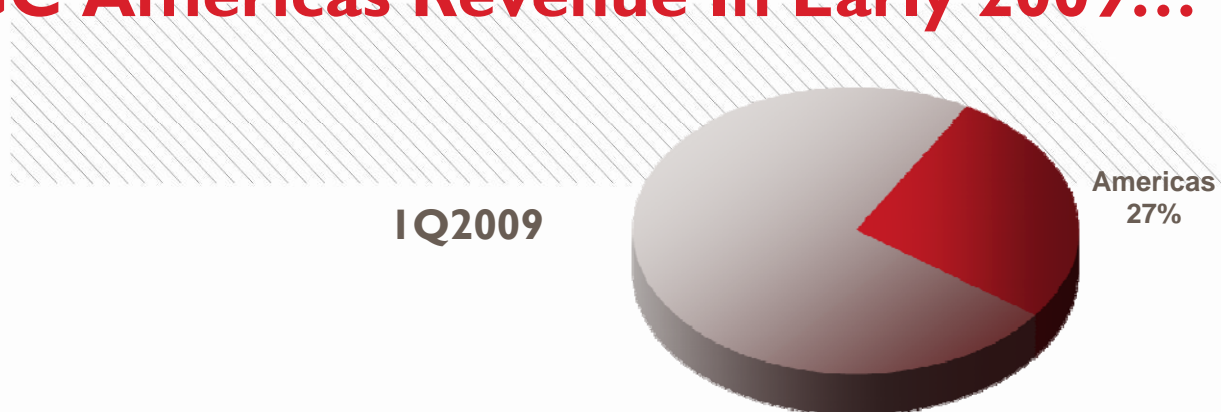
## APAC Revenue



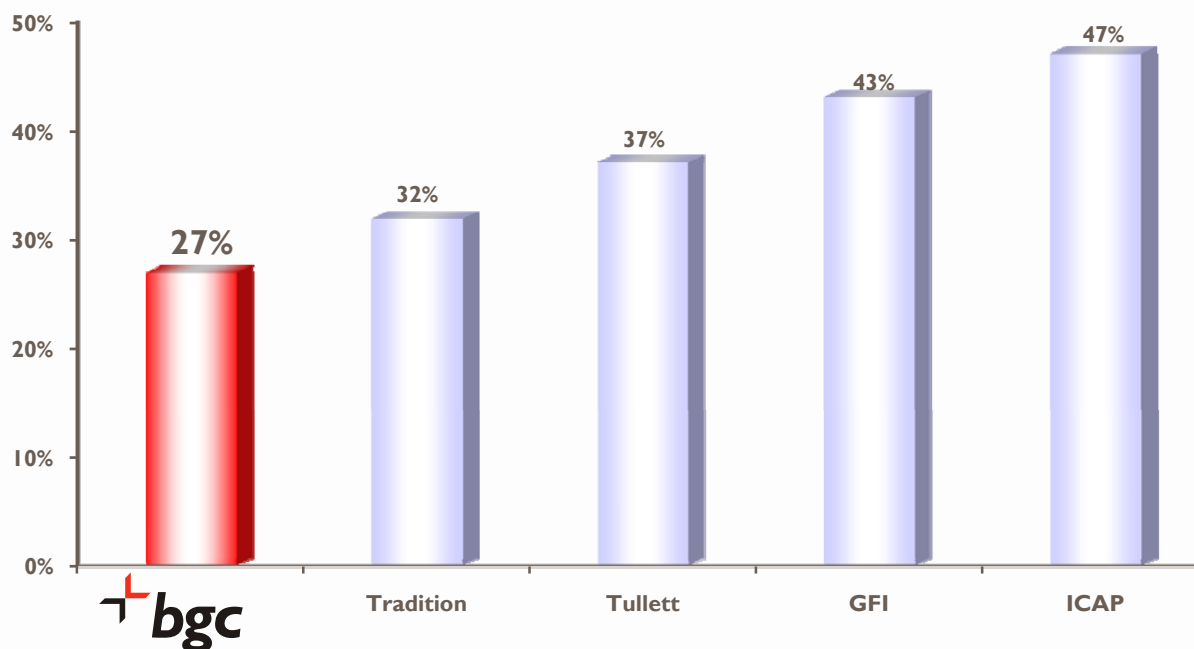
## Americas History

- Americas voice IDB business essentially shut down post-9/11
- In 2004 BGC Americas  $\approx$  eSpeed + Market Data
- May 2005: Re-launched BGC's voice IDB in Americas with Maxcor / Eurobrokers acquisition
  - $\approx$  150 brokers in the Americas
  - Leader in fixed income, money market & derivatives
  - $\approx$  120 million per year in revenues in US in 2004
- However, BGC Americas was still relatively small versus IDB peers through 2008

# BGC Americas Revenue In Early 2009...



## Revenue in the Americas (% of total): Most Recent Period Minus 1 Year



## 2009 Americas Accomplishments

- Added top Equity Derivatives team
- Grew cash equities business
- Added Credit and Rates staff
- Completed Acquisition of Brazilian Broker Liquidez

## Liquidez: Strengthening an Already Leading Broker

- Leading Brazilian inter-dealer broker Liquidez
- Founded in 1985
- Offices in Sao Paulo and Rio de Janeiro
- Accounted for  $\approx 11\%$  of contracts traded on BM&F in 2008; ranked second in market share
- Brokers Rates, FX, and Equities products
- BGC's goal: create platform for future LatAm expansion, replicate successful examples in France, APAC, and Turkey

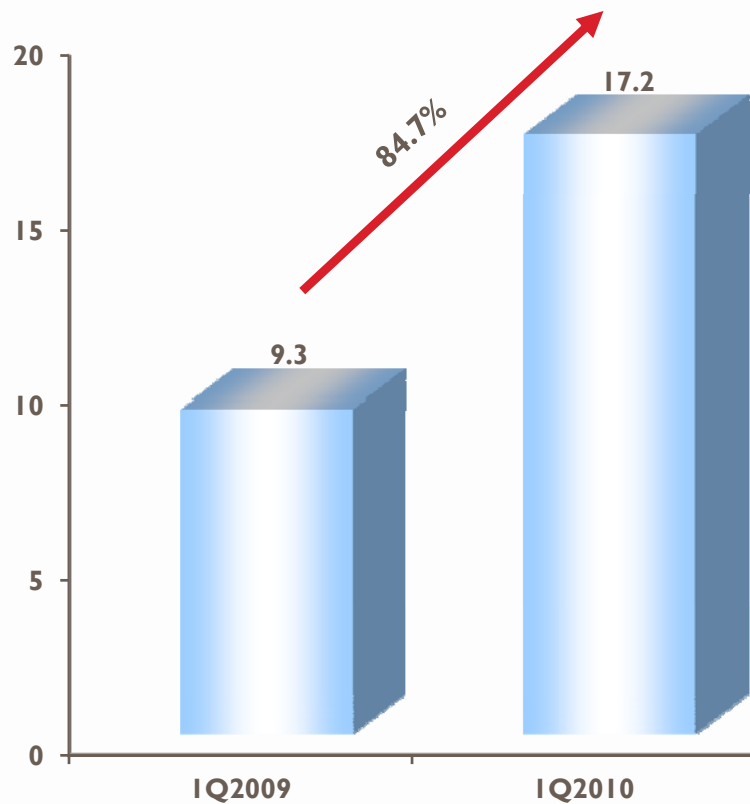
- Import/Export Model
- Improve Technology
- Improve capital position



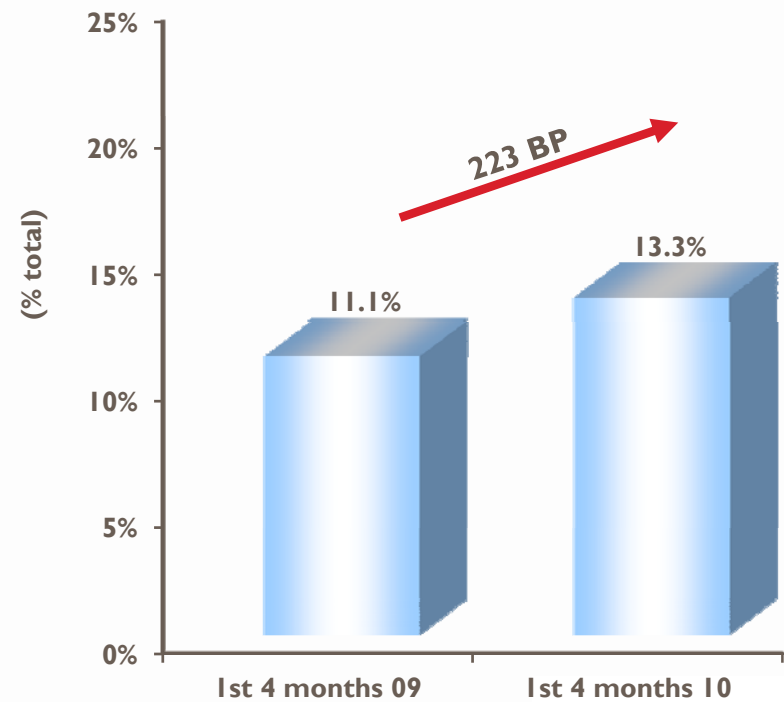
voice + electronic brokerage

# Liquidez: Strong Success After BGC Acquisition

Brokerage Revenue (in BRL millions)

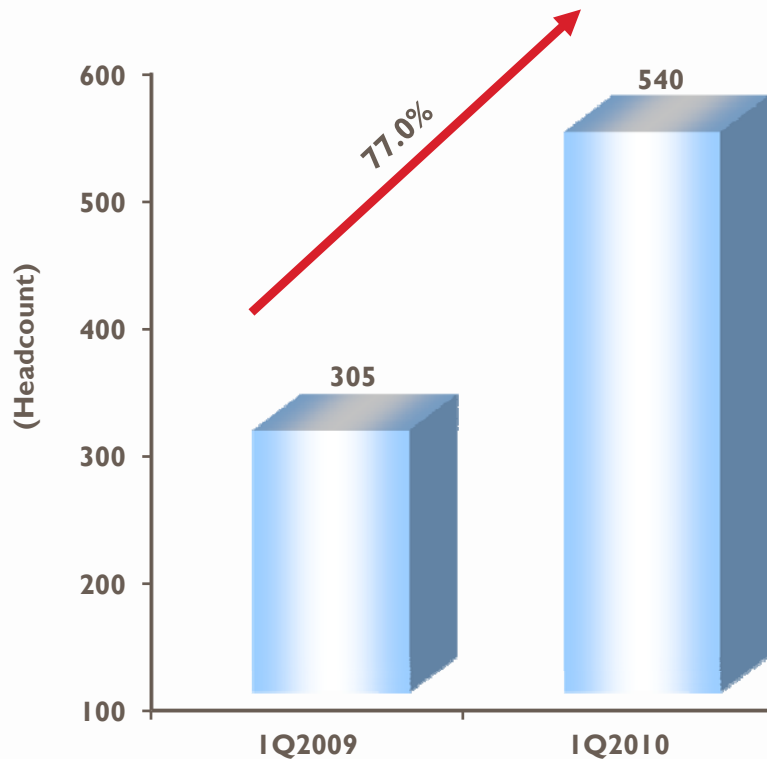


BM&FBOVESPA Market Share by Volume

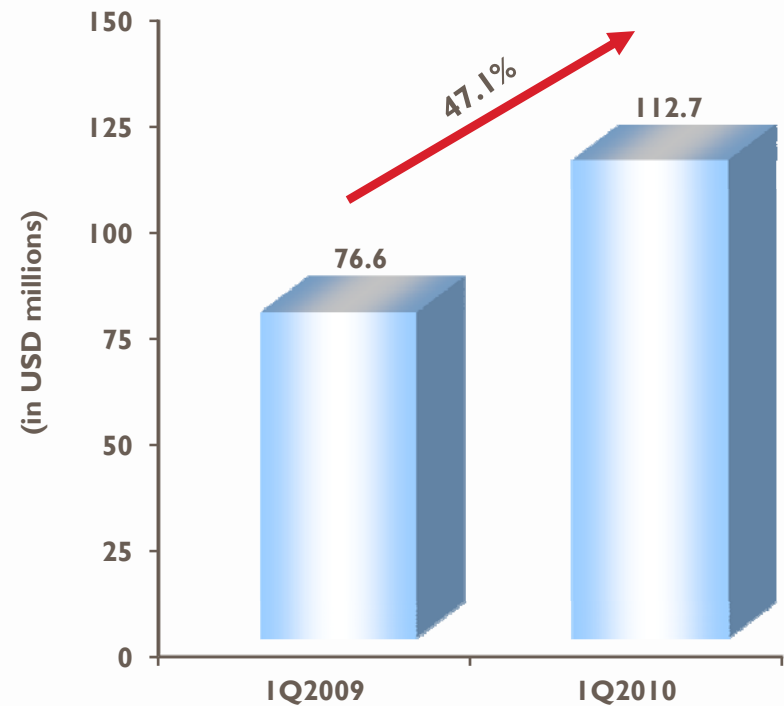


# BGC Americas – Strong Growth in IQ2010

Headcount



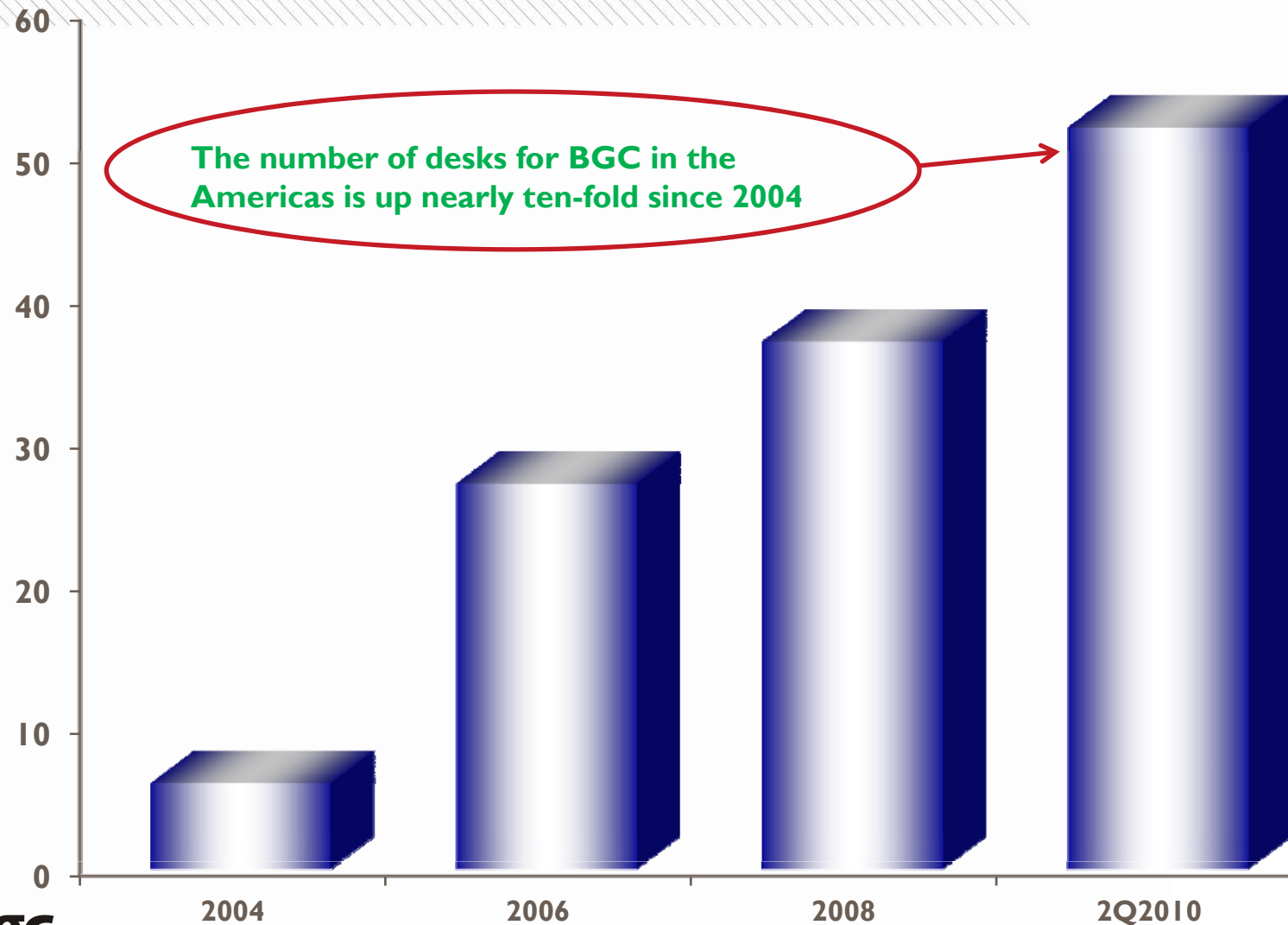
Revenue



→ BGC Partners' new brokers generally achieve higher productivity levels in their second year with the Company

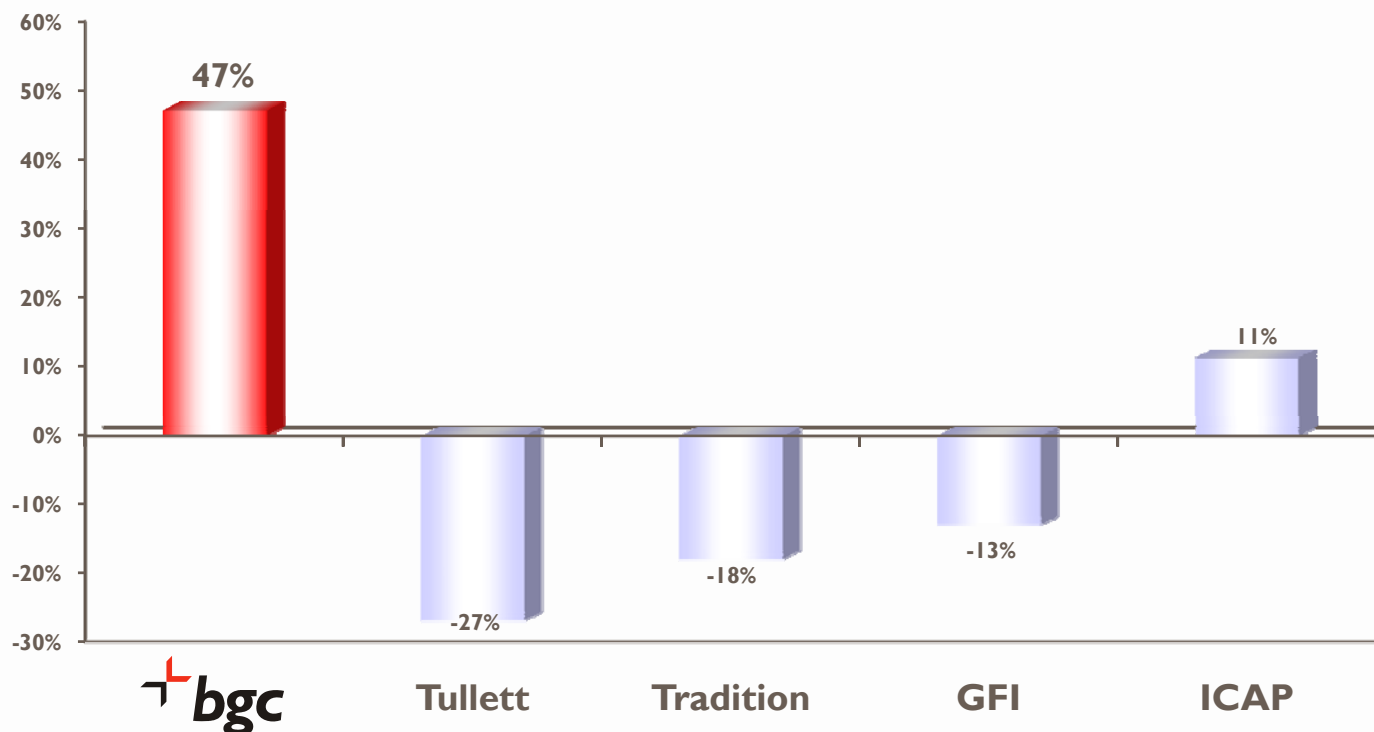


## BGC Americas - Expanding Footprint



# BGC's Americas Revenue Grew Faster Than Peers'

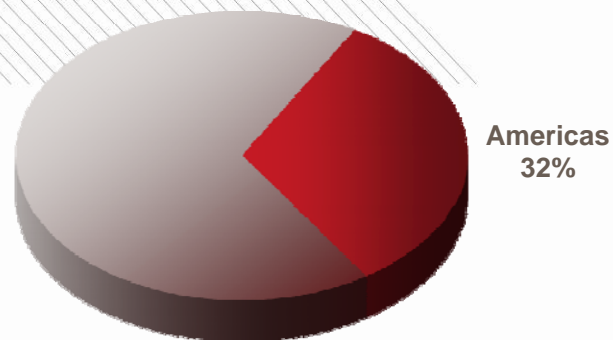
## Americas Revenue Growth – Most Recent Period



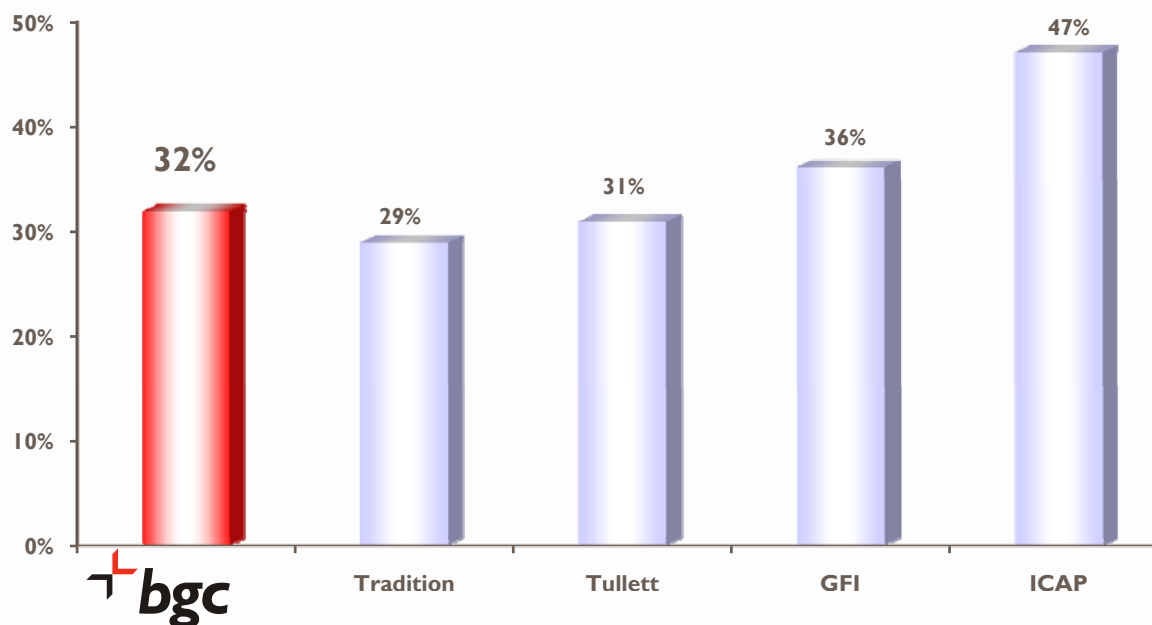
Note: Competitors based on most recent period available. BGC, Tradition, GFI are 3 Mos 3/31/10, Tullett is 6 Mos 12/31/09, ICAP is 6 months 3/31/10. ICAP now only breaks out its "Core Voice" revenue geographically. To get to total Americas geographic revenue 10% is added to the Americas as the majority of new business is in the UK with the remainder in Brazil. Information and Post Trade services were added to the geographic breakout based on previously implied geographic revenue percentages stated by the company. Electronic Revenue is classified as Americas.

# BGC Americas Revenue Continues to Grow

IQ2010



## Revenue in the Americas (% of total) – Most Recent Period



voice + electronic brokerage 6 Mos 9/30/09.

Note: Competitors based on most recent period available. BGC, Tradition, GFI are 3 Mos 3/31/10, Tullett is 6 Mos 12/31/09, ICAP is

# BGC Americas: Future Growth

## → Continued Roll-out of Fully Electronic Trading for Americas Desks

- Recent additions include: Asian & Latin American NDFs, Emerging Market CDS & FXOs, Precious Metals, Liquidez Direct Market Access, ELX/CME basis
- Future Roll outs may include: IRS & TIPS

## → Profitably Hire and Acquire in Rates, Credit, FX, and Equities

- Filling in niches
- Expanding in both existing and new geographies

## → Profitably Hire and Acquire in Newer Areas

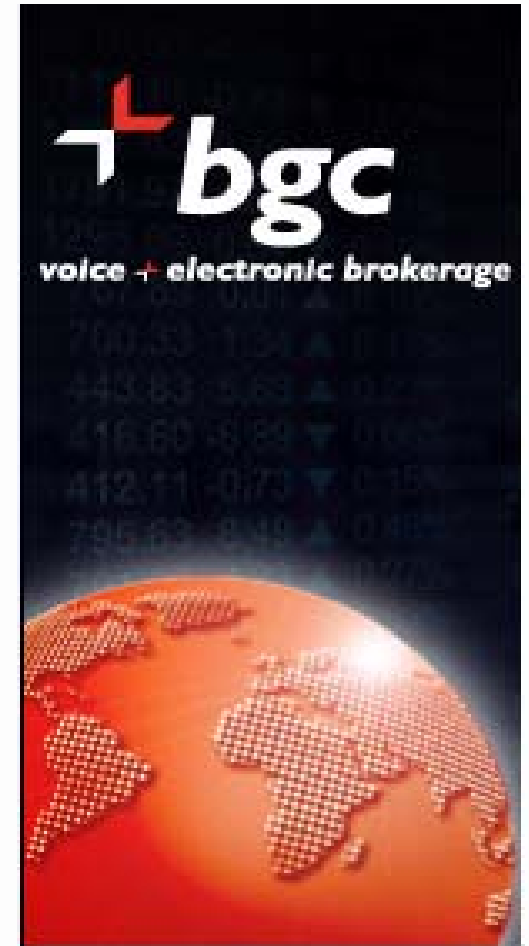
- Energy, Commodities, Shipping, etc.



Philip Norton, Executive Managing Director, e-  
Commerce

# BGC: Voice and Electronic Brokerage

- BGC Technology enabling hybrid markets
- Leading the way in technology development
- Continued Investment in Technology
- Future proofing BGC's existing business
- Driving BGC's growth



# BGC Trader

- Single hybrid liquidity pool
- Supports multiple BGC Businesses
- Cross asset class functionality
- Seamless Straight Through Processing (STP)

The screenshot displays the BGC Trader Credit application interface. The main window is titled 'BGC Trader Credit' and features a menu bar with 'Pages', 'Appearance', 'Order Preferences', 'STP Options', and 'Help'. Below the menu bar is a toolbar with buttons for 'Cancel All', 'Resubmit', 'Volume Clearing', 'Volume Match', 'Show All', 'Show Size', and 'Find'. The main content area is divided into several panels:

- Top Panel:** Displays a list of market data for various assets, including 'TKA IS12 5Y TAK 93 10M', 'TKIG S12 ASIA 5Y TAK 99 10M', 'HT NOBGRP 6.625 15 HIT 103.75 1M', and 'HT NOBGRP 6.625 15 HIT 103.625 1M'.
- Left Panel:** Contains a list of assets under the heading 'EUROPE', including 'S12 EUR', 'S11 EUR', 'S11/S12 HV ROLL', 'S12 XO', 'S2 W Europe', 'S12 SNR', 'S10 EUR', 'S9 EUR', and 'HIVOL OTR'.
- Right Panel:** Contains a list of assets under the heading 'USD SOVEREIGNS CDS (continued)', including 'DBR', 'DENK', 'FINL', 'FRTR', 'GGB', 'IRELAND', 'ITALY', 'NETHER', 'PGB', 'RAGB', 'SPGB', 'MED', and 'T'.
- Bottom Left Panel:** A 'Volume Clearing' window showing a table of trades with columns for 'Time', 'Credit', 'Buy', 'Price', 'Sell', 'Trade Status', and 'Repost'. It includes a 'bgc Volume Clearing' logo and a 'User Trades' button.
- Bottom Right Panel:** A 'Depth' window showing a table of trades with columns for 'Time', 'Bid', 'Trade', and 'Offer'. It includes a 'History' button and a 'Related' button.

# BGC Trader – Desk Rollout

European Desks	Asian Desks	Americas Desks
Fully Electronic	Fully Electronic	Fully Electronic
Asian NDF	Asian Credit Default Swap - Index	Asian NDF
Bank Capital Cash Bonds	Asian Ex Japanese Credit Default Swaps	BGC Credit Default Swaps (VM)
Bank Capital Credit Default Swaps	Asian NDF	Brazilian NDF (VM)
Base Metals	Australian Corporate Cash Bonds	EM Credit Default Swaps (VM)
Corporate Cash Bonds	Australian Govt Bonds	FX Options - Emerging Market
Corporate Credit Default Swaps	FX Options - Emerging Market	FX Options - G10
Credit Default Swap - Index	FX Options - G10	Latam NDF
EM Cash Bonds	FX Options - Long Dates	Liquidez DMA
EM NDF - Russia	Japanese Credit Default Swaps	Maxcor Credit Default Swaps (VM)
Emerging Market Cash Bonds (VM)	Precious Metals	Precious Metals
Emerging Market Credit Default Swaps (VM)		UST (for trading ELX/CME basis)
European Govt Bonds (VM)		
FX Options - Emerging Market		
FX Options - G10		
FX Options - Long Dates		
iTraxx Options		
iTraxx Tranches		
Precious Metals		
Sovereign Credit Default Swaps		
UK Gilts		
View Only	View Only	View Only
Asset Backed FRN	Asian Cash Bonds	Commercial Mortgage Backed Securities
Euro Sterling Corp Bonds	Credit Default Swaps (Australia)	Mortgage Backed Securities
Floating Rate Notes	FX Options (Australia)	

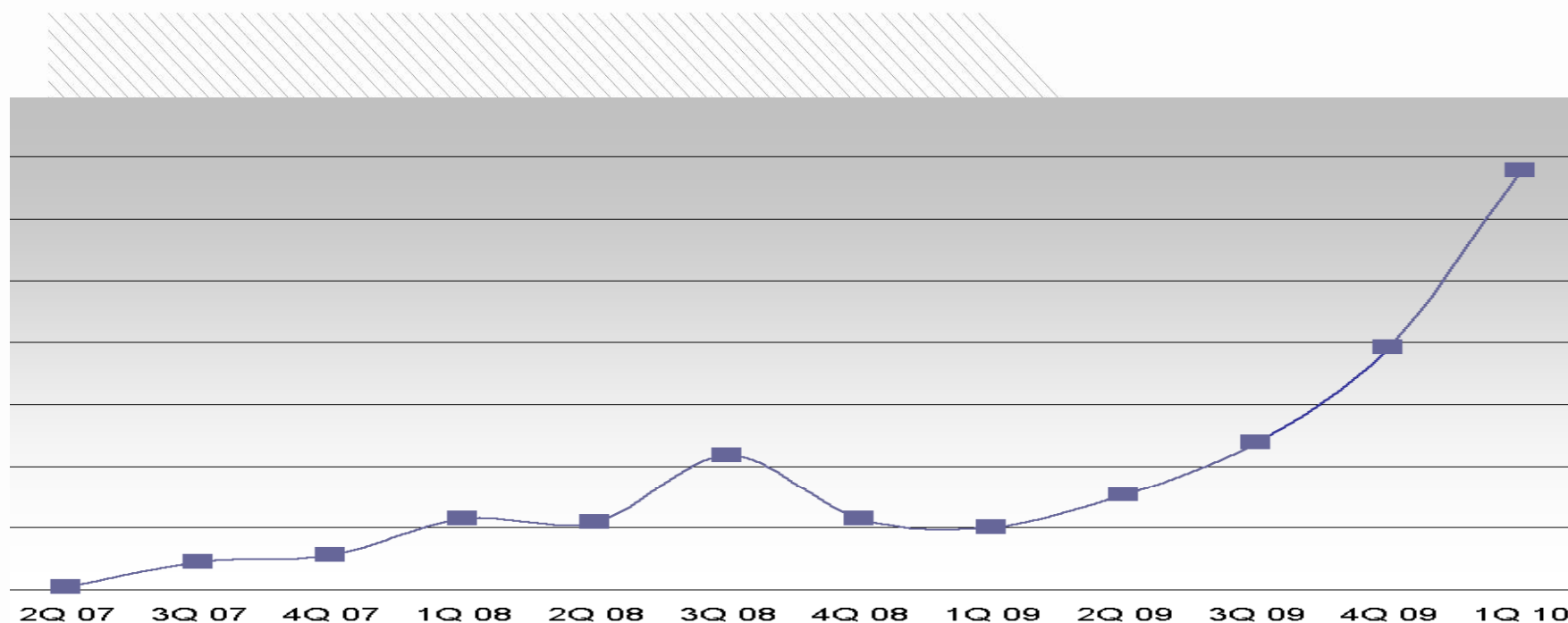
Red indicates a product rolled out since our year-ago analyst day



voice + electronic brokerage



## e Revenue Growth Since Launch of BGC Trader – New Business



### → Desk rollout:

1Q 07	2Q 07	2Q 08	1Q 09	2Q 09	4Q 09	1Q 10	2Q 10
Bank Capital CDS - Ldn	Bank Capital Cash Bonds - Ldn	FXO - EM - Global	VM - Bank Capital CDS - Ldn	VM - Asian Ex Japanese CDS	ELX/CME Basis	VM - EGB	Auctions - BGC CDS
Corporate CDS - Ldn	Corporate Cash Bonds - Ldn	FXO - G10 - Global	VM - BGC CDS - NA	VM - Asian Index CDS	VM - Asian NDF Global	VM - Brazil NDF	Auctions - EM CDS
Index CDS - Ldn		VM - FXO - Long Dates - Global	VM - Corporate CDS - Ldn	VM - EM CDS - Ldn	VM - EM NDF	VM - Maxcor CDS	EM - CDX
Sovereign CDS - Ldn			VM - Index CDS - Ldn	VM - Japanese CDS	VM - FXO - EM - Global	VM - Precious Metal - Global	LOTS - FXO Specifics
			VM - Maxcor CDS - NA		VM - FXO - Long Dates - Global		LOTS - iTraxx Options
			VM - Sovereign CDS - Ldn		VM FXO - G10 - Global		LOTS - Base Metal
							VM - Conv Bonds
							VM - EM Cash Bonds

## Awards

# waters euroFITs 2009

**Best Inter-dealer Broker**  
**BGC Partners**

“Technology plays a big part in the firm’s success. .. BGC continually adds functionality to its BGC Trader front end. Due to strong customer demand 2010 looks to be another big year for BGC Trader with the addition of a number of new products...”



# BGC Pro

The screenshot displays the BGC Pro trading platform with several active windows:

- eSpeed UST & CME Futures:** A table showing market data for various futures contracts.
 

Position	Product	Expiry	Bid Qty	Bid	Ask	Ask Qty	Change	Lst Prc	Lst Qty
0	ZTe	Jun 10	115	109002	109005	443	-0002	109002	7
			506	109000	109007	418			
			359	108317	109010	423			
	ZFe	Jun 10	416	116165	116167	139	-0007	116165	4
	ZNe	Jun 10	399	118245	118250	156	-0010	118245	20
	ZBe	Jun 10	49	120090	120090	11	-0010	120090	2
2	2 YEAR	Apr 12	153	100.082	100.08+	144	-0.016	100.08+	1
	3 YEAR	May 13	46	99.292	99.29+	68	---	99.292	2
-1	5YR	Apr 15	1	101.012	101.01+	51	-0.06+	101.012	3
	7 YEAR	Apr 17	6	100.25	100.25+	28	-0.10+	100.25	3
	10YR	Feb 20		100.15	100.15	15	-0.11	100.15	1
	30YR	Feb 40	1	102.14+	102.16	8	-0.29	102.15	1
- UST Curve Spreads - AutoSpreader:** A table showing spread data for different maturities.
 

Product	Bid Qty	Bid	Bid Insid	Ask Insid	Ask	Ask Qty	Lst Prc
2YR BASIS	153	-824.25	-824.00	-824.00	-823.75	144	-823.75
5YR BASIS	1	-1515.50	-1515.25	-1515.25	-1515.00	24	-1515.50
7YR BASIS	6	-1800.00	-1731.50	-1731.50	-1731.00	10	-1731.50
2/5	25	-140.8	-141.1	-141.2	-141.6	22	-141.4
2/10	27	-269.7	-270.0	-270.3	-270.6	36	-270.4
5/10	22	-128.6	-129.0	-129.1	-129.4	25	-129.0
2/5/10	17	-11.4	-12.2	-11.9	-13.0	14	-12.4
5/7/10	3	16.0	15.0	15.6	14.6	14	15.6
- Order Entry Window:** Shows fields for Customer (HOUSE), Buy/Sell (Buy), Type (Iceberg), Restriction (GTD), Price (-824.25), and Quantity (0). A "Buy" button is visible.
- Risk Watch (Credit Class View):** A table showing risk metrics for different credit classes.
 

Credit Class	Long	Short	Net Pos	Rel Cash P&L	Unrl Cash P&L	Grs Cash P&L
CBot:ZT:F	0	0	0	0.00	0.00	0.00
ELX 2Y:ZT:F	0	0	0	0.00	0.00	0.00
Fives:5YR:B	0	1	-1	0.00	-156.25	-156.25
Shorts:2 YEAR:B	2	0	2	0.00	-156.25	-156.25
				0.00	-312.50	-312.50
- WORKING:** A table showing the status of working orders.
 

Delete	Modify	Product	Status	Buy/Sell	Price	Working	Filled	System Time
-	Delete	2YR BASIS	W	Buy	-824.50	1	0	14:32:19 12-May-1
		2 YEAR	W	Buy	100.076	1	0	14:32:19 12-May-1
		ZT	W	Sell	109010	5	0	14:32:19 12-May-1
+	Delete	ZTe	W	Buy	109000	50	0	14:30:26 12-May-1
- FILLS:** A table showing filled orders.
 

Product	Buy/Sell	Price	Ordered Price	Filled	Working	System Time
5YR	Sell	101.01	101.01	1	0	14:30:10 12-May-10
2 YEAR	Buy	100.08+	100.08+	1	0	14:30:00 12-May-10
2 YEAR	Buy	100.08+	100.08+	1	0	14:29:58 12-May-10

- Ability to trade more complex User Defined Strategies
- Extensive Spreading Capabilities
- Excellent Controls for Managing Legging Risk
- Ability to Trade 30 or more legs

# BGC Preferred Vendor Program



## → Benefits to Trader:

- Ability to leverage latest technology offerings from vendor community
- Consolidation of screen real estate

## → Benefits to BGC:

- Increased reach to new users via vendor clients
- Reduces cost of maintaining in-house GUI
- Leverages new technologies without development cost
- Easily expandable to add additional electronic BGC products

# BGC Preferred Vendor Program (continued)

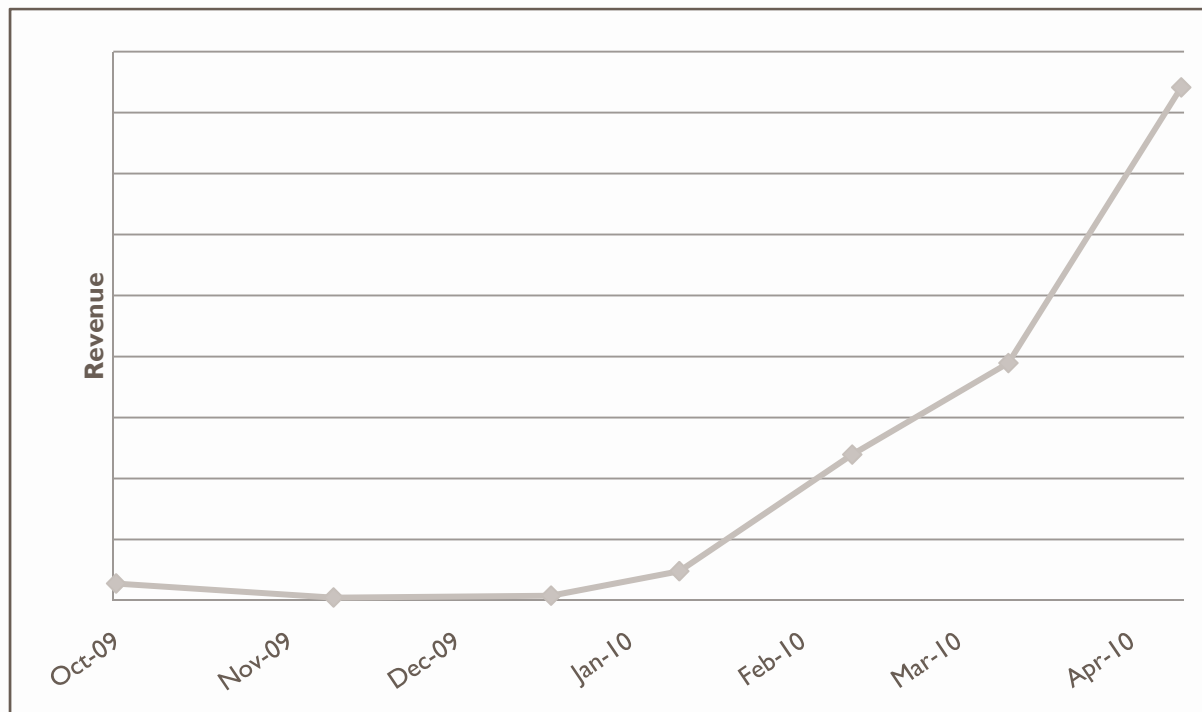
## → Value to Date:

- 12 new firms traded over \$80B in US Treasury volume in April
- Development costs realized by Vendors

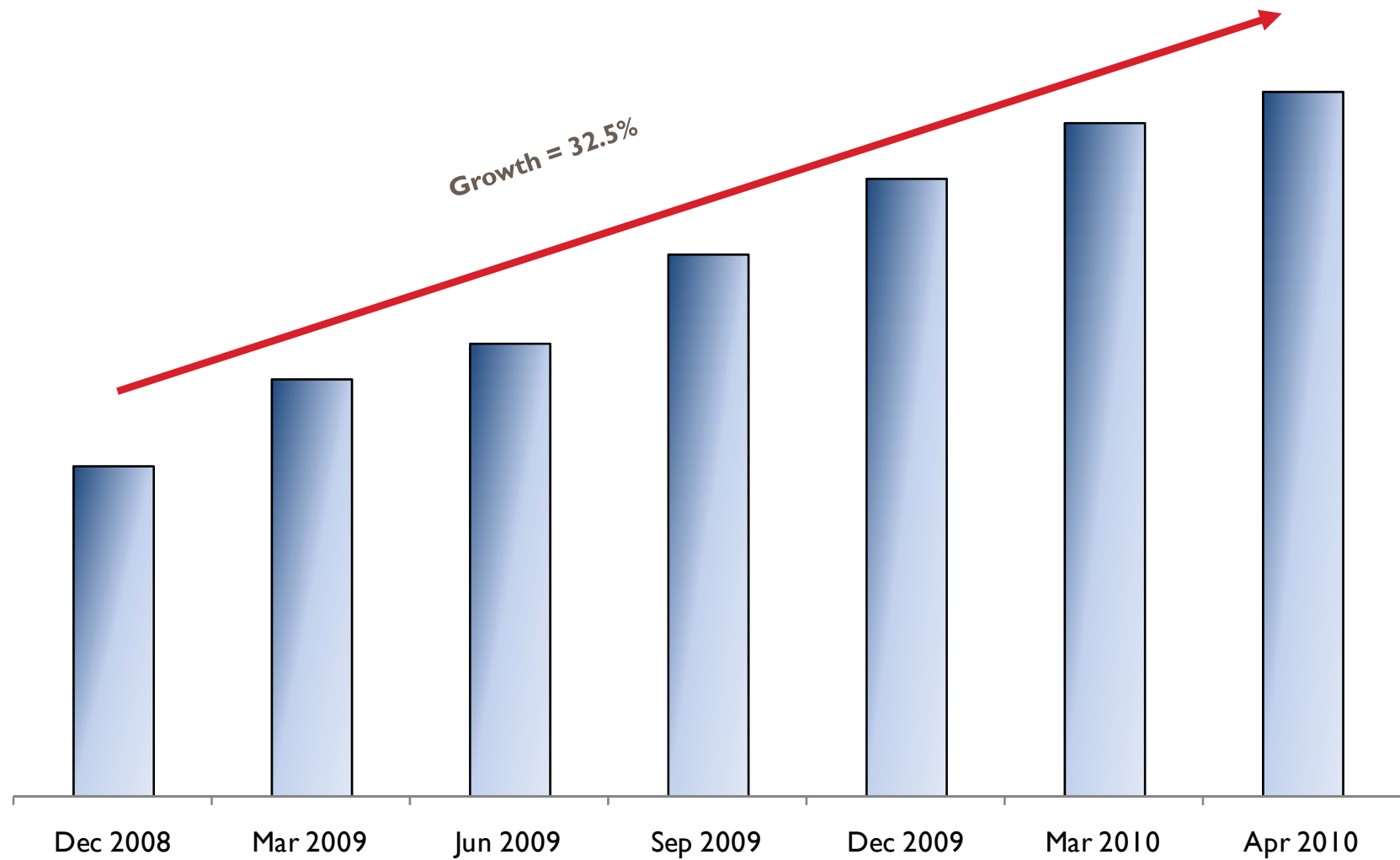
## → Future Value:

- Extension of Vendor sales initiatives into Europe / Asia
- Evaluate other fully electronic BGC products to be offered via Vendors

### Commission Revenue via Preferred Vendors Volume:



## eSpeed Distinct Users Increasing

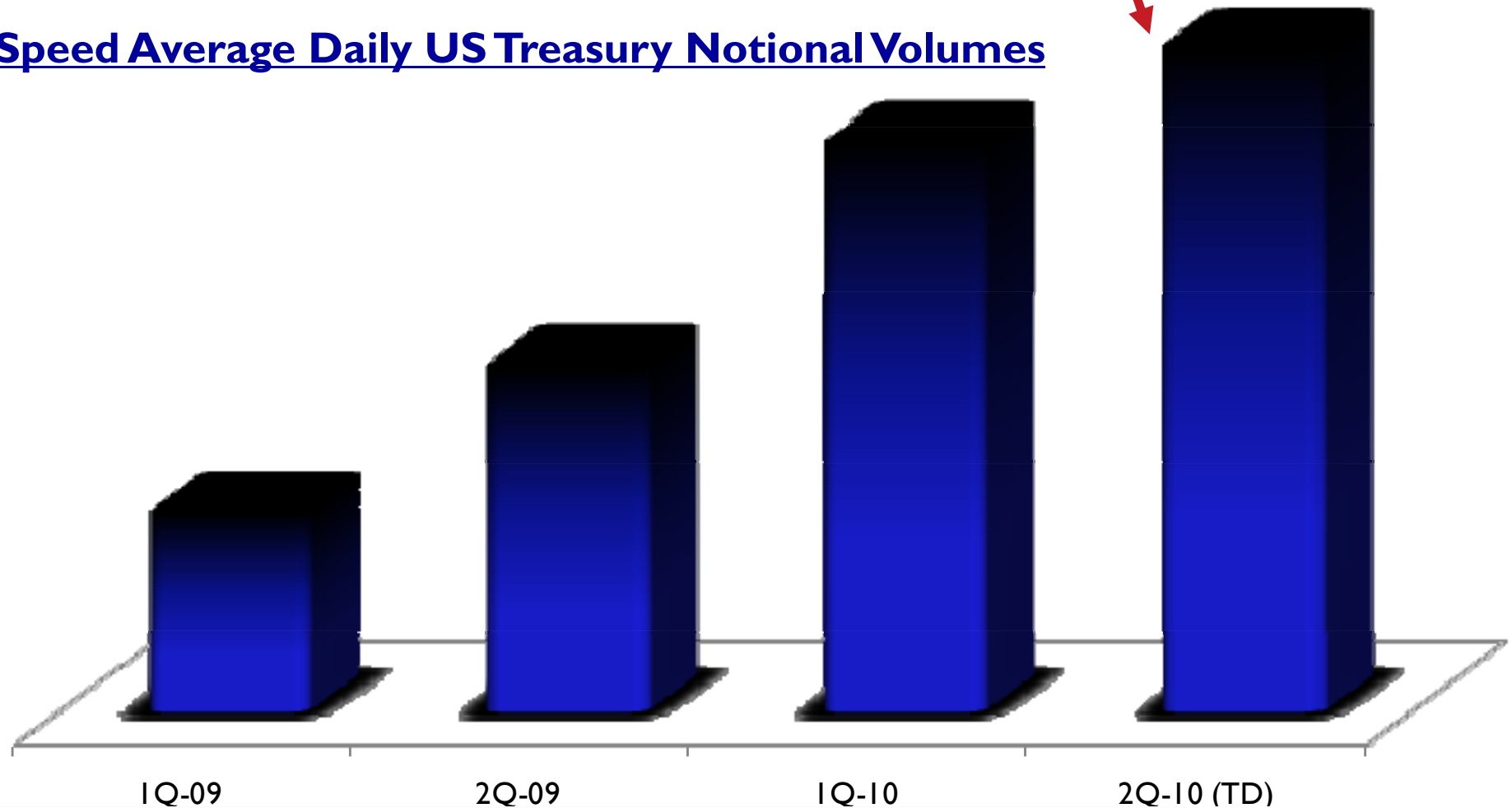




# Issuance + Initiatives = Fully Electronic UST Growth

Up 66% YOY & 22% Sequentially

## eSpeed Average Daily US Treasury Notional Volumes



# BGC Trader Direct Market Access (DMA)

BGC Trader Liquidez Direct Market Access

File | Tools | Preferences | Help

Show All Show Size No Timer Never Size 10 Footprints Find Giveup 9000

Start Page BMF Custom Page BMF Interest Rate - Outrights BMF FX Rate - Outrights UST UST BENCHMARKS Latin America LIQUEDEZ LATAM NDF

Custom Title

D11 Apr 10	10000	9.000	9.030	10000	000x100	9.000	10000	0.530
	10000	8.990	9.040	10000				
	10005	8.980	9.050	10005				
	10000	8.970	9.060	10000				
	10000	8.960	9.070	10000				
D11 Jul 10	10000	9.600	9.630	10000	000x100	9.600	10000	1.070
D11 Oct 10	9990	10.170	10.210	10000	990x100	10.170	10	0.810
	10000	10.160	10.220	10000				
	10000	10.150	10.230	10000				
	10000	10.140	10.240	10000				
	10000	10.130	12.500	100				
DOL Mar 10			1884.000	5	x5	12.500	30	-1867.500
DOL Apr 10	110	1852.000	1853.500	145	110x1			
	405	1851.500	1854.000	300				
	460	1851.000						
	535	1850.500						
	70	1850.000						
DOL May 10			12.500	100	x10			

D11 Oct 10 10 10 Limit GTD

Trade Details

Product	Expiry	Buy/Sell	Price	Settlement Price	Filed	Exchange Time	System Time
D11 Oct 10	Oct 10	SELL	10.170	10.17	10	10:48:50 03-Feb-10	10:48:50 03-Feb-10

Order Book

Time	Product	Expiry	Status	Buy/Sell	Open	Type	Restric...	Free T...	Accou...	Trade L...	Clearing	Suspend	Resume	Price	Size	Trigger...	Modify	Delete	Order ID	Filed	Working	Clp Size
10:42:22 03/02	D11 Apr 10	Apr 10	W	SELL	Open	Limit	GTD	..QTRAD1	2568		9000	Suspend		9.050	5		Modify	Delete	357002	0	5	
10:42:27 03/02	D11 Apr 10	Apr 10	W	BUY	Open	Limit	GTD	..QTRAD1	2568		9000	Suspend		8.980	5		Modify	Delete	357003	0	5	

D11 Oct 10

- Connectivity to international futures exchanges and BGC global products
- Fully customizable to optimize traders workspace
- Integrated Risk Watch for P&L management
- STP available in FIX and eSpeed formats
- Launch April 2010

Risk Watch

Exchange	Product	Month	Year	Avg Price	Net Pos	Gross PL
BMF	DOL Apr 10	Apr	2010	1802	-5	0.000000
BMF	D11 Jan 12	Jan	2012	11.57	10	0.000000
BMF	D11 Apr 10	Apr	2010	8.98	-5	0.050000
BMF	D11 Jul 10	Jul	2010	9.59	-5	0.000000



# BGC DMA Strategy

- ➔ DMA Strategy tailored to Local and International Client needs
- ➔ Leverage and Adapt BGCTrader and PRO Technology for Local Markets
- ➔ Local eCommerce Team to Manage and Expand DMA Footprint

## BGC Liquidez Trader DMA

A BGC Liquidez Trader oferece soluções de acesso direto ao mercado (DMA) para o mercado eletrônico. Esta solução é leve e utiliza tecnologia "thin-client", oferecendo anulação de futuros da BM&F, assim com BGC Liquidez Brasil Local Bond (Títulos Públicos Brasileiros) e produtos internacionais, como US Treas, Options, FOFs, Credit e futuros Americanos. Todos os mercados oferecidos podem ser visualizados em

BGC Liquidez Trader foi e continua sendo desenvolvido a partir de extensa interação e comentários de clientes.

### Funcionalidades do DMA:

A solução do BGC Trader DMA é desenvolvida para ser completamente customizada, permitindo aos traders visualizar instrumentos com facilidade.

### As características do produto incluem:

- Visão de grade
- Acompanhamento de risco

### Visão de grade

Habilidade de gerenciar um grande número de instrumentos ao mesmo tempo.

Custom Title	Open	High	Low	Close	Vol	Limit	GTD
DOL Mar 10	1842.000	1842.000	1842.000	1842.000	15	4.000	
DOL Apr 10	1855.000	1855.000	1855.000	1855.000	10	3.000	
DOL Mar 10	1842.000	1842.000	1842.000	1842.000	15	4.000	
DOL Apr 10	1855.000	1855.000	1855.000	1855.000	10	3.000	
DOL May 10	1868.000	1868.000	1868.000	1868.000	5	0.000	

BGC Liquidez Trader foi desenvolvido para ser direto e objetivo, de fácil navegabilidade. A visão de grade pode ser iniciada como uma janela separada da tela original do aplicativo. Usuários podem colocar ordens na interface usando o mouse ou os comandos do teclado.

Risk Watch: acompanhamento de risco desenvolvido para garantir suas perdas e lucros diários efetuados pela plataforma.

Exchange	Product	Month	Year	Avg Price	Net Pos	Gross P/L
BM&F	DOL Apr 10	Apr	2010	1862	-5	0.000000
BM&F	DOL Jan 12	Jan	2012	11.57	10	0.000000
BM&F	DOL Apr 10	Apr	2010	8.90	-5	0.000000
BM&F	DOL Jul 10	Jul	2010	9.59	-5	0.000000

\* BGC Liquidez é uma subsidiária da BGC Partners, Inc. (BGC).

Para mais informações contate:

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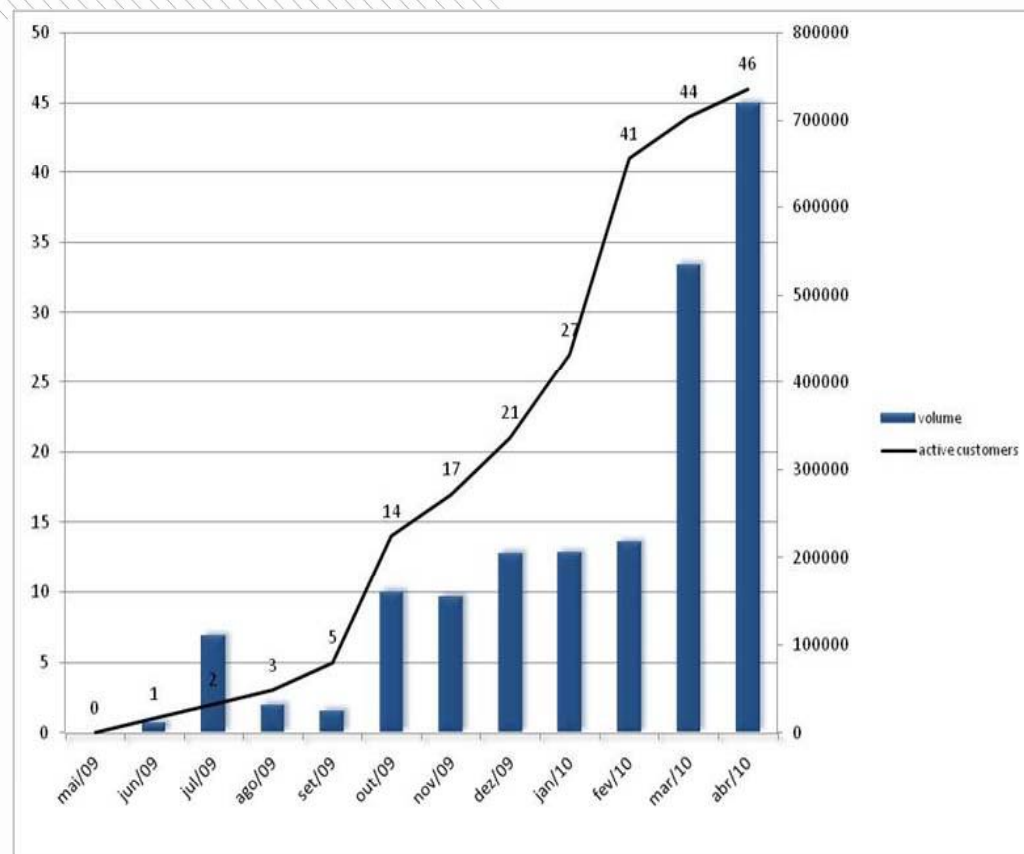
The screenshot displays the BGCPro - FILLS trading platform. The main window shows a list of futures contracts with columns for Product, Expiry, Bid Qty, Bid, Ask, Ask Qty, Change, Lst Prc, and Lst Qty. Below this, there are several smaller windows: 'eSpeed' showing a list of contracts, '2YR BASIS' showing a table of basis values, '5YR BASIS' showing a table of basis values, '7YR BASIS' showing a table of basis values, and 'Risk Watch' showing a table of risk metrics. The interface is designed for efficient trading and risk management.



voice + electronic brokerage

# BGC Liquidez DMA Growth

- **DMA 2010 Volumes Increased Over 300%**
- **Currently Ranked 8th Overall and 2nd Amongst Independent IDB's for DMA**
- **200+ Traders Deployed**
- **Access to BM&F for International Customers Offered over BGC Global Network**



# Price Discovery: BGC Front Office Development (FOD)

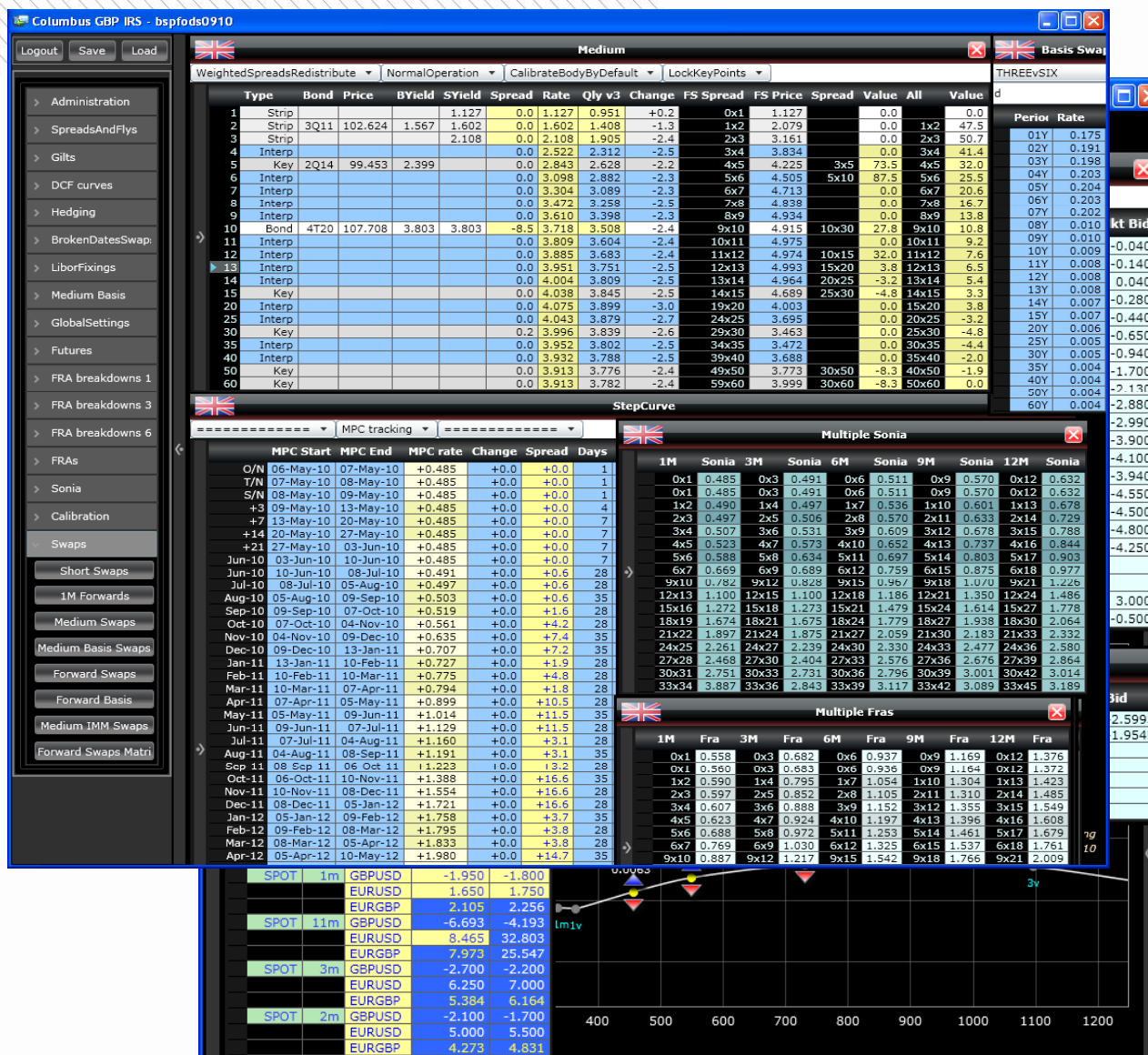
→ IRS & FX Forward Analytics

→ Web delivered with fast server based calculations

→ Quick addition of new Currencies

→ Advanced forward curve smoothing algorithms

→ Multiple cross product outputs (e.g. Cross Currency Basis Swaps)





# Price Discovery: BGC FOD (continued)

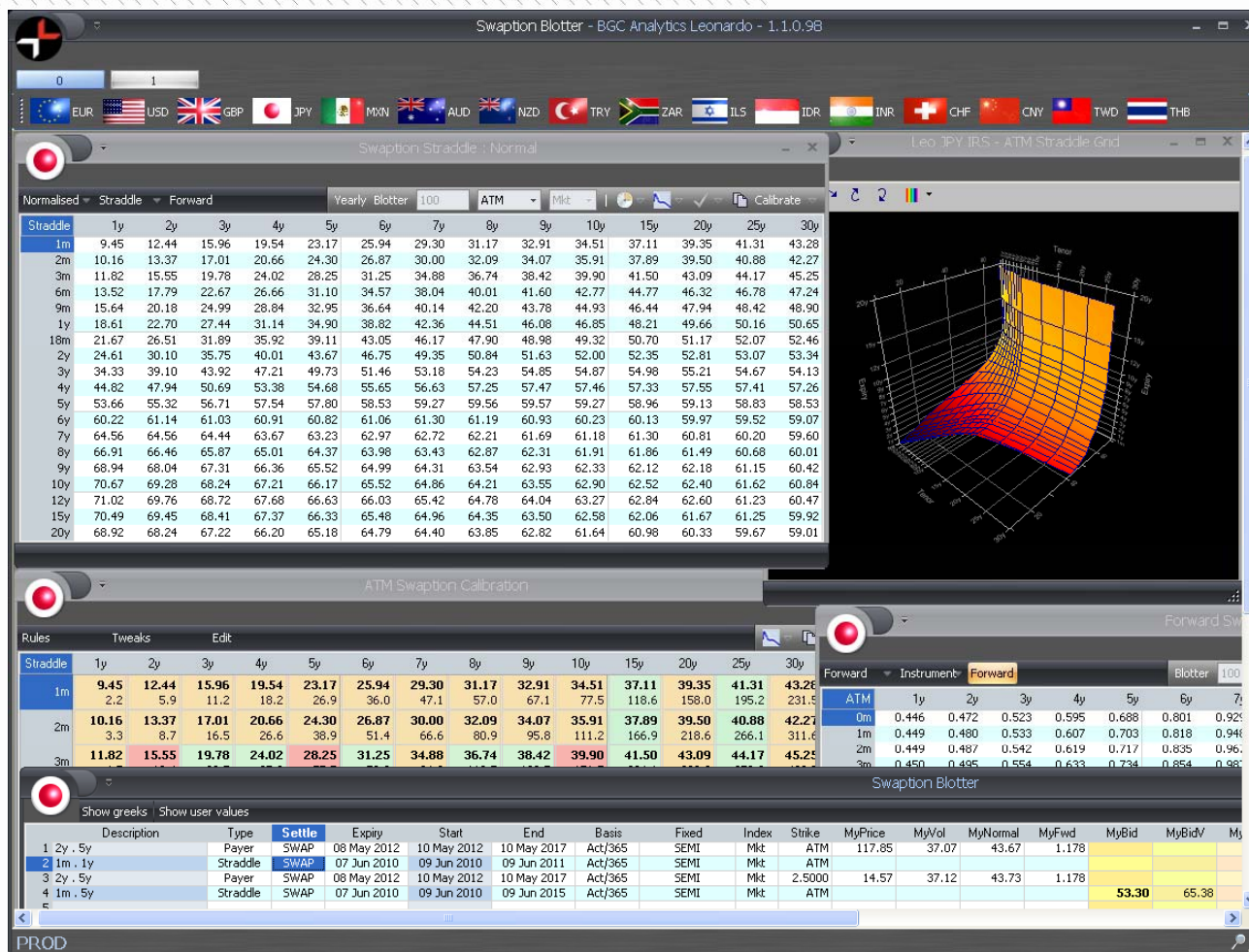
→ Interest Rate Options Analytics

→ Multi Currency in one .NET application

→ Agile codebase for quick addition of new Currencies

→ Quick broker calibration inputs

→ Publishing to data vendors of Strike, Volatility, Price, Skew and specific order screens

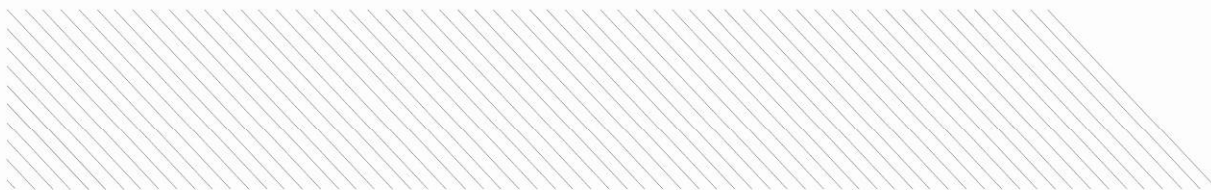


# Price Discovery: BGC FOD Rollout

→ Quant Analytics, Pricing Models, Order Management systems and Price Publishing

→ FOD - Desk rollout:

European Desks	Asian Desks	Americas Desks
Asian Non-Deliverable Forwards	Asian Non-Deliverable Forwards	Asian Non-Deliverable Forwards
Convertibles	Asian Non-Deliverable Swaps	Emerging market FX and NDFs
Corporate Bonds	Australian & NZ Corporate Bonds	FX Options (G10 & Emerging Market)
Credit Default Swaps (EUR, USD & Emerging Market)	Australian & NZ Government Bonds & Repos	Inflation Swaps and Options
Cross Currency Basis Swaps	Credit Default Swaps (JPY, HKD, SGD, USD, AUD, KRW)	Interest rate Options (USD, MXN)
Emerging Market Bonds	Deposits (HK)	Interest Rate Swaps (USD, MXN, Emerging Market)
Emerging Markets FX Forwards & NDF	Energy (Australia and HK)	US Government Bonds
Equity Cash	Equity Cash and Delta one (JPY)	
Equity Derivatives	Equity Derivatives (HKD and JPY)	
European Government Bonds & Repos	FX Options (G10 & Emerging Market)	
FRNs	FX Options (G10 & Emerging Market)	
FX Options (G10 & Emerging Market)	HK Bonds	
G10 FX Forwards	HK Convertibles	
Inflation Swaps & Options	Inflation Swaps	
Interest Rate Options (EUR, USD, GBP, Emerging Markets)	Interest Rate Options (JPY, USD, AUD, Emerging Markets)	
Interest Rate Swaps (EUR, USD, GBP, CHF, Scandis, Emerging Markets)	Interest Rate Swaps (USD, AUD, NZD, SGD, HKD, KRW, THB, EM)	
Japanese Government & Euroyen bonds		
Precious Metals		
Russian Government Bonds		
Structured Products		
Turkish FX/Bonds/IRS		
UK Gilts & Gilt repos		



→ **BGC Trader - Volume Match and Auction** video

# Key Functionality: BGC Trader - Volume Match

## → Key drivers for development:

- Increase Electronic trading volumes
- Increase trader/broker efficiency
- Demand for trade anonymity

Volume Match									
 <b>bgc Volume Match</b>		Anonymity: Fully Anonymous ⓘ							
		Upsizing: Incremental ⓘ							
Time	Option	Depo	Swap	Buy	Vol	Sell	Trade Status	Repost	
P 03:19	EUR/MXN 2M 25DLT RR	<tba>	<tba>	<enter size>	3.00	<enter size>	50 Sold	<input type="checkbox"/>	
P 03:19	EUR/MXN 6M 25DLT RR	<tba>	<tba>	<enter size>	2.75	<enter size>	<not traded>	<input type="checkbox"/>	
P 03:19	USD/BRL 1M ATM	<tba>	<tba>	<enter size>	16.75	<enter size>	25 of 50 Sold	<input checked="" type="checkbox"/>	
P 03:19	USD/CLP 3M ATM	<tba>	<tba>	<enter size>	12.50	<enter size>	<not traded>	<input type="checkbox"/>	
P 03:18	USD/MXN 2Y 25DLT RR	<tba>	<tba>	<enter size>	3.75	<enter size>	<not traded>	<input type="checkbox"/>	
P 03:19	USD/MXN 2M ATM	<tba>	<tba>	<enter size>	13.25	<enter size>	0 of 10 Bought	<input checked="" type="checkbox"/>	

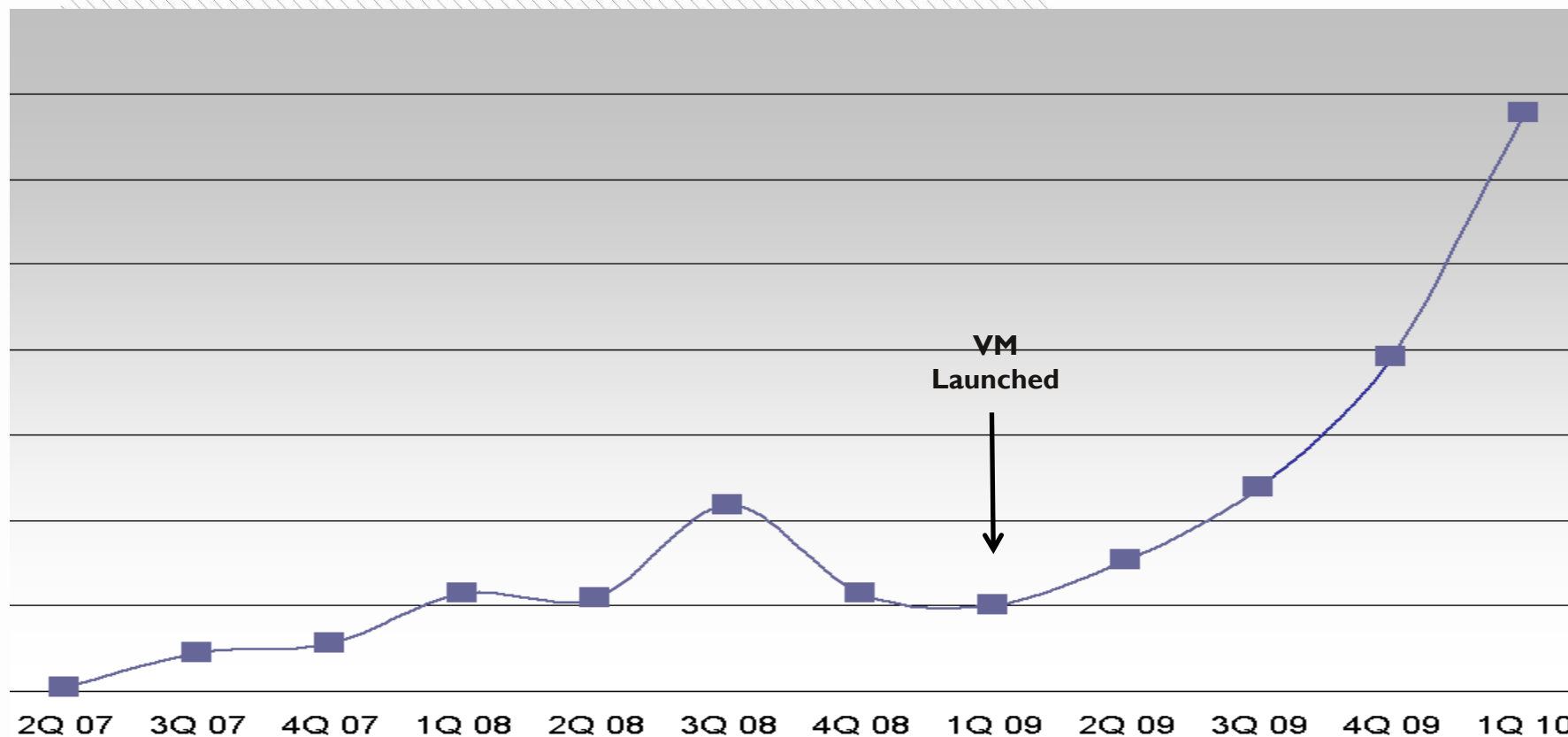
## → Volume Match - Desk rollout:

### → Launched in 2009 for European CDS

- A feature within BGC Trader

European Desks	Asian Desks	Americas Desks
Asian NDF	Asian Credit Default Swap - Index	Asian NDF
Bank Capital Credit Default Swaps	Asian Ex Japanese Credit Default Swaps	BGC Credit Default Swaps
Base Metals	Asian NDF	Brazilian NDF
Corporate Credit Default Swaps	FX Options - Emerging Market	EM Credit Default Swap
Credit Default Swap - Index	FX Options - G10	FX Options - Emerging Market
EM NDF - Russia	FX Options - Long Dates	FX Options - G10
Emerging Market Credit Default Swaps	Japanese Credit Default Swaps	Maxcor Credit Default Swaps
European Govt Bonds	Precious Metals	Precious Metals
FX Options - Emerging Market		UST Basis
FX Options - G10		
FX Options - Long Dates		
Precious Metals		
Sovereign Credit Default Swaps		

# Impact of Volume Match on New Business Electronic Revenue



## → Volume Match - Desk rollout:

1Q 09	2Q 09	4Q 09	1Q 10	2Q 10
Bank Capital CDS - Ldn	Asian Ex Japanese CDS	Asian NDF Global	Brazil NDF	Base Metal
BGC CDS - NA	Asian Index CDS	ELX/CME Basis	Euro Govt Bonds	Conv Bonds - Asia
Corporate CDS - Ldn	EM CDS - Ldn	EM NDF	FXO Specifics - Global	EM - CDX
Index CDS - Ldn	Japanese CDS	FXO - EM - Global	Precious Metal - Global	EM Cash Bonds - Ldn
Maxcor CDS - NA		FXO - G10 - Global		Equity Derv
Sovereign CDS - Ldn		FXO - Long Dates - Global		



## Further Recent Awards



### → TECHNOLOGY DEVELOPMENT OF THE YEAR

“Volume Match comes as part of BGC Trader, the interdealer broker’s multi-asset anonymous hybrid trading platform, and was hailed by one client as “one of the most significant technological developments of the past two years” for its contribution to liquidity in an otherwise cash-strapped environment.”

# Key Functionality: BGC Trader - Auction

## Key drivers for development:

- Price Discovery
- Matching Orders electronically
- Transparency

**BGC Auction**

Anonymity: Fully Anonymous  
Upsizing: Total

Credit	Sz	Bid	Offer	Sz	Buy	Price	Sell	Trade Status	Repost
<b>BGC iTraxx Auction 1</b> 03:43 / 05:00									
S11 EUR 3Y	25	300	<enter offer>					0 of 25 Bought	
S11 EUR 5Y		<enter bid>	280	25				0 of 25 Bought	
S11 EUR 7Y		<enter bid>	310	25				0 of 25 Bought	
S11 EUR 10Y	25	275	<enter offer>					0 of 25 Bought	
S11 EUR 5/7Y	50	20	<enter offer>					0 of 50 Bought	
<b>BGC iTraxx Auction 2</b> PD Complete 04:16 / 05:00									
S11 EUR 3Y	25	300		25		305	25	25 Bought	
S11 EUR 5Y			208	25		280	50	50 of 75 Sold	
S11 EUR 7Y			310	25		300	50	25 Bought / 25 of 75 Sold	
S11 EUR 10Y	25	275			75	270		0 of 75 Bought	
S11 EUR 5/7Y	50	20			25	25		100 of 125 Bought	
<b>BGC iTraxx Auction 3</b>									
S11 EUR 3Y	25	300		25		305		25 Bought	
S11 EUR 5Y			208	25		280	25	50 of 75 Sold	
S11 EUR 7Y			310	25		300	50	25 Bought / 25 of 75 Sold	
S11 EUR 10Y	25	275			75	270		<not traded>	
S11 EUR 5/7Y	50	20			25	25		100 of 125 Bought	

☒ User Trades ☐ Trades for Firm

Time	Credit	Bought/Sold	Price	Counterparty
10:46:20	S11 EUR 3Y	25 Bought	305	CANTOR FITZGERALD EVAL LONDON DEV1
10:45:12	S11 EUR 5Y	50 Sold	280	CANTOR FITZGERALD EVAL LONDON DEV1
10:45:11	S11 EUR 7Y	25 Bought	300	CANTOR FITZGERALD EVAL LONDON DEV1
10:43:44	S11 EUR 7Y	25 Sold	300	CANTOR FITZGERALD EVAL LONDON DEV1
10:43:24	S11 EUR 5/7Y	100 Bought	25	CANTOR FITZGERALD EVAL LONDON DEV1

## → Auction - Desk rollout:



Americas Desks
Maxcor Credit Default Swaps
BGC Credit Default Swaps
EM Credit Default Swap

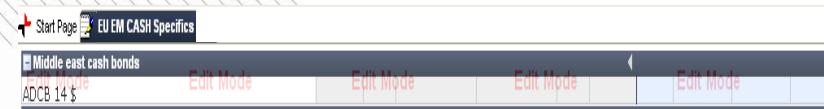
- Launched in 2010 for North American CDS.
- Mid price established directly by participants
- Efficiency/transparency for brokers in less liquid markets

# Key Functionality: BGC Trader - Label Only Trading System (LOTS)

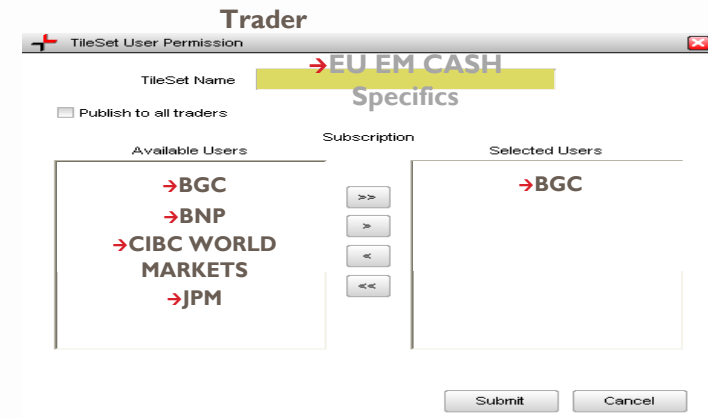
## Key drivers for development:

- Fast deployment in to New Markets
- Creation of specific or bespoke instruments to be traded right away
- Provides liquidity on non standardised strategies
- Full electronic and Volume Match capabilities
- Launch April 2010

- 1. Broker creates new business and Instrument to be traded



- 2. Broker Publishes to individual clients and BGC



- 3. Clients can now trade electronically through BGC

Trader

## → LOTS - Desk rollout:

European Desks	Asian Desks	Americas Desks
Emerging Market Cash Bonds	Convertible Bonds	Commercial Mortgage Backed Securities
Base Metal	FX Options - EM Specifics	FX Options - G10
EM - Equity Derivatives	FX Options - G10	FX Options - Latam Specifics
FX Options - G10		
iTraxx Options		

BGC Trader

Pages

Appearance

Order Preferences

STP Options

Help

Cancel All

Resubmit

00:05:00

Volume Clearing

Volume Match

Show All

S 1 | FRN | TEST | SEN FINS | iTraxx 2 | UTILITIES AND ENERGY | EUROSTERLING FINANCIAL | SUB FINS | HIGH YIELD/X OVER | EM - USD SC

EUROPE

S13 EUR

5/10Y

9

13

S12 EUR

5/10Y

12

16

EUROPE OTR

S11 EUR

5/10Y

17

23

S10 EUR

5/10Y

18

25

S9 EUR

5/10Y

23

32

Europe Rolls into S13

HI VOL

HIVOL OTR

HiVol Rolls into S13

X OVER

S13 Fins SUB Components (continued)

ASSGEN

100

SUB

5Y

160

185

AVLN

100

SUB

5Y

125

150

AXASA

100

SUB

5Y

115

140

HANRUE

100

SUB

5Y

105

135

MUNRE

100

SUB

5Y

85

110

SCHREI

100

SUB

5Y

135

150

ZURNVX

100

SUB

5Y

115

136

OTR Europe Components

OTR XOver Components

OTR Fins SNR Components

ALVGR

100

SNR

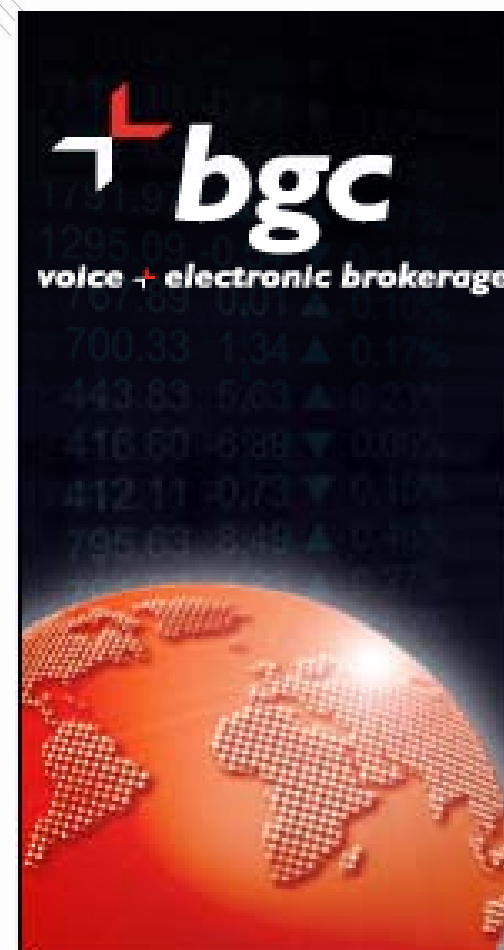
5Y

70

78

# Additional Recent Achievements

- International Swaps and Derivatives Association (ISDA) approval for BGC Interest Rate Swap (IRS) screens to be recognized as official price references in China, Czech Republic, Hong Kong, India, Indonesia, Philippines, Romania, Russia, Taiwan, Thailand, Turkey and Vietnam. Similar approval for Australia and New Zealand is expected shortly
- IRS screen awareness program with Sovereigns, Supra-nationals, Frequent Borrowers, Corporate Issuers and Origination/Syndication teams of lead manager banks to price new issues on the BGC mid-market in order to capture related IRS volumes
- Designated European Government Bond platform status: Austria, Belgium, Finland, Greece, Holland and Ireland, and awarded similar status in Portugal on 4 May
- 50 new client entities in voice matched principle products in Central & Eastern Europe, Scandinavia and the Middle East with another 100 in the pipeline for 2010





**Conclusion**

# Solid Business with Significant Opportunities

- Well positioned to take advantage of current market dynamics
- Looking to accretively hire and acquire
- Investing for broker productivity & fully electronic trading
- Highly leverageable business model
- Excited about ELX and other new ventures
- Deep and experienced management team with ability to attract and retain key talent
- Intermediary-oriented, low-risk business model
- Attractive dividend yield



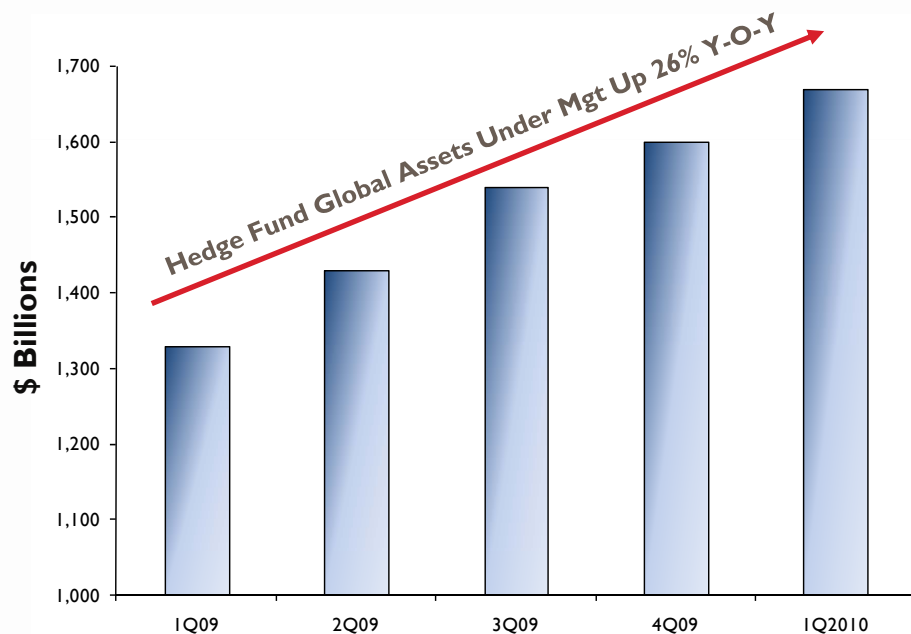


## Appendix



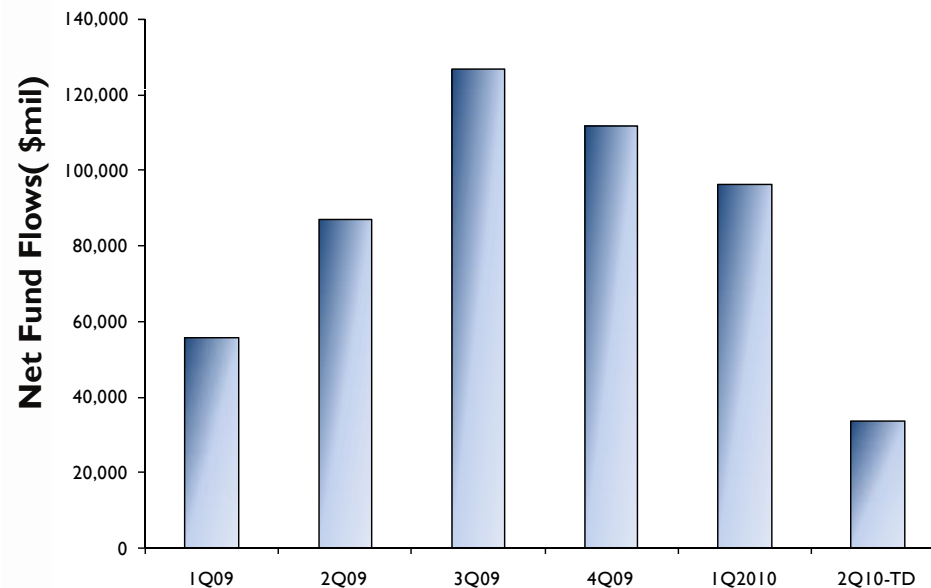
# Our Customers' Customers Bounce Back

## Hedge Fund AUM

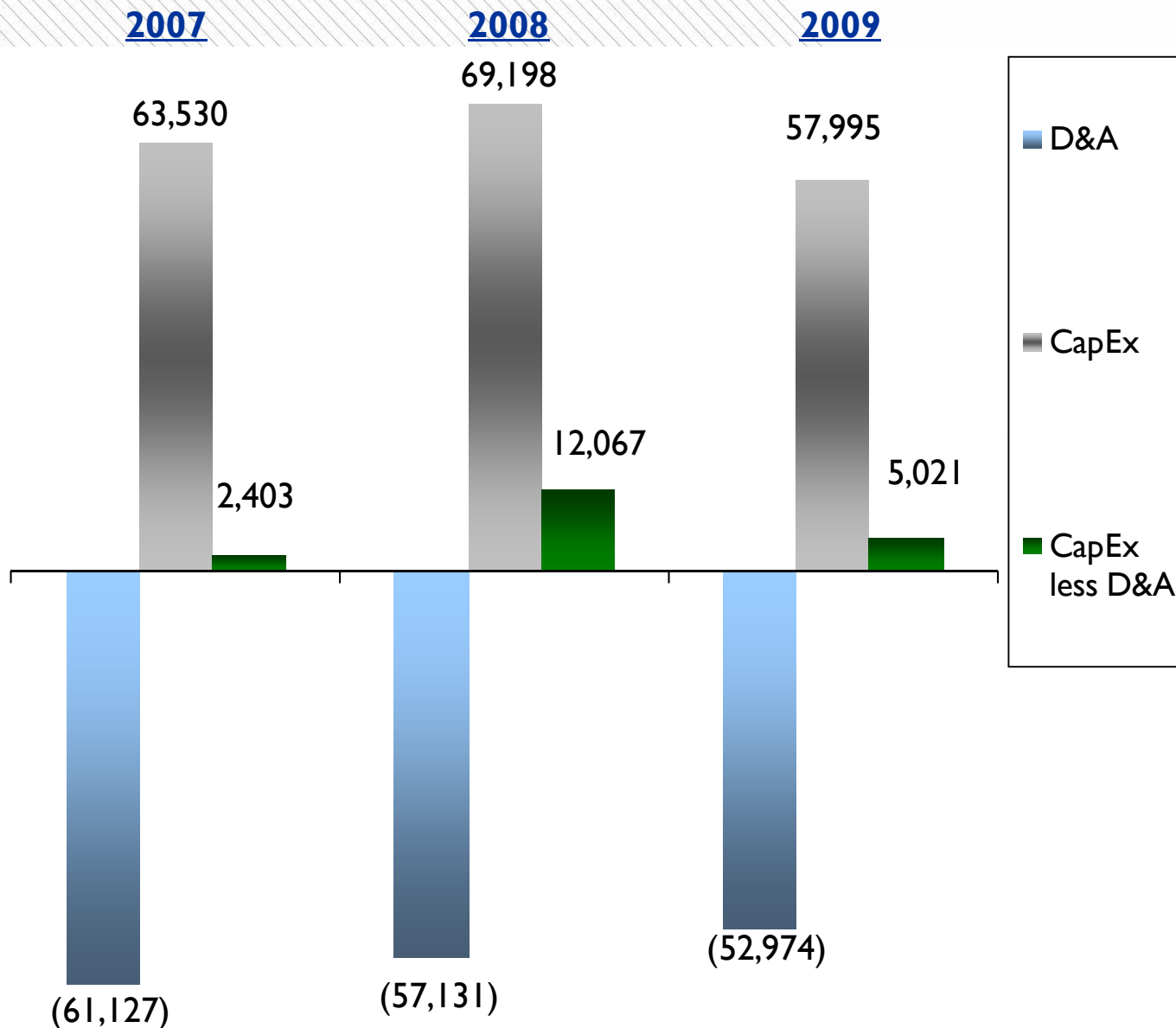


## Bond Fund Flows

Aggregate Fixed-Income Flows Have Exceeded \$500 Billion Since the Start of 2009



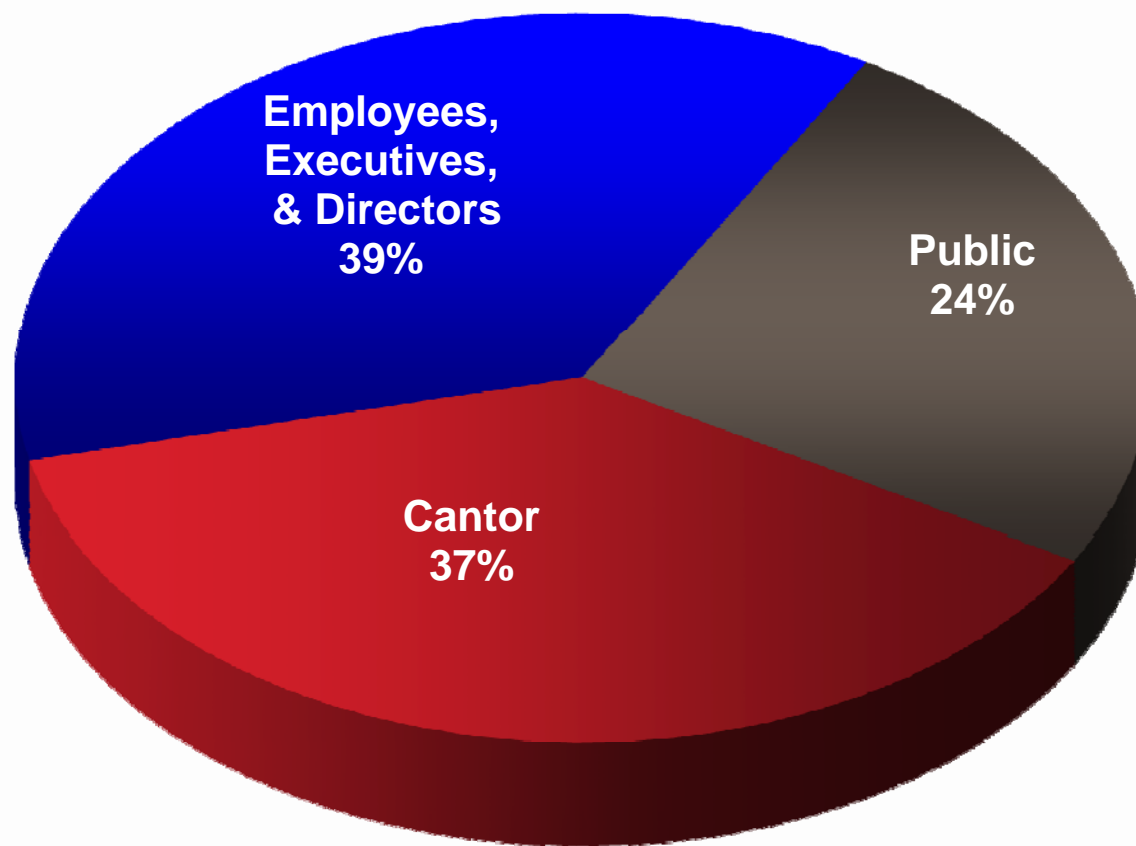
# BGC Capital Expenditures ≈ D&A (\$000)



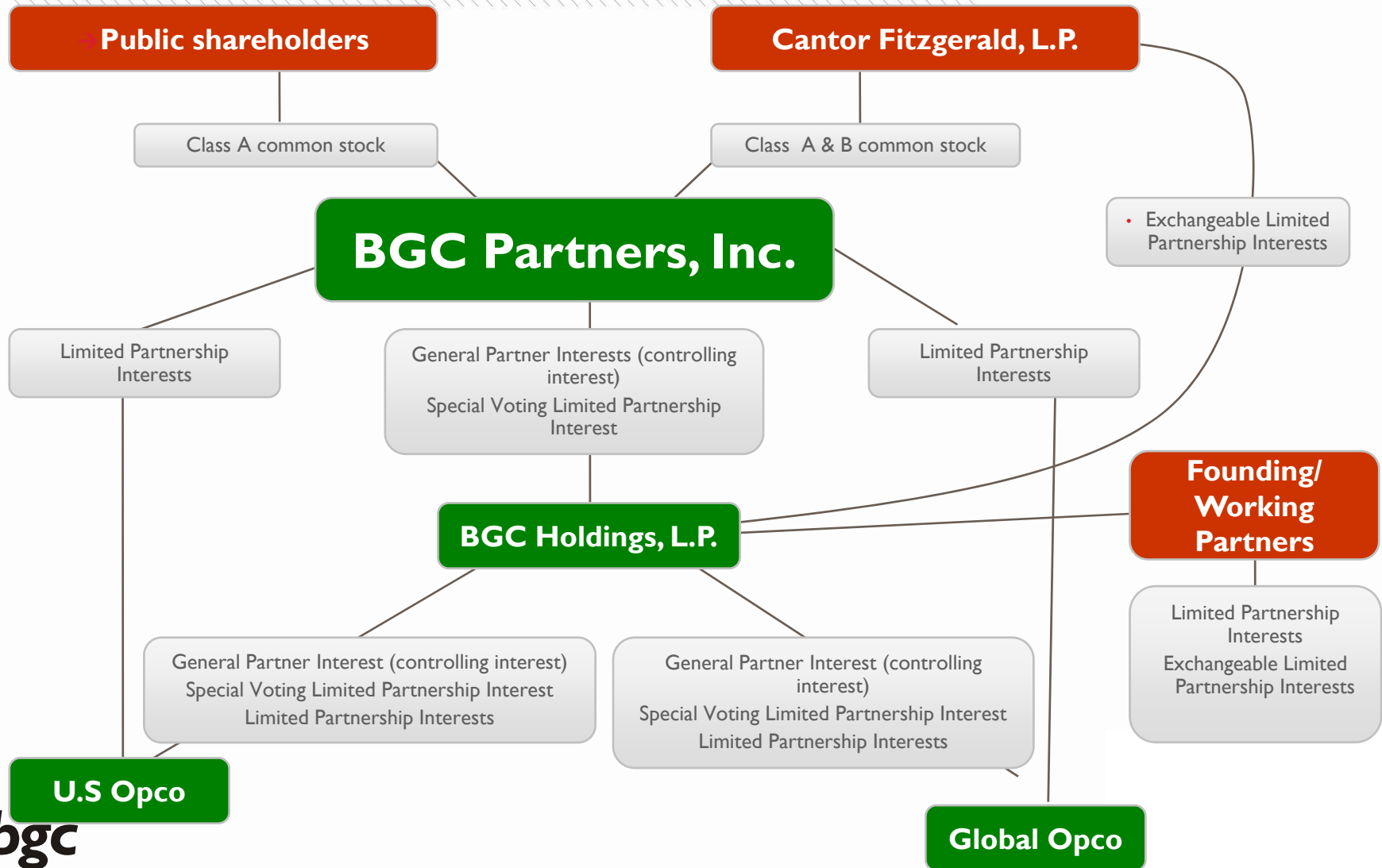
voice + electronic brokerage excludes forgivable loan amortization

CapEx = purchases of fixed assets, decrease in restricted cash, purchase of investment, capitalization of software development costs, capitalization of patent defense and registration costs, payments for acquisitions, net of cash acquired, insurance recovery from related parties, investment in unconsolidated entities, & proceeds of sales of equities brokerage business; D&A

## BGC Economic Ownership as of 3/31/2010



# Structure Creates Employee Retention and Lower Effective Tax Rate



## Recent Share Repurchases /Unit Redemptions

<u>Period</u>	<u>Number of shares purchased</u>	<u>Effective Average Price per Share</u>
January	—	\$—
February	—	\$—
March	2,319,731	\$5.76
<u>April</u>	<u>607,902</u>	<u>\$6.58</u>
<b>Total Repurchases</b>	<b>2,927,633</b>	<b>\$5.93</b>
<u>Period</u>	<u>Number of units redeemed</u>	<u>Average price per unit</u>
<b>March</b>	<b>4,604,026</b>	<b>\$6.17</b>
<b>Total Repurchases and Redemptions</b>	<b>7,531,659</b>	<b>\$6.08</b>

# Fully Diluted Share Count for DE Purposes

Fully Diluted Weighted Average Share Count  
For the quarter ended March 31, 2010

Common stock outstanding	82.9
Limited Partnership Interests in BGC Holdings	137.2
<u>RSUs (Treasury stock method)</u>	<u>2.5</u>
<b>Total</b>	<b>222.6</b>

# Presenter Biographies



**Howard W. Lutnick**

**Chairman and Chief Executive Officer**

Howard W. Lutnick is Chairman and Chief Executive Officer of BGC Partners, Inc., a leading provider of voice and electronic brokerage services in the global marketplace. He is also Chairman and Chief Executive Officer of Cantor Fitzgerald, L.P., one of the world's leading financial services firms.

Under Mr. Lutnick's leadership, BGC Partners separated from Cantor Fitzgerald in 2004. Since that time, BGC has become one of the largest and fastest growing inter-dealer brokers of financial instruments for the global capital markets. BGC serves the world's largest banks and investment banks in trading credit, rates, foreign exchange, and an array of other financial products.

Several innovative businesses and technologies have been developed under Mr. Lutnick's stewardship, including eSpeed, a leading electronic marketplace and trading technology platform for the world's capital markets. Mr. Lutnick served as Chairman, President and CEO of eSpeed, Inc., which spun off from Cantor in an initial public offering in 1999 and merged with BGC in 2008 to form BGC Partners, Inc.

Mr. Lutnick guided the rebuilding of Cantor following the devastating September 11, 2001 World Trade Center terrorist attacks that claimed the lives of 658 of the company's 960 New York-based employees. Since then, Cantor has provided over \$180 million to help the families of the firm's lost colleagues. Each September 11th, 100% of BGC's and Cantor's global revenues have been donated to worthy causes, commemorating their employees who perished that day by helping others.

Mr. Lutnick graduated from Haverford College in 1983 with a degree in economics and joined Cantor Fitzgerald the same year. He was named President and CEO of Cantor Fitzgerald in 1991 and Chairman in 1996.

He is a member of the boards of Haverford College, the Zachary and Elizabeth M. Fisher Center for Alzheimer's Disease Research at Rockefeller University, Intrepid Museum Foundation, National September 11 Memorial & Museum, and the Solomon Guggenheim Museum Foundation. Mr. Lutnick received the Department of the Navy's Distinguished Public Service Award, the highest honor granted by the Navy to non-military personnel.



voice + electronic brokerage



# Presenter Biographies



**Shaun D. Lynn**

**President**

As President of BGC Partners, Shaun D. Lynn provides leadership to position BGC at the forefront of the global inter-dealer brokerage sector. He is responsible with his management team for the Company's operations globally and for the direction and development of BGC's proprietary technology.

Mr. Lynn, who sparked the idea of creating BGC as a separate business from Cantor Fitzgerald and became one of BGC's co-founders in October 2004, has spearheaded the broking operations of the Company globally and has played an integral role in the Company's significant growth since then, including its 2008 merger with eSpeed, Inc. In addition to his executive responsibility for ensuring that the Company provides services of the highest quality to its customers, Mr. Lynn oversees the Company's corporate functions including finance, risk management, technology, legal & compliance, human resources, and communications. An experienced and authoritative financial professional, Mr. Lynn promotes BGC's thought leadership as a preeminent global inter-dealer broker to wholesale market participants worldwide. Reflecting BGC's commitment to help people in communities around the world, Mr. Lynn plays a leading role in the Company's annual Charity Day, in which its revenues are donated to dozens of worthy causes worldwide.

Prior to his position with BGC, Mr. Lynn previously served as Executive Managing Director of Cantor Fitzgerald International, where he held management positions of increasing responsibility including leading its Eurobond desk after joining that firm in 1989 as a Bund broker. Earlier roles in the capital markets included serving as a UK equity dealer with Paul E Schweder Miller & Co. and as Associate Director in charge of broking at Purcell Graham Incorporated.



# Presenter Biographies



**Graham Sadler**  
**Chief Financial Officer**

**As Chief Financial Officer, Mr. Sadler is responsible for BGC's global accounting, controlling and treasury functions, including all financial reporting and budgeting.**

**Since December 2008, he has served as CFO for Europe and Asia for both BGC and Cantor Fitzgerald. In his new role, he will also continue to serve as CFO for Europe and Asia for Cantor Fitzgerald.**

**Prior to BGC, Mr. Sadler spent 11 years with Bear Stearns, where he served most recently as Chief Operating Officer and Chief Financial Officer of Bear Stearns-Europe in addition to other management roles. He also was a member of that firm's European Executive Committee. Earlier, he served in a number of finance positions over a 14-year span with Barclays Capital (and its predecessor DeZoete & Bevan), including Director of Global Finance and Divisional Director, Markets Division. He began his career with KPMG (previously Peat Marwick Mitchell). Mr. Sadler is a Chartered Accountant in the UK, and holds a degree in Engineering from Cambridge University.**

# Presenter Biographies



**Mark Webster**

**Executive Managing Director and General Manager, The Americas**

**Mark Webster is responsible for BGC's brokerage businesses in the Americas. Previously Mr. Webster held a similar role in Asia Pacific, as Executive Managing Director and President for the region.**

**Under Mr. Webster's leadership, the business significantly increased the number of brokers among its existing operations in Tokyo, Hong Kong, Singapore and Sydney.**

**Mr. Webster has 29 years of capital markets experience in broking and management. He joined BGC in late 2004 from ICAP, where he was CEO for Asia Pacific and Middle East.**

# Presenter Biographies



**Philip Norton**

**Executive Managing Director, e-Commerce**

**Philip Norton is responsible for making BGC's services accessible to customers all over the world, whilst developing the e-Commerce team to meet the needs of our growing business.**

**Mr. Norton joined BGC in May 2004. His key role is to ensure BGC's clients and brokers have access to the best technical expertise and support within the global financial marketplace.**

**He began his career in financial markets in 1984, trading Eurobonds for Smith Barney, Harris Upham, followed by 11 years at Cantor Fitzgerald, managing businesses that broker European Government Bonds. His next move was to Head of Sales for eSpeed International in London, where he oversaw the introduction of eSpeed to the European financial markets.**

**In 1999 he became Global Head of Sales at eSpeed, where he drove the sales effort for eSpeed's Software Solutions and eSpeed's online initiatives and added new products to the eSpeed electronic trading platform.**

# Presenter Biographies



**Jean-Pierre Aubin**

**Executive Managing Director and Global Head Listed Products**

In his role as **Executive Managing Director**, Jean-Pierre Aubin is responsible for listed products and primary structured products globally.

Mr. Aubin began his broking career with Viel-Tradition Group in 1990. After trading futures and options for ten years between London and Paris, he was promoted to run the company's continental European operations, including Finacor Group and listed products worldwide before he joined BGC in 2005. Mr Aubin was instrumental in BGC's rapid expansion in Continental Europe, including the acquisitions of ETC Pollak in 2005 and Aurel in 2006.

In 2008 Mr. Aubin moved to BGC's New York office as Global Head of Listed Products, with a responsibility to further develop BGC's voice and electronic broking services in listed products including equity derivatives, cash equity, futures and options on futures, and primary structured products.

# Distributable Earnings

BGC Partners uses non-GAAP financial measures including “Revenues for distributable earnings”, “pre-tax distributable earnings” and “post-tax distributable earnings” as supplemental measures of operating performance and which are used by management to evaluate the financial performance of the Company and its subsidiaries. BGC Partners believe that distributable earnings best reflects the operating earnings generated by the Company on a consolidated basis and are the earnings which management considers available for distribution to BGC Partners, Inc. and its common stockholders as well as to holders of BGC Holdings partnership units during any period. As compared with “income (loss) from continuing operations before income taxes”, “net income (loss) for fully diluted shares,” and “fully diluted earnings (loss) per share,” all prepared in accordance with GAAP, distributable earnings calculations exclude certain non-cash compensation and other expenses which generally do not involve the receipt or outlay of cash by BGC Partners, and which do not dilute existing stockholders, and which do not have economic consequences, as described below.

Revenues for distributable earnings are defined as GAAP revenues excluding the impact of BGC Partners’ pro rata share of earnings or losses from its equity investments, such as in Aqua Securities, L.P. (“Aqua”) and ELX Electronic Liquidity Exchange (“ELX”). Pre-tax distributable earnings are defined as GAAP income (loss) from continuing operations before income taxes excluding non-cash, non-dilutive, and non-economic items, including, for example: Non-cash stock based equity compensation charges, for REUs granted or issued prior to the merger of BGC Partners with and into eSpeed, as well as post-merger non-cash, non-dilutive equity-based compensation related to partnership unit exchange or conversion; Allocation of net income to founding/working partner units, REUs, RPU, PSUs and PSIs; and Non-cash asset impairment charges, if any. Charges related to repurchases, cancellations or redemptions of partnership interests. Distributable earnings calculations also exclude certain one-time or non-recurring items, if any. Since distributable earnings are calculated on a pre-tax basis, management intends to also report “post-tax distributable earnings” and “post-tax distributable earnings per fully diluted share”: 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. Post-tax distributable earnings per fully diluted share are defined as post-tax distributable earnings divided by the weighted average number of fully diluted shares for the period. In the event that there is a GAAP loss but positive distributable earnings, the distributable earnings per share calculation will include all fully diluted shares that would be excluded under GAAP to avoid anti-dilution. In addition to the pro rata distribution of net income to BGC Holdings founding/working partner units, PSUs, PSI, RPU, REUs, and to Cantor for its non-controlling interest, BGC Partners, Inc. also expects to pay a quarterly dividend to its common stockholders. The amount of all of these payments is expected to be determined using the same definition of distributable earnings. The dividend to stockholders is expected to be calculated based on post-tax distributable earnings allocated to BGC Partners, Inc. and generated over the fiscal quarter ending prior to the record date for the dividend. No assurance can be made, however, that a dividend will be paid each quarter. Employees who are holders of unvested restricted stock units (“RSUs”) are granted pro-rata payments equivalent to the amount of dividend paid to common stockholders. Under GAAP, dividend equivalents on unvested RSUs are required to be taken as a compensation charge in the period paid. However, to the extent that they represent cash payments made from the prior period’s distributable earnings, they do not dilute existing stockholders and are therefore excluded from the calculation of distributable earnings. Distributable earnings is not meant to be an exact measure of cash generated by operations and available for distribution, nor should it be considered in isolation or as an alternative to cash flow from operations or income (loss) for fully diluted shares.

The Company views distributable earnings as a metric that is not necessarily indicative of liquidity or the cash available to fund its operations. Pre- and post-tax distributable earnings are not intended to replace the presentation of BGC Partners, Inc.’s GAAP financial results. However, management does believe that they will help provide investors with a clearer understanding of the Company’s financial performance and offer useful information to both management and investors regarding certain financial and business trends related to our financial condition and results from operations. Management believes that distributable earnings and the GAAP measures of the Company’s financial performance should be considered together. Management does not anticipate providing an outlook for GAAP revenues, “income (loss) from continuing operations before income taxes”, “net income (loss) for fully diluted shares,” and “fully diluted earnings (loss) per share”, because the items previously identified as excluded from pre-tax distributable earnings and post-tax distributable earnings are difficult to forecast. Management will instead provide its outlook only as it relates to revenues for distributable earnings, pre-tax distributable earnings and post-tax distributable earnings. For more information on this topic, please see the table in this release entitled “Reconciliation of GAAP Income to Non-GAAP Distributable Earnings”, which provides a summary reconciliation between pre- and post-tax distributable earnings and GAAP “net income (loss) for fully diluted shares” and GAAP “income (loss) from continuing operations before income taxes” for the Company in the periods discussed in this document.