BGC PARTNERS, INC.

NASDAQ: BGCP

Bernstein Future of Market Infrastructure Symposium Presentation

1Q 2019

DISCLAIMER

Discussion of Forward-Looking Statements

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

Note Regarding Financial Tables and Metrics

Excel files with BGC’s quarterly financial results and metrics from the current period dating back to the full year 2008 are accessible in the various financial results press releases at the “Investor Relations” section of http://www.bgcpartners.com. They are also available directly at http://ir.bgcpartners.com/news-releases/news-releases.

Other Items

BGC spun off all of the shares of its former subsidiary Newmark Group, Inc. (NASDAQ: NMRK) (“Newmark”) held by BGC to the stockholders of BGC on November 30, 2018 (the “Spin-Off” or “Distribution”).[1] Newmark, through subsidiaries, operates as a full-service commercial real estate services business, and completed its initial public offering (“IPO”) on December 19, 2017. Because BGC did not own any shares of Newmark as of December 31, 2018, Newmark’s results are presented as discontinued operations within BGC’s consolidated results for all periods through the November 30, 2018 spin-off date. Newmark’s results are not included in BGC’s consolidated results for all periods presented after November 30, 2018. Unless otherwise stated, all the tables and results below through the Outlook section reflect only BGC’s results from continuing operations.[2] See section on Discussion of Financial Results in this document.

1. This includes the shares of Newmark Class A and Class B common stock owned by BGC, as well as the shares of Newmark common stock into which the limited partnership units of Newmark Holdings, L.P. and Newmark Partners, L.P. owned by BGC were exchanged prior to and in connection with the Spin-Off. For more information, see the press release titled “BGC Partners Announces Completion of Spin-Off of Newmark” dated November 30, 2018, and the related filing on Form 8-K filed before market open on December 6, 2018.
2. Post-spin BGC represented what BGC financial results would be had the spin-off of Newmark occurred prior to the Distribution date of November 30, 2018. Post-spin BGC can also be defined as the results for BGC’s Financial Services segment plus its pro-rata portion of corporate items.

For the purposes of this document, all of the Company's fully electronic businesses may be collectively referred to as "Fenics". Fenics includes revenues from fully electronic brokerage, as well as data, software, and post-trade services. Fenics results do not include those of Trayport, which are reported separately due to its sale to Intercontinental Exchange, Inc. ("ICE") for approximately 2.5 million ICE common shares in December of 2015. Fenics results do not include those of the eSpeed business, which was sold to Nasdaq, Inc. ("Nasdaq") in 2013.

On November 4, 2016, BGC acquired the 80 percent of LFI Holdings LLC ("Lucera") interests not already owned by the Company. BGC's financial statements are presented to include the results of Lucera for all periods in this document prior to their acquisitions because these transactions involved reorganizations of entities under common control.

Unless otherwise stated, all results provided in this document compare the fourth quarter or full year 2018 with the year-earlier periods. Certain reclassifications may have been made to previously reported amounts to conform to the current presentation and to show results on a consistent basis across periods. With the exception of reporting Newmark as a discontinued operation, any such reclassifications would have had no impact on consolidated revenues or earnings for GAAP and would leave consolidated pre- and post-tax Adjusted Earnings for the prior periods essentially unchanged all else being equal. Certain numbers and percentage changes listed throughout this document may not sum due to rounding.

An investor presentation as well as Excel versions of certain tables in this document are available for download http://ir.bgcpartners.com. The Excel tables and presentation contain the results discussed in this document as well as other useful information that may not be contained herein. Those viewing BGC's financial results release online should see the link to the tables and presentation near the top of the page at http://ir.bgcpartners.com. Newmark released its fourth quarter and full year 2018 financial results on Tuesday, February 12, 2019 and its related conference call took place at 10:00 a.m. ET on the same day. Further details regarding Newmark's fourth quarter results can be found at http://ir.ngkf.com.

Discussion of Financial Results

Unless otherwise stated, all the tables and financial results in this document through the Outlook section reflect continuing operations of BGC and will not match the results and tables in the Company's press release for the fourth quarter and full year of 2017 dated February 9, 2018. The financial results from continuing operations of BGC do not present a distinct corporate segment and are generally comparable to the stand-alone results for BGC Partners excluding Newmark Group, referred to as "post-spin BGC" in previous documents. Post-spin BGC represented what BGC financial results would have been had the spin-off of Newmark occurred prior to the Distribution date of November 30, 2018. Post-spin BGC can also be defined as the results for BGC's Financial Services segment plus its pro-rata portion of corporate items.

Unless otherwise stated, all results provided in this document compare the fourth quarter or full year 2018 with the year-earlier periods. Certain reclassifications may have been made to previously reported amounts to conform to the current presentation and to show results on a consistent basis across periods. With the exception of reporting Newmark as a discontinued operation, any such reclassifications would have had no impact on consolidated revenues or earnings for GAAP and would leave consolidated pre- and post-tax Adjusted Earnings for the prior periods essentially unchanged all else being equal. Certain numbers and percentage changes listed throughout this document may not sum due to rounding.

Non-GAAP Financial Measures

This presentation should be read in conjunction with BGC's most recent financial results press releases. Throughout this presentation, BGC refers to certain non-GAAP financial measures, including Adjusted Earnings, Adjusted EBITDA and Liquidity. For a complete description of Adjusted Earnings, Adjusted EBITDA and Liquidity, and how, when, and why management uses these and other non-GAAP measures, as well as reconciliations of these measures to the comparable GAAP measures, and more information regarding GAAP and non-GAAP results, see the "Appendix" section of this presentation. Below under "Highlights of Results from Continuing Operations" is a summary of certain GAAP and non-GAAP results for BGC. Results on a GAAP and non-GAAP basis are included towards the end of this presentation, with appropriate reconciliations provided in the "Appendix" section noted above and also in our most recent financial results press release and/or are available at http://ir.bgcpartners.com/Investors/default.aspx.

Highlights of Results from Continuing Operations (USD millions)	4Q 2018	4Q 2017	Change	FY 2018	FY 2017	Change
Revenues	$466.4	$432.0	8.0%	$1,937.8	$1,751.0	10.7%
GAAP income (loss) before income taxes	(23.9)	(71.2)	NMF	179.8	4.1	NMF
GAAP net income (loss) for fully diluted shares	(21.9)	(80.3)	NMF	73.7	(124.8)	NMF
Pre-tax Adjusted Earnings before noncontrolling interest in subsidiaries and taxes	85.5	57.9	47.7%	393.5	299.6	31.3%
Post-tax Adjusted Earnings	70.4	56.0	25.8%	335.8	288.5	16.4%
Adjusted EBITDA	99.7	78.4	27.1%	500.6	401.4	24.7%

Per Share Results from Continuing Operations	4Q 2018	4Q 2017	Change	FY 2018	FY 2017	Change
GAAP net income (loss) per fully diluted share	($0.07)	($0.28)	NMF	$0.23	($0.43)	NMF
Post-tax Adjusted Earnings per share	$0.14	$0.12	16.7%	$0.69	$0.64	7.8%

Liquidity Defined

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

BGC PARTNERS, INC.

OVERVIEW

TWO BUSINESSES

Financial Services (BGCP)

Voice/Hybrid

- Key products include:
  - Rates
  - Foreign Exchange ("FX")
  - Credit
  - Energy & Commodities
  - Equities
  - Insurance
- 2,654 brokers & salespeople (across BGC)
- Average revenue per broker up 12% YoY in FY 2018
- In 50+ cities

FY 2018
Revenues = $1,612 MN

Fenics

- Key products include:
  - Interest Rate Derivatives
  - Credit
  - FX
  - Global Gov't Bonds
  - Market Data
  - Software Solutions
  - Post-trade Services
- Proprietary network connected to the global financial community

FY 2018
Revenues = $325 MN

Note: FY 2018 voice/hybrid revenues include $49.2 million in revenues from fees from related parties, interest income and other revenues. Fenics revenues include data, software, and post-trade (inter-company) revenues of $64.3 million for FY 2018, which are eliminated in BGC's consolidated financial results.

Certain numbers may not add due to rounding.

SOLID BUSINESS WITH SIGNIFICANT OPPORTUNITIES

- Intermediary-oriented, low-risk business model
- Strong track record of accretive acquisitions and profitable hiring
- History of maximizing shareholder returns and successfully building new brokerage verticals
  - Recent Newmark spin-off
  - Entry into insurance in 2017 followed by recent acquisition of Ed Broking Group Limited
- Diversified revenues by geography & product
- BGC 2019 quarterly dividend of $0.14 per share for a qualified dividend yield of around 10%[1]
- Significant product diversity across voice/hybrid brokerage and electronic brokerage
- Continue to grow our highly profitable fully electronic Fenics business
- Regulatory reforms, rising interest rates, and the end and/or tapering of QE are expected to result in increased activity and higher volumes
- BGCP earnings and revenue growth expected to continue over time

1. Based on BGCP's closing price on March 21, 2019 and dividend policy in BGC's post-spin outlook update dated December 20, 2018. This dividend policy has not been updated and does not constitute guidance for the Company's dividend policy.

DIVIDEND AND P/E RATIO OF BGC

BGC's Dividend Yield and PE Ratio (for illustrative purposes only)

BGCP Stock Price[1]	$5.55
BGC Quarterly Dividend	$0.14
BGC Dividend Yield	10.1%
Market Capitalization ($ MN)[2]	$2,879
2018 Post-tax Adjusted Earnings ($ MN)	$336
2018 P/E Ratio	8.6 X
2018 Adjusted EBITDA ($ MN)	$501
TTM EV/EBITDA	6.8 X

1. BGCP closing price on March 21, 2019
2. Based on BGCP's closing price above and BGC's fully diluted spot sharecount on December 31, 2018

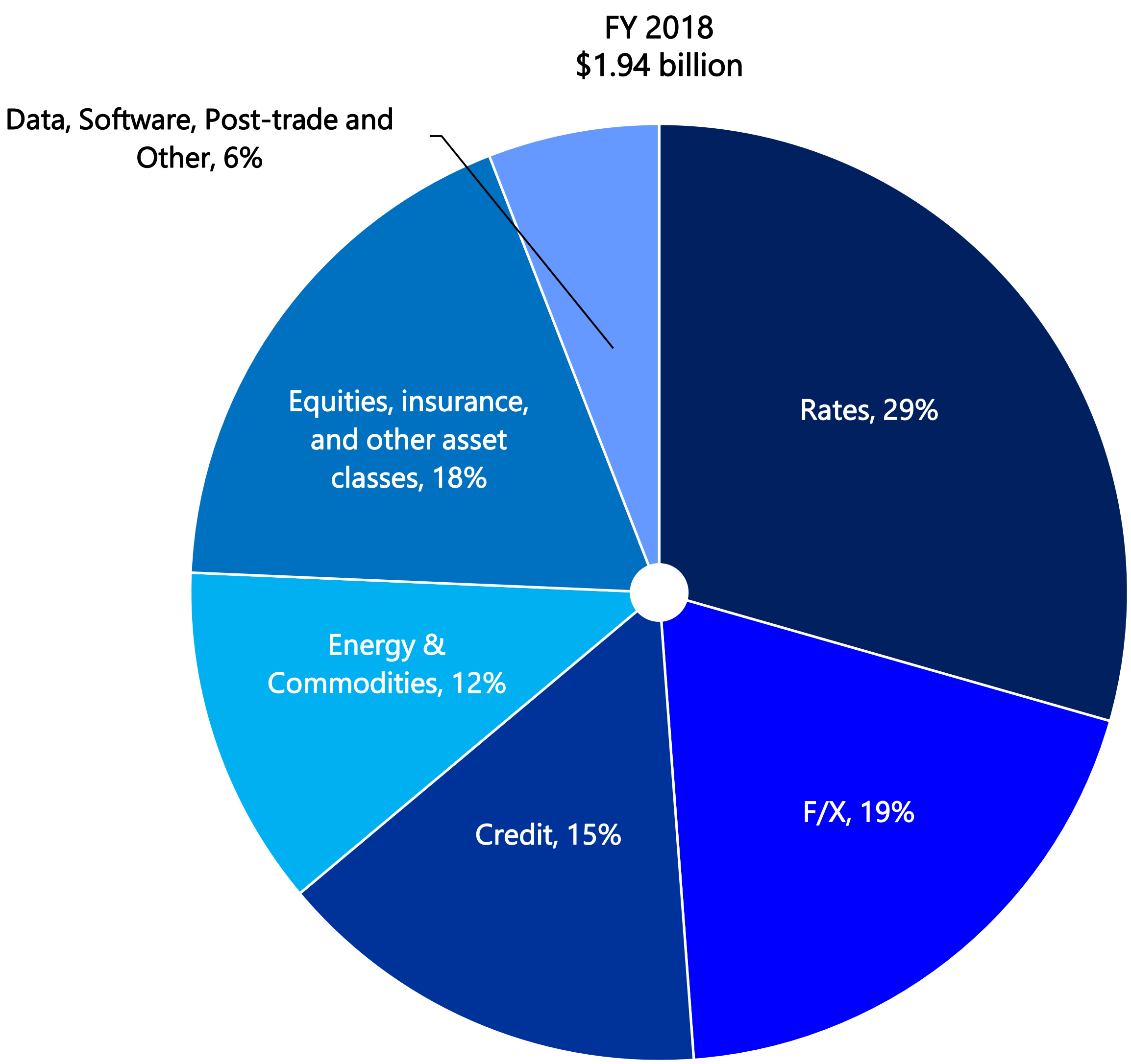
Note: Figures are for BGC's continuing operations.

- Based on dividend policy in BGC’s post-spin outlook update dated December 20, 2018, which has not been updated, the Company expects to maintain its post-spin quarterly dividend of 14 cents per share in 2019. This does not constitute guidance for the Company’s dividend policy.

BGC PARTNERS, INC.

OVERVIEW

FY 2018 REVENUE BREAKDOWN BY ASSET CLASS



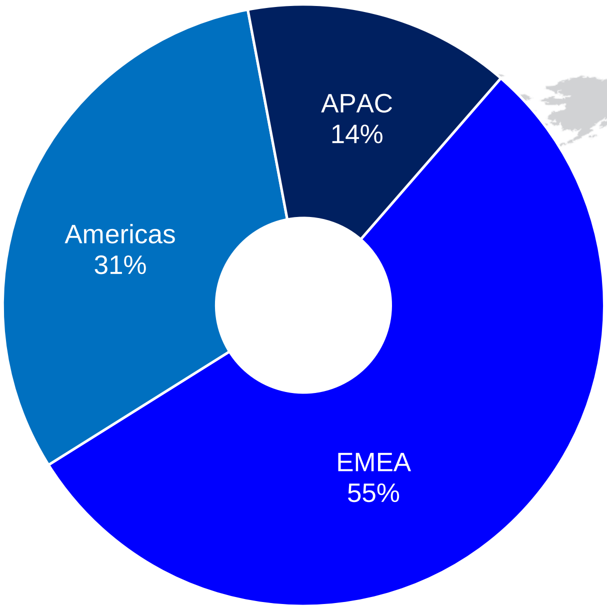
BGC's Businesses at a Glance

- BGC maintains a highly diverse revenue base
- Overall industry volumes across Rates, F/X, Credit, Energy & Commodities, and Equities typically seasonally strongest in 1st quarter, weakest in 4th quarter

Note: Other includes fees from related parties, interest income and other revenues .
Percentages may not sum to 100% due to rounding.

REVENUE BREAKDOWN BY GEOGRAPHY

FY 2018
Global Revenues



- Total Americas revenue up 5% in FY 2018
- Europe, Middle East & Africa revenue up 13% in FY 2018
- Asia Pacific revenue up 14% in FY 2018

Note: Percentages may not sum to 100% due to rounding.

BGC BREADTH: WHY BIGGER REALLY IS BETTER

- BGC's global presence is covered via many brands across all major geographies
- BGC operates a number of wholesale and interdealer brands covering investment banks
- BGC also operates a number of agency brands covering institutional clients and asset managers

IDB
(Investment Banks)

bgc
R P Martin
CAPITALAB
GFI
FREEDOM
MICROmega
Remate
bgc liquidez
KACE
Amerex
Amerex Brokers LLC
starsupply
SUNRISE
bgc radix
bgc market data
GFI MARKET DATA
Fenics MD
PERIMETER MARKETS INC.
CBID
aurel bgc
Latium Capital
Fenics USTreasuries
STERLING
INTERNATIONAL BROKERS LIMITED
MINT
CARLINGFORD
Amerex
Amerex Brokers LLC
BESSO

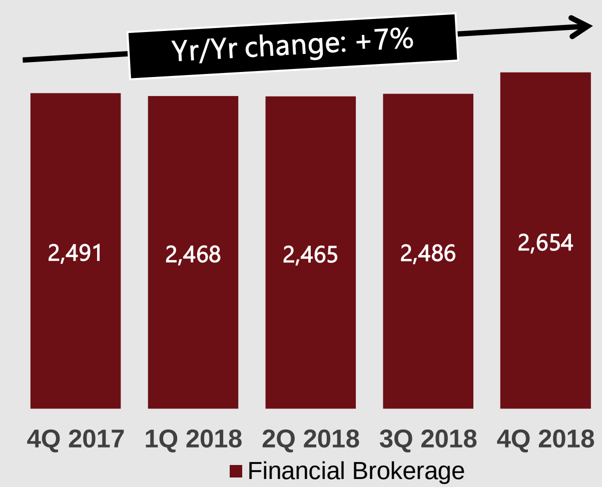
AGENCY
(Institutional)

Fenics
(all brands independently serviced by)

BGC'S FRONT OFFICE HEADCOUNT & PRODUCTIVITY

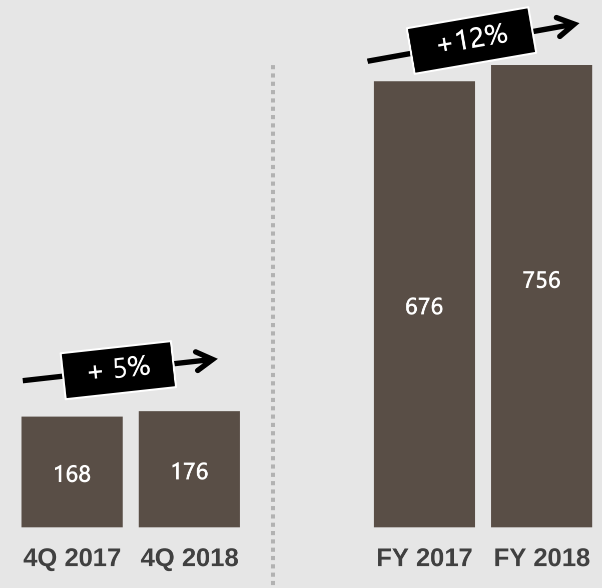
FRONT OFFICE HEADCOUNT

(as of period-end)



FRONT OFFICE PRODUCTIVITY

(period-average, USD Thousands)



- Headcount increased mainly due to the acquisition of Poten & Partners[1]

1. See press release titled "BGC Partners Acquires Poten & Partners, a Leading Ship Brokerage and Consulting Company" dated November 16, 2018.

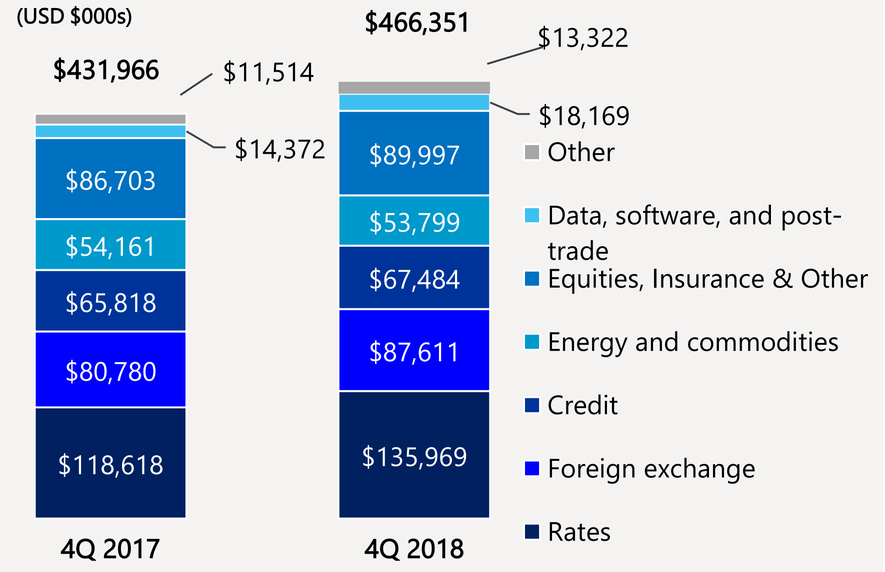
Note: The figures in the above table include total brokerage revenues and revenues from data, software and post-trade. The average revenues for all producers are approximate and based on the total revenues divided by the weighted-average number of producers for the period excluding Newmark.

BUSINESS OVERVIEW 4Q 2018

Highlights

- Total revenues increased 8% YoY
  - Solid revenue growth in rates, foreign exchange, and data, software, and post-trade
  - Revenues would have been at least $8 million higher, but for the strengthening of the U.S. dollar relative to other major currencies
- Pre-tax Adjusted Earnings increased approximately 48% YoY
- Pre-tax margin at 18.3% (up from 13.4% in 4Q 2017)
- Completed the acquisition of Poten & Partners

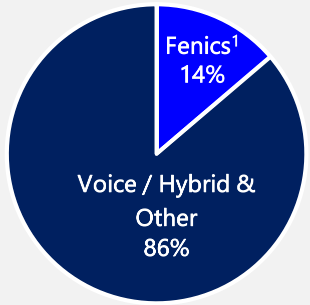
4Q 2018 Revenue Breakdown



Drivers

- Increased activity across foreign exchange and rates in 4Q 2018
- Full year 2018 revenue growth was virtually entirely organic across all of our asset classes

4Q 2018 Revenue Breakdown



1. Data, software, and post-trade excludes inter-company revenues.

Note: See the section titled "Non-GAAP Financial Measures" on page 4.

STRONG RECORD OF SUCCESSFUL, ACCRETIVE ACQUISITIONS

2005 - 2010

8 Acquisitions
- Maxcor/Eurobrokers (2005)
- ETC Pollack (2005)
- Aurel Leven (2006)
- AS Menkul (2006)
- Marex Financial[1] (2007)
- Radix Energy (2008)
- Liquidez (2009)
- Mint Partners / Mint Equities[1]

2011

CO2e
- Environmental Brokerage

2012

Wolfe & Hurst
- Across U.S.
- Municipal Bonds

2013

Sterling
- U.K.
- Rates

Ginalfi
- Paris
- Credit, Swaps

2014

R.P. Martin[1]
- London
- Rates, FX

HEAT Energy[1]
- New York / New Jersey / Florida
- Regional Power Markets / Nat Gas

Remate Lince
- Mexico
- Rates
- Bonds

2015

GFI Group
- Global
- Commodities
- Rates
- FX
- Credit
- Equities

2016

Sunrise
- Primarily Equity Derivatives

Perimeter
- Electronic Fixed Income / Futures Trading

Lucera
- Technology Infra-structure for OTC Financial Markets

2017

Besso
- Insurance brokerage

Micromega Securities
- Rates, Credit, FX
- South Africa

Kalahari Limited
- Real-time pricing and analytics software

2018

Poten & Partners
- Shipping brokerage

Ed Broking Group[2]
- Insurance brokerage

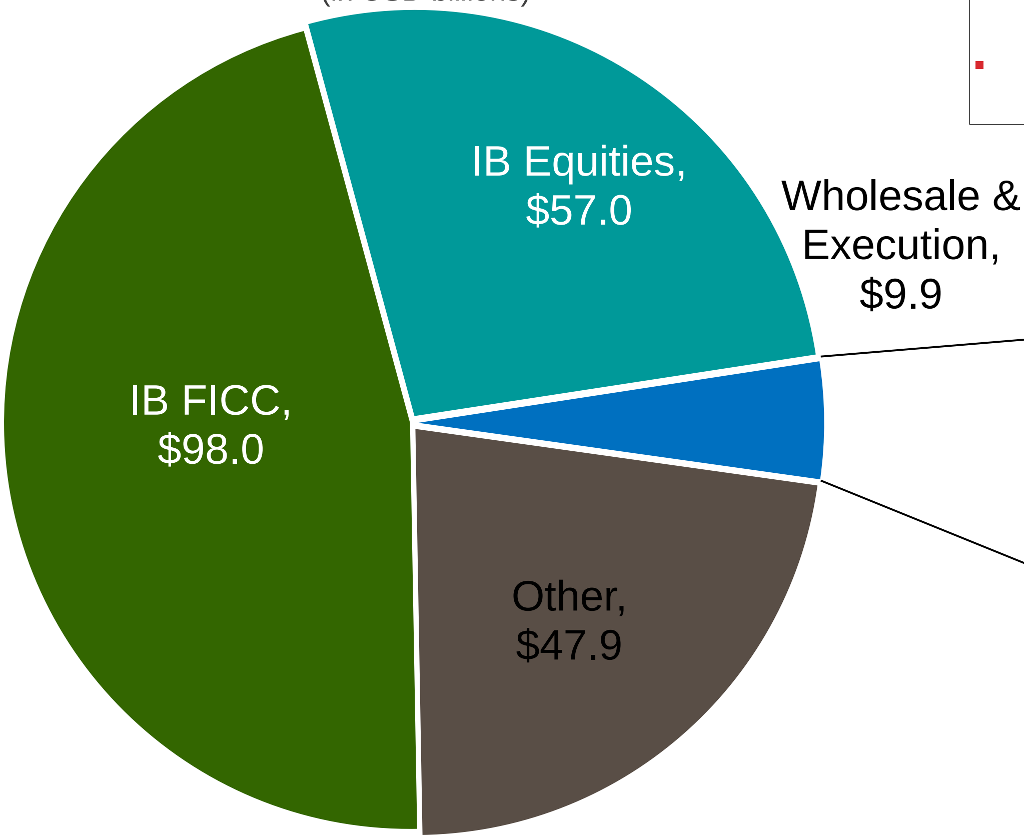
Emerging Markets Bond Exchange Ltd
- Electronic trading

1. BGC acquired the rights of these businesses
2. BGC completed the acquisition on January 31, 2019.

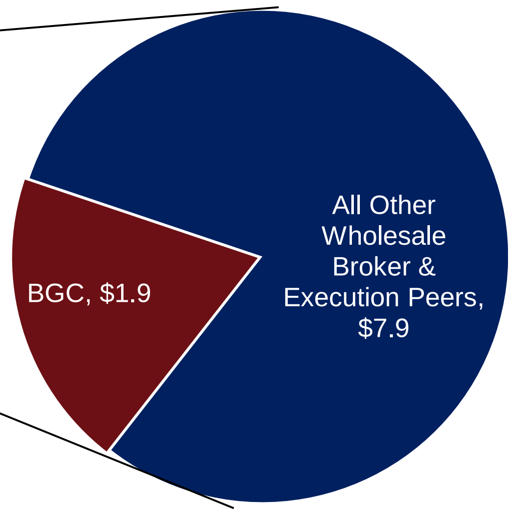
SMALL SLICE OF GLOBAL EXECUTION REVENUES = HUGE POTENTIAL FOR TRADITIONAL IDBs AND WHOLESALE BROKERS

- BGC, other wholesale financial brokerages, and their execution peers currently comprise only a small percentage of the total global sales & trading market
- Reductions in bank balance sheets may provide opportunities for BGC's business

2017 Global Sales & Trading Revenues ≈ $213
(in USD billions)



FY 2017 Wholesale Broker & Execution Revenues
(in USD billions)



FICC (USD billions)					Equities (USD billions)		
Rates	FX	EM	Credit and Securitized	Commodities	Cash equities	Derivatives	Prime and synthetics
31	12	20	29	6	21	17	19

Source: Morgan Stanley, Oliver Wyman, company filings, and BGC estimates. "Other" = exchanges, CCPs, all other execution venues, market data, technology providers, CSDs, or custodians and other 3rd parties. Major Wholesale & Execution companies include BGC and BGC's estimates in areas such as rates, credit, FX, equity, energy, and commodity brokerages of GFI, NEX Group (FY ended 3/31/2018) TP/ICAP, Tradition, ICE's CDS execution business, Marex Spectron, ITG, Tradeweb (2017 revenue estimate from KBW note "Spotlight on Exchange M&A), MarketAxess, Thomson Reuters' Financial Risk Transactions revenue, FC Stone, and other non-public IDB and wholesale broker estimated revenues. Results for BGC exclude $1.6B of Real Estate Services revenues, which are thus excluded from both the $9B industry-wide Wholesale & Execution and the $213B Sales & Trading figures. Note: figures may not sum due to rounding

TRADITIONAL AND NON-TRADITIONAL OPPORTUNITY FOR IDBs AND WHOLESALE BROKERS (2017)

	Bank to Client Market Opportunity	$ BN
	Rates	31
	FX	12
	EM	20
	Credit and Securitized	29
	Commodities	6
a	FICC	98
	Cash equities	21
	Derivatives	17
	Prime and synthetics	19
b	Equities	57
c=a + b	FICC + Equities	155
d	Wholesale Broker & Execution Peers	9
e	Banks and Broker Dealers	27
f	Exchange Execution	13
g	Other Market Infrastructure (non-bank liquidity providers)	8
h=f + g	Market Infrastructure	21
i=e + h	Market Connectivity: Banks and Broker Dealers, and Market Infrastructure	48
j=c + d + i	**Traditional IDBs and Wholesale Brokers (from previous page)**	**213**

	Non-Traditional Market Opportunity	$ BN
k	Shipping*	1
l	Insurance Brokerage**	51
m=k + l	**Non-Traditional Market Opportunity**	**52**
j + m	**Traditional and Non-Traditional Market Opportunity ($ BN)**	**265**

$3 BN could move to non-bank liquidity providers such as HFTs and algo trading firms that utilize electronic trading, per Morgan Stanley and Oliver Wyman

* BGC estimate based on revenues of EA Gibson, Freight Investor Services, Galbraith's, Lightship Chartering, BRS Group, Howe Robinson Partners, McQuilling Partners, Ifchor Group, Lorentzen & Stemoco and Banchero Costa.
** BGC estimate pf global property-casualty commissions based on Market Insights Reports

Source: Morgan Stanley, Oliver Wyman, company filings, and BGC estimates. “Other” = exchanges, CCPs, all other execution venues, market data, technology providers, CSDs, or custodians and other 3rd parties. Major Wholesale & Execution companies include BGC and BGC’s estimates in areas such as rates, credit, FX, equity, energy, and commodity brokerages of GFI, NEX Group (for which we used Bloomberg consensus estimates for fiscal year-ended 3/31/2018) TP/ICAP, Tradition, ICE’s CDS execution business, Marex Spectron, ITG, MarketAxess, Thomson Reuters’ Financial Risk Transactions revenue, FC Stone, and other non-public IDB and wholesale broker estimated revenues. Results for BGC exclude $1.4B of Real Estate Services revenues, which are thus excluded from both the $9B industry-wide Wholesale & Execution and the $213B Sales & Trading figures.
Note: Figures may not sum due to rounding.

BGC PARTNERS, INC.

MIGRATION TO FULLY ELECTRONIC BUSINESSES

TWO BUSINESSES - MANY BRANDS: MIGRATION TO ELECTRONIC

bgc

Extent of Migration

Electronic

Fenics USTreasuries | FENICS Professional™ | LUCERA™ FINANCIAL INFRASTRUCTURES | CAPITALAB TRADE • ANALYSE • SOLVE | PERIMETER MARKETS INC.

FREEDOM | bgc market data | GFI MARKET DATA | Collex | Fenics

Hybrid

R P Martin | bgc | GFI | MINT

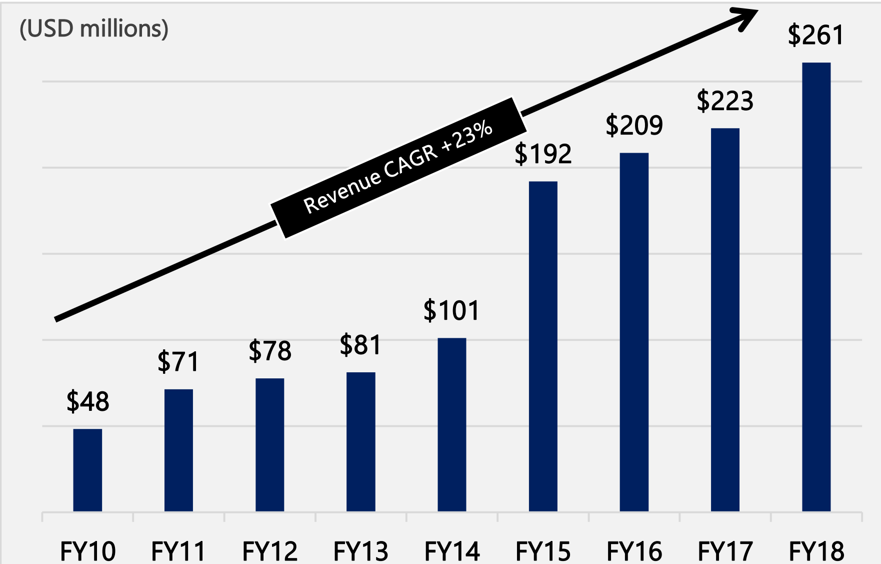
aurel bgc | STERLING INTERNATIONAL BROKERS LIMITED | Remate | bgc liquidez

Voice

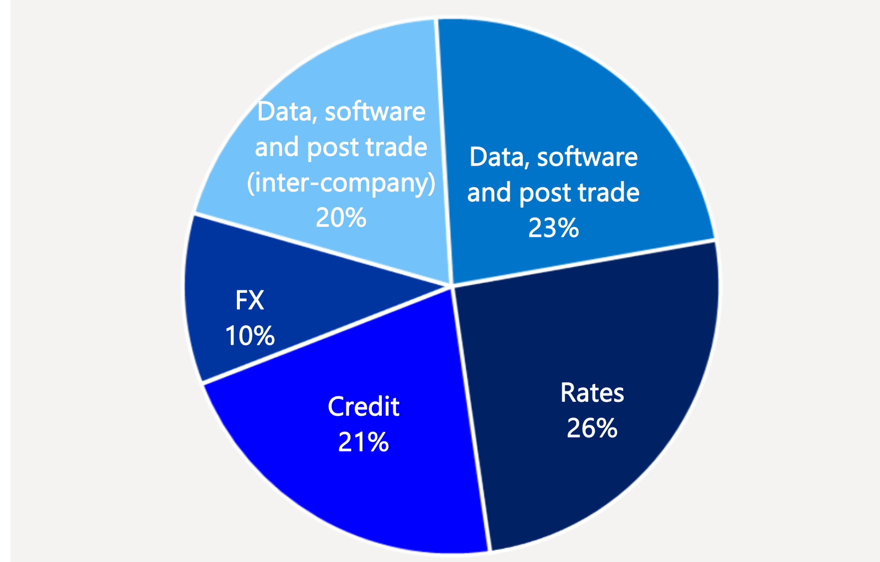
BESSO | Amerex Amerex Brokers LLC | SUNRISE | Ed.

BUSINESS OVERVIEW: FENICS

Fenics Net Revenue Growth[1]



4Q 2018 Fenics Revenue Breakdown[2]

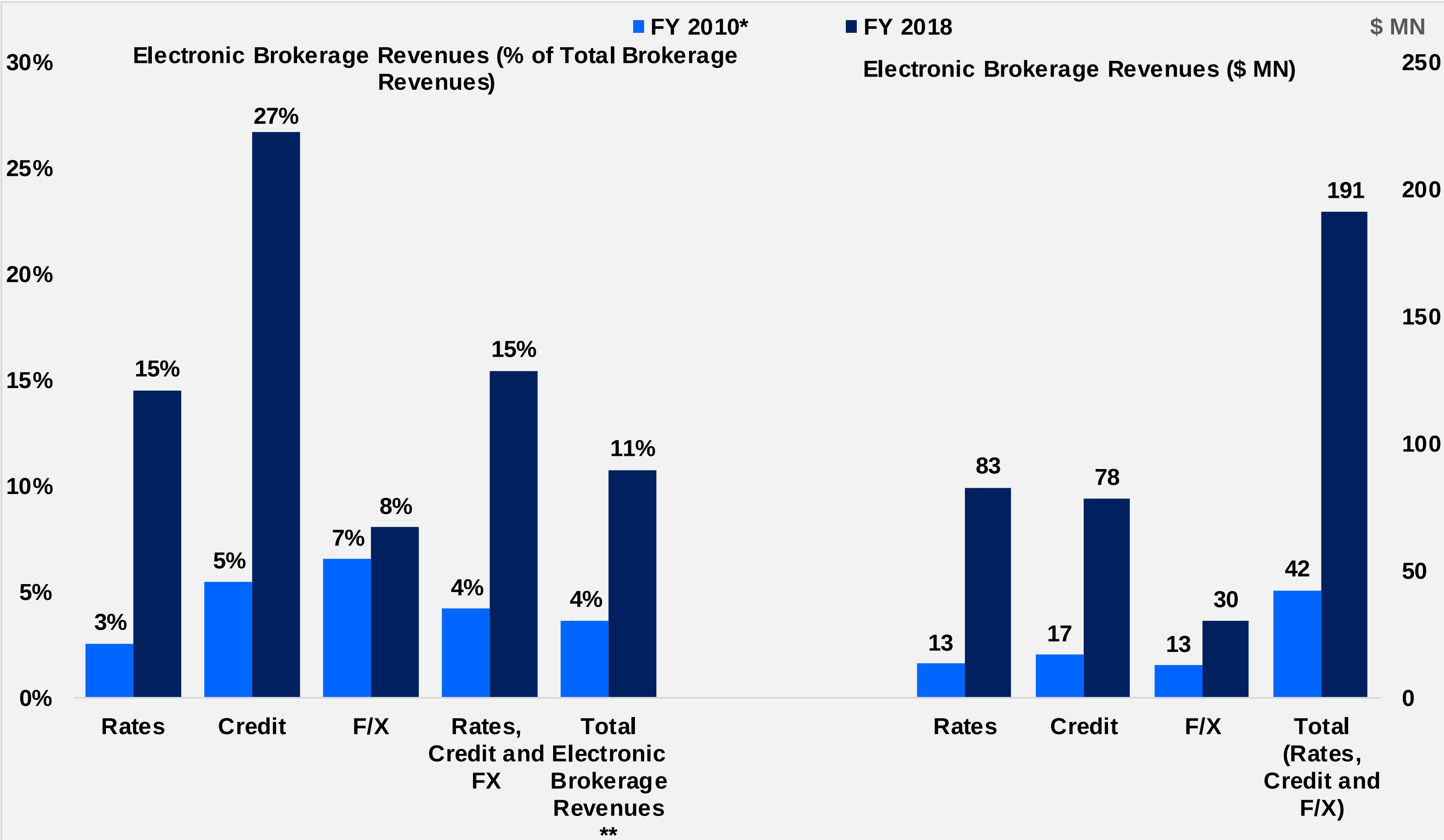


- Overall Fenics revenues up 21%[3]; Fenics brokerage revenues also increased 21% year-over-year in 4Q 2018
- Data, software and post-trade revenues up 26% to $18 million (quarterly)
- Fenics revenues comprised 14% of total revenues versus approximately 4% in 2010 (net of inter-company eliminations)
- Double digit percentage revenue growth across all its major businesses: rates, credit, FX and data, software, and post-trade
- Launched new post-trade offerings in 2018; strong pipeline for 2019

1. Excludes inter-company revenues and revenues related to eSpeed (sold in June 2013), and revenues related to Trayport (sold in December 2015).
2. Excludes a de minimis amount of revenues related to equities and other products and energy and commodities. Inter-company revenues are netted out on consolidation.
3. Includes inter-company revenues.

Note: Percentages may not sum to 100% due to rounding.

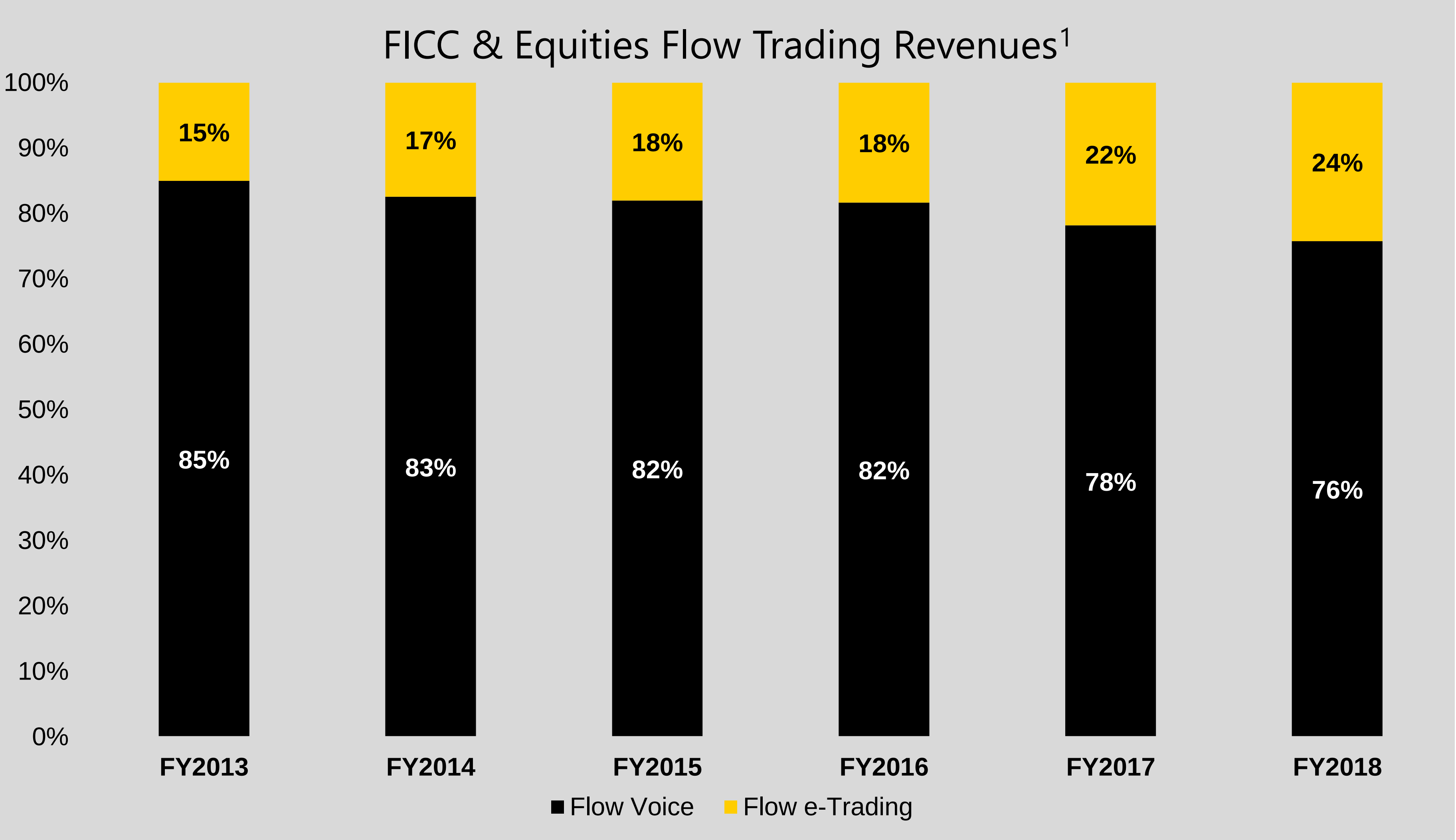
CONVERSION TO ELECTRONIC BROKERAGE BY ASSET CLASS



* 2010 excludes eSpeed

** Total electronic brokerage revenues includes de minimis amounts of revenue from energy and commodities and equities, insurance, and other asset classes

LARGE BANKS ARE INCREASINGLY TRADING ELECTRONICALLY



1. Total revenues include FICC and Equities flow trade revenue but excludes IBD, Structured, & Financing revenue.
Source: Crisil's Coalition IB Index – FY18 Report (banks included are BoAML, BARC, BNP, CITI, CS, DB, GS, HSBC, JPM, MS, SG, and UBS).

INDUSTRY IS EMBRACING ELECTRONIFICATION

Electronic Bond Trading Gains Ground
Source: Bloomberg, February 15, 2018

Morgan Stanley's President Can't Wait for Electronic Bond Trading
Source: Bloomberg, March 20, 2018

Increase in share of Cash Equities volumes driven by Low Touch
Source: JPMorgan Chase 2019 Investor Day Corporate & Investment Bank presentation, February 26, 2019

Bond Traders Aren't Immune to Automation, Goldman's CFO Says
Source: Bloomberg – January 17, 2018

Bond trading: technology finally disrupts a $50tn market

Fixed income is being dragged into the 21st century with a shift towards electronic trading on exchanges

Source: Financial Times – May 9, 2018

EQUITIES, SELL SIDE April 17, 2018 11:14 AM GMT

JP Morgan sees surge in European electronic trading as MiFID II takes effect

CFO Marianne Lake says JP Morgan has witnessed 'material increase' in electronic trading in the first quarter this year.
Source: The Trade – April 17, 2018

The Robots Are Coming for the Bond Market
Source: Greenwich Associates – February 6, 2018

Robots Conquered Stock Markets. Now They're Coming for Bonds and Currencies
Source: Bloomberg – March 7, 2019

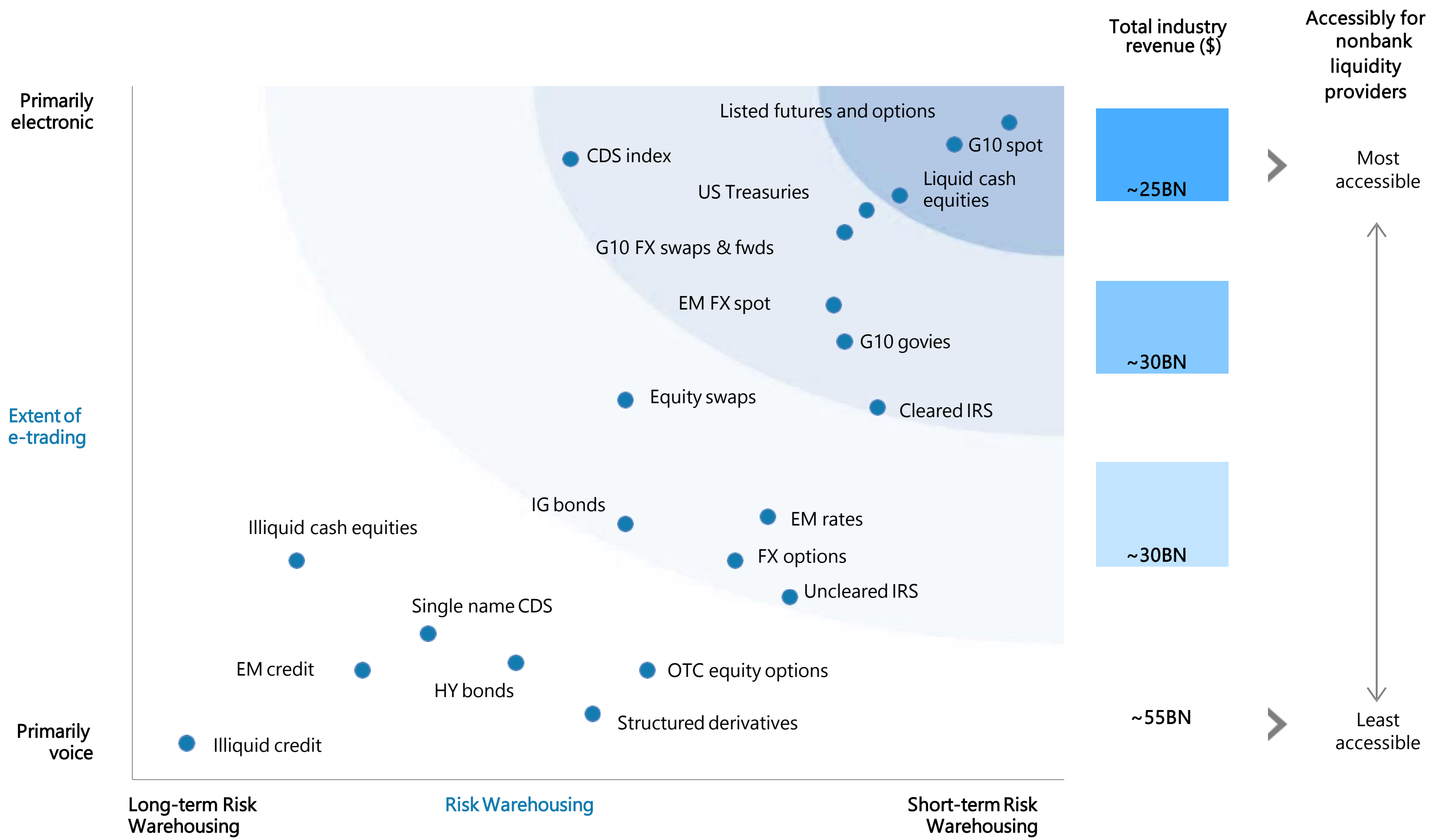
OPPORTUNITY (REPORTED 2018 REVENUE)

Fenics Solutions	TP ICAP Information	NEX Optimisation	CME Group (Market Data & Information Services)	IHS Markit (Financial Services)	ICE Data Services
$65 MN*	$157 MN**	$346 MN***	$450 MN****	$1,420 MN	$2,115 MN

* BGC's data, software and post-trade revenues
** Converted at a £/$ exchange rate of 1.34
*** Converted at a £/$ exchange rate of 1.33
**** Includes market data revenues generated by NEX subsequent to the acquisition of NEX by CME on November 2, 2018

Source: Company reports.

BUSINESS MODEL OF NON-BANK LIQUIDITY PROVIDERS



Note: Total revenues exclude Core Prime Brokerage, Commodities and Munis
Source: Oliver Wyman and Morgan Stanley report on Wholesale Banks and Asset Managers, March 17, 2017

CONCLUSION

SOLID BUSINESS WITH SIGNIFICANT OPPORTUNITIES

- Intermediary-oriented, low-risk business model
- Strong track record of accretive acquisitions and profitable hiring
- History of maximizing shareholder returns and successfully building new brokerage verticals
  - Recent Newmark spin-off
  - Entry into insurance in 2017 followed by recent acquisition of Ed Broking Group Limited
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BGC PARTNERS, INC.

GAAP FINANCIAL RESULTS

BGC PARTNERS, INC. CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

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

	December 31, 2018	December 31, 2017
Assets		
Cash and cash equivalents	$ 336,535	$ 513,306
Cash segregated under regulatory requirements	80,243	110,110
Securities owned	58,408	33,007
Marketable securities	32,064	150,553
Receivables from broker-dealers, clearing organizations, customers and related broker-dealers	941,866	738,699
Accrued commissions and other receivables, net	516,091	399,839
Loans, forgivable loans and other receivables from employees and partners, net	216,868	125,407
Fixed assets, net	157,169	124,526
Investments	35,403	34,222
Goodwill	504,646	468,050
Other intangible assets, net	298,779	286,100
Receivables from related parties	7,748	3,739
Other assets	246,937	158,615
Assets from discontinued operations	-	2,283,539
Total assets	$ 3,432,757	$ 5,429,712
Liabilities, Redeemable Partnership Interest, and Equity		
Short-term borrowings	$ 5,162	$ 6,046
Repurchase agreements	986	-
Securities loaned	15,140	144,720
Accrued compensation	195,234	195,999
Payables to broker-dealers, clearing organizations, customers and related broker-dealers	769,833	604,533
Payables to related parties	40,155	40,988
Accounts payable, accrued and other liabilities	754,819	678,089
Notes payable and other borrowings	763,548	575,029
Liabilities from discontinued operations	-	1,998,152
Total liabilities	2,544,877	4,243,556
Redeemable partnership interest	24,706	46,415
Equity		
Stockholders' equity:		
Class A common stock, par value $0.01 per share; 750,000 shares authorized; 341,745 and 306,218 shares issued at December 31, 2018 and December 31, 2017, respectively; and 291,475 and 256,968 shares outstanding at December 31, 2018 and December 31, 2017, respectively	3,417	3,063
Class B common stock, par value $0.01 per share; 150,000 shares authorized; 45,884 and 34,848 shares issued and outstanding at December 31, 2018 and December 31, 2017, respectively, convertible into Class A common stock	459	348
Additional paid-in capital	2,208,221	1,763,371
Contingent Class A common stock	-	40,472
Treasury stock, at cost: 50,270 and 49,250 shares of Class A common stock at December 31, 2018 and December 31, 2017, respectively	(314,240)	(303,873)
Retained deficit	(1,105,019)	(859,009)
Accumulated other comprehensive income (loss)	(24,465)	(10,486)
Total stockholders' equity	768,373	633,886
Noncontrolling interest in subsidiaries	94,801	505,855
Total equity	863,174	1,139,741
Total liabilities, redeemable partnership interest and equity	$ 3,432,757	$ 5,429,712

BGC PARTNERS, INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

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

	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
Revenues:				
Commissions	$ 372,073	$ 330,093	$ 1,510,386	$ 1,333,367
Principal transactions	62,787	75,987	313,053	317,856
Total brokerage revenues	434,860	406,080	1,823,439	1,651,223
Fees from related parties	5,022	8,020	24,076	27,094
Data, software and post-trade	18,169	14,372	65,185	54,557
Interest income	3,919	2,825	14,404	14,557
Other revenues	4,381	669	10,706	3,520
Total revenues	466,351	431,966	1,937,810	1,750,951
Expenses:				
Compensation and employee benefits	250,792	248,744	1,007,536	956,247
Allocations of net income and grant of exchangeability to limited partnership units and FPUs and issuance of common stock	84,337	93,200	199,157	227,471
Total compensation and employee benefits	335,129	341,944	1,206,693	1,183,718
Occupancy and equipment	38,934	36,829	149,594	142,884
Fees to related parties	4,586	8,884	20,163	15,820
Professional and consulting fees	23,865	20,563	84,103	63,369
Communications	26,808	30,272	118,014	119,379
Selling and promotion	19,112	17,364	69,338	62,463
Commissions and floor brokerage	17,549	12,517	61,891	43,130
Interest expense	11,615	25,542	41,733	76,958
Other expenses	17,541	13,786	64,309	70,145
Total non-compensation expenses	160,010	165,757	609,145	594,148
Total expenses	495,139	507,701	1,815,838	1,777,866
Other income (losses), net:				
Gain (loss) on divestiture and sale of investments	-	-	-	561
Gains (losses) on equity method investments	2,415	1,587	7,377	4,627
Other income (loss)	2,453	2,946	50,468	25,863
Total other income (losses), net	4,868	4,533	57,845	31,051
Income (loss) from operations before income taxes	(23,920)	(71,202)	179,817	4,136
Provision (benefit) for income taxes	16,980	41,084	76,120	92,772
Consolidated net income (loss) from continuing operations	(40,900)	(112,286)	103,697	(88,636)
Consolidated net income (loss) from discontinued operations, net of tax	11,041	(45,380)	176,169	170,365
Consolidated net income (loss)	$ (29,859)	$ (157,666)	$ 279,866	$ 81,729
Less: Net income (loss) from continuing operations attributable to noncontrolling interest in subsidiaries	(18,995)	(31,983)	29,993	36,167
Less: Net income (loss) from discontinued operations attributable to noncontrolling interest in subsidiaries	5,879	(5,884)	52,353	(5,913)
Net income (loss) available to common stockholders	$ (16,743)	$ (119,799)	$ 197,520	$ 51,475

BGC PARTNERS, INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - CONTINUED

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

Per share data:								
Net income (loss) available to common stockholders:								
Net income (loss) from continuing operations	$	(21,905)	$	(80,303)	$	73,704	$	(124,803)
Net income (loss) from discontinued operations (1)		3,370		(39,496)		120,438		176,278
Net income (loss) available to common stockholders (1)	$	(18,535)	$	(119,799)	$	194,142	$	51,475
Basic earnings per share								
Continuing operations	$	(0.07)	$	(0.28)	$	0.23	$	(0.43)
Discontinued operations	$	0.01	$	(0.14)	$	0.37	$	0.61
Basic earnings (loss) per share	$	(0.06)	$	(0.41)	$	0.60	$	0.18
Basic weighted-average shares of common stock outstanding		331,382		290,871		322,141		287,378
Fully diluted earnings per share								
Net income (loss) for fully diluted shares from continuing operations	$	(21,905)	$	(80,303)	$	73,704	$	(124,803)
Fully diluted earnings (loss) per share from continuing operations	$	(0.07)	$	(0.28)	$	0.23	$	(0.43)
Fully diluted weighted-average shares of common stock outstanding		331,382		290,871		323,844		287,378
Net income (loss) for fully diluted shares from discontinued operations	$	2,460	$	(39,496)	$	162,548	$	176,278
Fully diluted earnings (loss) per share from discontinued operations	$	0.00	$	(0.14)	$	0.33	$	0.39
Fully diluted weighted-average shares of common stock outstanding		498,548		290,871		486,700		454,256

(1) In accordance with ASC 260, includes a reduction for dividends on preferred stock or units.

APPENDIX

PARTNERSHIP STRUCTURE CREATES COMPETITIVE ADVANTAGE

Virtually all BGC producers are partners

- Partners sign long-term contracts; partnership units represent more than 20% of fully diluted share count of BGC

Up front consideration for hiring and acquisitions includes partnership units

- Loans incentivize partners to stay for the full term
- Partners have nonexchangeable equity forfeited if they leave; helps reduce compensation ratio over time
- Lowers corporate non-GAAP tax rate

Very High Retention Rate

STRONGLY CAPITALIZED; INVESTMENT GRADE CREDIT PROFILE

(USD $000s)

BGC Partners, Inc.	**As of 12/31/2018**
Cash and Cash Equivalents	$336,535
Repurchase Agreements	(986)
Securities Owned	58,408
Marketable Securities (net)	16,924
Total Liquidity[1]	**$410,881**

	Issuer	**Maturity**	
5.125% Senior Notes	BGC	05/27/2021	297,821
Collateralized Borrowings	BGC	05/31/2021	21,031
5.375% Senior Notes	BGC	07/24/2023	444,696
Total Notes payable and other borrowings			**$763,548**

Credit Ratios (Adj. EBITDA and Ratios as of FY 2018)	
Adjusted EBITDA	$500,647
Leverage Ratio: Total Notes payable and other borrowings / Adjusted EBITDA	1.5x
Net Leverage Ratio: Net Notes payable and other borrowings / Adjusted EBITDA	0.7x
Adjusted EBITDA / Interest Expense	12.0x

1. As of December 31, 2018, $15.1 million of Marketable securities on our balance sheet were lent out in Securities loaned transactions and therefore are not included in Total Liquidity.

Note: This table does not include short-term borrowings.

See the section titled "Non-GAAP Financial Measures" on page 4.

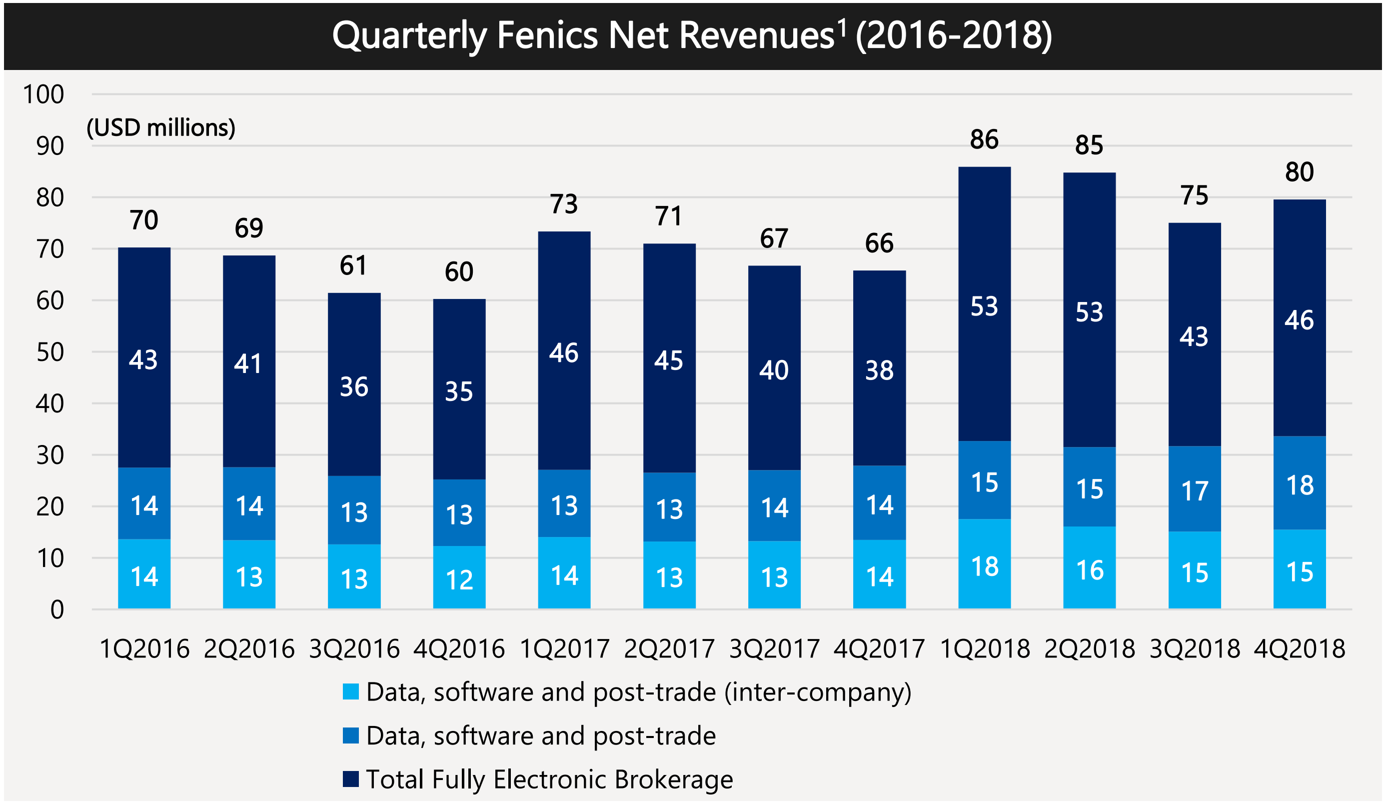
BGC'S FULLY DILUTED SHARE COUNT SUMMARY AS OF DECEMBER 31, 2018

BGC Partners, Inc. Fully Diluted Share Count Summary (as of December 31, 2018)	Fully-diluted Shares (MN)	Ownership (%)
Class A owned by Public	272.0	52%
Class A owned by executives, board members and employees[(1)]	19.4	4%
Partnership units owned by employees[(2)]	125.7	24%
Other owned by employees[(3)]	3.4	1%
Class A owned by Cantor	0.0	0%
Class B owned by Cantor	45.9	9%
Partnership units owned by Cantor[(4)]	52.4	10%
Total	**518.8**	**100%**

BGC Partners, Inc. Fully Diluted Share Count Summary (as of December 31, 2018)	Fully-diluted Shares (MN)	Ownership (%)
Public	272.0	52%
Employees	148.5	29%
Cantor	98.3	19%

1. Class A shares owned by board members or executives and restricted shares owned by other employees. Any Class A share owned by an employee without restriction is included in the "Class A owned by Public".
2. Partnership units owned by employees include founding/working partner units and limited partnership units. In conjunction with the spin-off of Newmark, the Partnership units are owned by employees of both Newmark and BGC. Over time, virtually all of the partners of Newmark are expected to only own units and/or shares of Newmark and virtually all of the partners of BGC are expected to only own units and/or shares of BGC. Going forward, partners of BGC will be compensated with BGC partnership units and partners of Newmark will be compensated with Newmark partnership units.
3. These primarily represent contingent shares and/or units for which all necessary conditions have been satisfied except for the passage of time.
4. Includes 15.8 million Cantor distribution rights.

FENICS REVENUES

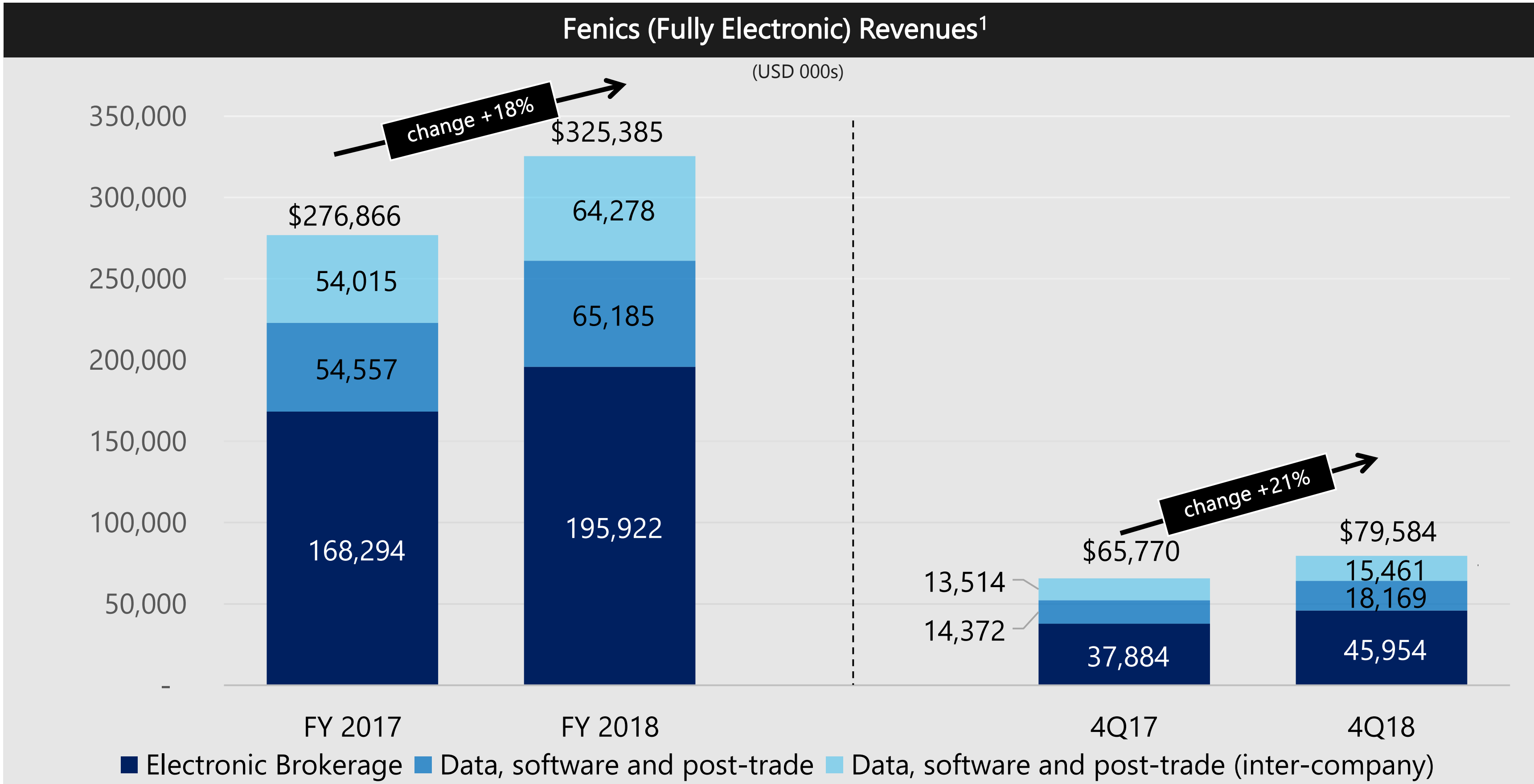


- Overall Fenics revenues up 21%[2]; Fenics brokerage revenues also increased 21% year-over-year in 4Q 2018
- BGC spends over $150 million annually on technology[3]

1. "Fenics" results include data, software, and post-trade (inter-company) revenues, which are eliminated in BGC's consolidated financial results.
2. Includes inter-company revenues.
3. The technology investment figures are based on the Company's average annual total technology-related expenses and fixed asset purchases over the two years ended December 31, 2018.

Note: Certain numbers may not add due to rounding.

BGC'S FENICS (FULLY ELECTRONIC) REVENUE GROWTH



- Fenics generated strong double-digit growth for the fourth quarter of 2018 across all its major businesses: rates, credit, FX and data, software, and post-trade

1. "Fenics" results include data, software, and post-trade (inter-company) revenues of $15.5 million and $13.5 million for 4Q2018 and 4Q2017 (and $64.3 million and $54.0 million for FY 2018 and FY 2017), respectively, which are eliminated in BGC's consolidated financial results. Data, software, and post-trade revenues, net of inter-company eliminations were $18.2 million and $14.4 million in 4Q2018 and 4Q2017 (and $65.2 million and $54.6 million for FY 2018 and FY 2017), respectively.

DIFFERENCES BETWEEN CONSOLIDATED RESULTS FOR ADJUSTED EARNINGS AND GAAP

Differences between Consolidated Results for Adjusted Earnings and GAAP from Continuing Operations

This document contains non-GAAP financial measures that differ from the most directly comparable measures calculated and presented in accordance with Generally Accepted Accounting Principles in the United States ("GAAP"). Non-GAAP financial measures used by the Company include "Adjusted EBITDA", "pre-tax Adjusted Earnings", and "post-tax Adjusted Earnings". These terms are defined later in this document. The following sections describe the main differences between results as calculated for Adjusted Earnings and GAAP from continuing operations for the periods discussed herein.

Differences between Other income (losses), net, for Adjusted Earnings and GAAP from Continuing Operations

In the fourth quarters of 2018 and 2017, non-cash gains of $2.4 million and $1.6 million, respectively, related to BGC's investments accounted for under the equity method, were included as part of "Other income (losses), net" under GAAP but were excluded for Adjusted Earnings. For the full years 2018 and 2017, these amounts were gains of $7.4 million and $4.6 million, respectively.

In the fourth quarter of 2018, a non-cash loss of $0.7 million related to a fair value adjustment of an investment held by BGC was included as part of "Other income (losses), net" under GAAP, but excluded for Adjusted Earnings. For the full year 2018, this amount was a non-cash gain of $37.6 million. There were no such non-cash gains in the fourth quarter of 2017 and full year 2017.

Adjusted Earnings calculations for the fourth quarters of 2018 and 2017 also excluded additional net gains of $4.3 million and $0.5 million, respectively as part of "(Gains) and charges with respect to acquisitions, dispositions and/or resolutions of litigation, and other non-cash, non-dilutive items, net". For the full years 2018 and 2017, these amounts were a net gain of $3.2 million and a net loss of $1.8 million, respectively.

Differences between Compensation Expenses for Adjusted Earnings and GAAP from Continuing Operations

In the fourth quarter of 2018 and full year 2018, the difference between compensation expenses as calculated for GAAP and Adjusted Earnings included $78.6 million and $160.8 million, respectively, in grants of exchangeability and economically similar GAAP charges with respect to the redemption of certain units and issuance of an offsetting amount of common stock; $5.8 million and $38.4 million, respectively, in allocation of net income to limited partnership units and FPUs; and acquisition-related compensation expenses of $13.0 million.

In the fourth quarter of 2017 and full year 2017, the difference between compensation expenses as calculated for GAAP and Adjusted Earnings included $92.2 million and $176.5 million, respectively, in grants of exchangeability and economically similar GAAP charges with respect to the redemption of certain units and issuance of an offsetting amount of common stock; $1.0 million and $51.0 million, respectively, in allocation of net income to limited partnership units and FPUs; and charges related to additional reserves on employee loans of $20.0 million and $16.8 million respectively.

DIFFERENCES BETWEEN CONSOLIDATED RESULTS FOR ADJUSTED EARNINGS AND GAAP

In the fourth quarter of 2018 and full year 2018, $1.1 million and $4.3 million, respectively, in GAAP non-cash charges related to the amortization of GFI employee forgivable loans granted prior to the closing of the January 11, 2016 back-end merger with GFI were also excluded from the calculation of pre-tax Adjusted Earnings as part of "(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net". For the fourth quarter of 2017 and full year 2017, the corresponding amounts were $1.9 million and $7.9 million, respectively.

Differences between Certain Non-compensation Expenses for Adjusted Earnings and GAAP from Continuing Operations

The difference between non-compensation expenses in the fourth quarters of 2018 and 2017 as calculated for GAAP and Adjusted Earnings included additional "(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net". These included $7.6 million and $7.1 million, respectively, of non-cash GAAP charges related to amortization of intangibles; $3.1 million and $4.8 million, respectively, of acquisition related costs; $0.6 million and $3.0 million, respectively, of non-cash GAAP impairment charges; and various other GAAP items that together came to net charges of $2.3 million and $1.2 million, respectively.

For the full years 2018 and 2017, additional "(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net" included $27.3 million and $26.3 million, respectively, of non-cash GAAP charges related to amortization of intangibles; $5.8 million and $7.4 million, respectively, of acquisition related costs; $1.1 million and $5.1 million, respectively, of other non-cash GAAP impairment charges; and various other GAAP items that together came to net charges of $8.0 million and $7.4 million, respectively.

In addition, for the fourth quarter of 2018 and full year 2018, the difference between non-compensation expenses in as calculated for GAAP and Adjusted Earnings included non-cash charges of $3.2 million of amortized rents incurred by the company during the build-out phase of the company's new UK based headquarters. There were no such charges in 2017.

Differences between Taxes for Adjusted Earnings and GAAP from Continuing Operations

BGC's GAAP provision for income taxes from 2016 forward is calculated based on an annualized methodology. The Company's GAAP provision for income taxes was $17.0 million and $41.1 million for the fourth quarters of 2018 and 2017, respectively, and $76.1 million and $92.8 million for the full years 2018 and 2017, respectively. The Company includes additional tax-deductible items when calculating the provision for taxes with respect to Adjusted Earnings using an annualized methodology. These include tax-deductions related to equity-based compensation with respect to limited partnership unit exchange, employee loan amortization, and certain net-operating loss carryforwards.

The non-GAAP provision for income taxes was adjusted by $(5.0) million and $(39.2) million for the fourth quarters of 2018 and 2017, respectively, and by $(30.2) million and $(83.2) million for the full years 2018 and 2017, respectively. As a result, the provision for income taxes with respect to Adjusted Earnings was $12.0 million and $1.9 million for the fourth quarters of 2018 and 2017, respectively, and $45.9 million and $9.6 million for the full years 2018 and 2017, respectively. The calculation of taxes for Adjusted Earnings excluded the effect of the 2017 U.S. Tax Cuts and Jobs Act.

NON-GAAP FINANCIAL MEASURES

This document contains non-GAAP financial measures that differ from the most directly comparable measures calculated and presented in accordance with Generally Accepted Accounting Principles in the United States ("GAAP"). Non-GAAP financial measures used by the Company include "pre-tax Adjusted Earnings" "post-tax Adjusted Earnings", and "Adjusted EBITDA". These terms are defined later in this document. Adjusted Earnings and Adjusted EBITDA exclude charges with respect to grants of exchangeability. Whenever GAAP charges with respect to grants of exchangeability are discussed by the Company, such charges reflect the right of holders of limited partnership units with no capital accounts, such as LPUs and PSUs, to exchange these units into shares of common stock, or into partnership units with capital accounts, such as HDUs, as well as cash paid with respect to taxes withheld or expected to be owed by the unit holder upon such exchange.

The withholding taxes related to the exchange of certain non-exchangeable units without a capital account into either common shares or units with a capital account may be funded by the redemption of preferred units such as PPSUs. Any preferred units would not be included in the Company's fully diluted share count because they cannot be made exchangeable into shares of common stock and are entitled only to a fixed distribution. Preferred units are granted in connection with the grant of certain limited partnership units that may be granted exchangeability at ratios designed to cover any withholding taxes expected to be paid by the unit holder upon exchange. This is an alternative to the common practice among public companies of issuing the gross amount of shares to employees, subject to cashless withholding of shares, to pay applicable withholding taxes.

Adjusted Earnings and Adjusted EBITDA exclude GAAP charges with respect to the grant of an offsetting amount of common stock in connection with the redemption non-exchangeable units, including PSUs and LPUs. Such charges are economically similar to grants of exchangeability and reflect the value of the common stock issued. These charges are non-dilutive, as the units had been included when issued for diluted earnings per share calculations.

In addition, Adjusted Earnings and Adjusted EBITDA exclude GAAP charges with respect to allocations of net income to limited partnership units and FPUs. Such allocations represent the pro-rata portion of post-tax GAAP earnings available to such unit holders. These units are in the fully diluted share count and may be made exchangeable into shares of common stock or, when applicable, into partnership units with capital accounts that may be made exchangeable into common shares. When such units are exchanged into common shares, unit holders become entitled to cash dividends rather than cash distributions. The Company views such allocations as intellectually similar to dividends on common shares. Because dividends paid on common shares are not an expense under GAAP, management believes similar allocations of income to unit holders should also be excluded when analyzing the Company's results on a fully diluted share basis with respect to Adjusted Earnings and Adjusted EBITDA.

Adjusted Earnings calculations also exclude certain unusual, one-time, non-ordinary or non-recurring items, if any, including certain gains and charges with respect to acquisitions, dispositions, or resolutions of litigation. These items are excluded from Adjusted Earnings because the Company views excluding such items as a better reflection of the ongoing operations of BGC.

ADJUSTED EARNINGS DEFINED

Adjusted Earnings Defined

BGC Partners uses non-GAAP financial measures including, but not limited to, "pre-tax Adjusted Earnings" and "post-tax Adjusted Earnings", which are supplemental measures of operating results that are used by management to evaluate the financial performance of the Company and its consolidated subsidiaries. BGC believes that Adjusted Earnings best reflect the operating earnings generated by the Company on a consolidated basis and are the earnings which management considers when managing its business. The following definitions have been updated to reflect only BGC's continuing operations, which excludes the impact of the Company's former subsidiary, Newmark Group, Inc.

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

Adjustments Made to Calculate Pre-Tax Adjusted Earnings

BGC defines pre-tax Adjusted Earnings as GAAP income (loss) from continuing operations before income taxes and noncontrolling interest in subsidiaries, excluding items such as:

- Non-cash GAAP asset impairment charges, if any;
- Allocations of net income to limited partnership units and FPUs;
- Non-cash GAAP charges related to the amortization of intangibles with respect to acquisitions;
- GAAP charges relating to grants of exchangeability of partnership units with no capital accounts into shares of common stock or into partnership units with capital accounts, and, in conjunction with the exchange of such units, the redemption of preferred units;
- GAAP charges with respect to the grant of an offsetting amount of common stock in connection with the redemption of certain units; and
- Unusual, one-time, non-ordinary, or non-recurring items.

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

ADJUSTED EARNINGS DEFINED (CONTINUED)

When the Company issues limited partnership units, the shares of common stock into which the units can be ultimately exchanged are included in BGC's fully diluted share count for Adjusted Earnings at the beginning of the subsequent quarter after the date of grant because the unit holder could be granted the ability to exchange their units into shares of common stock in the future. Generally, units other than preferred units are expected to be paid a pro-rata distribution based on BGC's calculation of Adjusted Earnings per fully diluted share. Charges with respect to grants of exchangeability reflect the value of the shares of common stock into which the unit is exchangeable when the unit holder is granted exchangeability not previously expensed in accordance with GAAP. The amount of charges relating to grants of exchangeability the Company uses to calculate pre-tax Adjusted Earnings on a quarterly basis is based upon the Company's estimate of expected grants of exchangeability to limited partnership units and other compensatory grants of equity during the annual period, as described further below under "Adjustments Made to Calculate Post-Tax Adjusted Earnings".

Adjustments Made to Calculate Post-Tax Adjusted Earnings

Although Adjusted Earnings are calculated on a pre-tax basis, BGC also reports post-tax Adjusted Earnings. The Company defines post-tax Adjusted Earnings as pre-tax Adjusted Earnings reduced by the non-GAAP tax provision described below and Adjusted Earnings attributable to noncontrolling interest in subsidiaries.

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

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

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

ADJUSTED EARNINGS DEFINED (CONTINUED)

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

Management uses Adjusted Earnings in part to help it evaluate, among other things, the overall performance of the Company's business, to make decisions with respect to the Company's operations, and to determine the amount of dividends payable to common stockholders and distributions payable to holders of limited partnership units.

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

Calculations of Post-Tax Adjusted Earnings per Share
BGC's Post-tax Adjusted Earnings per share calculations assume either that:

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

The share count for Adjusted Earnings excludes certain shares and share equivalents expected to be issued in future periods but not yet eligible to receive dividends and/or distributions. Each quarter, the dividend payable to BGC's stockholders, if any, is expected to be determined by the Company's Board of Directors with reference to a number of factors, including post-tax Adjusted Earnings per share. BGC may also pay a pro-rata distribution of net income to limited partnership units, as well as to Cantor for its noncontrolling interest. The amount of this net income, and therefore of these payments per unit, would be determined using the above definition of post-tax Adjusted Earnings per share on a pre-tax basis.

The declaration, payment, timing and amount of any future dividends payable by the Company will be at the discretion of its Board of Directors.

ADJUSTED EARNINGS DEFINED (CONTINUED)

Other Matters with Respect to Adjusted Earnings

The term "Adjusted Earnings" should not be considered in isolation or as an alternative to GAAP net income (loss). The Company views Adjusted Earnings as a metric that is not indicative of liquidity or the cash available to fund its operations, but rather as a performance measure. Pre- and post-tax Adjusted Earnings, as well as related measures, are not intended to replace the Company's presentation of its GAAP financial results. However, management believes that these measures help provide investors with a clearer understanding of BGC's financial performance and offer useful information to both management and investors regarding certain financial and business trends related to the Company's financial condition and results of operations. Management believes that the GAAP and Adjusted Earnings measures of financial performance should be considered together.

BGC anticipates providing forward-looking guidance for GAAP revenues and for certain non-GAAP measures from time to time. However, the Company does not anticipate providing an outlook for other GAAP results. This is because certain GAAP items, which are excluded from Adjusted Earnings, are difficult to forecast with precision before the end of each period. The Company therefore believes that it is not possible to forecast GAAP results or to quantitatively reconcile GAAP forecasts to non-GAAP forecasts with sufficient precision unless BGC makes unreasonable efforts. The items that are difficult to predict on a quarterly basis with precision and which can have a material impact on the Company's GAAP results include, but are not limited, to the following:

- Allocations of net income and grants of exchangeability to limited partnership units, as well as other compensatory grants of equity, which are determined at the discretion of management throughout and up to the period-end;
- The impact of certain marketable securities, as well as any gains or losses related to associated mark-to- market movements and/or hedging. These items are calculated using period-end closing prices;
- Non-cash asset impairment charges, which are calculated and analyzed based on the period-end values of the underlying assets. These amounts may not be known until after period-end; and
- Acquisitions, dispositions and/or resolutions of litigation, which are fluid and unpredictable in nature.

For more information regarding Adjusted Earnings, see the certain sections and tables of this document and/or the Company's most recent financial results press release in which BGC's non-GAAP results are reconciled to those under GAAP.

ADJUSTED EARNINGS DEFINED (CONTINUED)

Adjusted EBITDA

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

* Interest expense;
* Fixed asset depreciation and intangible asset amortization;
* Impairment charges;
* Employee loan amortization and reserves on employee loans;
* Provision (benefit) for income taxes;
* Net income (loss) attributable to noncontrolling interest in subsidiaries;
* Allocations of net income to limited partnership units and FPUs;
* GAAP charges relating to grants of exchangeability of partnership units with no capital accounts into shares of common stock or into partnership units with capital accounts, and, in conjunction with the exchange of such units, the redemption of preferred units;
* GAAP charges with respect to the grant of an offsetting amount of common stock in connection with the redemption of certain units; and
* Non-cash earnings or losses related to the Company’s equity investments.

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

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

For more information regarding Adjusted EBITDA, see the certain sections and tables of this document and/or the Company’s most recent financial results press release in which BGC’s non-GAAP results are reconciled to those under GAAP.

ADJUSTED EARNINGS DEFINED (CONTINUED)

Liquidity Defined

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

ADJUSTED EARNINGS DEFINED (CONTINUED)

Simplifying Non-GAAP Reporting Beginning in 2019

Beginning with the first quarter of 2019, the Company expects to simplify and clarify its definitions of Adjusted Earnings and Adjusted EBITDA in order to be more consistent with how many other companies report their non-GAAP results.

Specifically, the Company will no longer add back only grants of exchangeability to limited partnership units and FPUs and issuance of common stock. Instead, BGC anticipates adding back all charges relating to equity-based compensation, as described below. The amount added back each period is expected to match the line item Equity-based compensation and allocations of net income to limited partnership units as recorded on the Company's GAAP statements of cash flows. This GAAP line item includes:

* GAAP charges relating to grants of exchangeability of partnership units with no capital accounts into shares of common stock or into partnership units with capital accounts, and, in conjunction with the exchange of such units, the redemption of preferred units;
* GAAP charges related to amortization of RSUs and limited partnership units as well as to grants of equity awards;
* GAAP charges with respect to the grant of an offsetting amount of common stock in connection with the redemption of certain units; and
* GAAP allocations of net income to limited partnership units and FPUs.

All share equivalents that are part of the Company's equity-based compensation program, including RSUs, REUs, PSUs, LPUs, HDUs, and other units that may be made exchangeable into common stock, have always been included in the fully diluted share count when issued. The Company expects to periodically provide an annual outlook for the growth of its fully diluted share count expected as a result of its ongoing equity-based and partnership compensation program.

The Company also plans to no longer exclude GAAP charges with respect to employee loan amortization and reserves on employee loans when calculating Adjusted EBITDA. Going forward, the Company's reported Adjusted EBITDA for 2017 and 2018 will no longer exclude such GAAP charges.

These anticipated changes in non-GAAP presentation will be implemented for the first time when the Company reports its results for the three months ended March 31, 2019. The Company has recast its historical non-GAAP financial presentation for 2018 and 2017 consistent with this new definition in Excel tables on its investor relations website at ir.bgcpartners.com.

RECONCILIATION OF GAAP INCOME (LOSS) FROM CONTINUING OPERATIONS TO ADJUSTED EARNINGS FROM CONTINUING OPERATIONS AND GAAP FULLY DILUTED EPS FROM CONTINUING OPERATIONS TO POST-TAX ADJUSTED EPS FROM CONTINUING OPERATIONS (IN THOUSANDS, EXCEPT PER SHARE DATA) (UNAUDITED)

	Q4 2018	Q4 2017	FY 2018	FY 2017
GAAP income (loss) before income taxes from continuing operations	$ (23,920)	$ (71,202)	$ 179,817	$ 4,136
Pre-tax adjustments:				
Non-cash (gains) losses related to equity investments, net	(2,415)	(1,587)	(7,377)	(4,627)
Allocations of net income and grant of exchangeability to limited partnership units and FPUs and issuance of common stock	84,337	93,200	199,157	227,471
(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net (1)	27,460	37,440	21,871	72,614
Total pre-tax adjustments	109,383	129,053	213,652	295,458
Pre-tax adjusted earnings from continuing operations	**$ 85,463**	**$ 57,851**	**$ 393,469**	**$ 299,594**
GAAP net income (loss) available to common stockholders from continuing operations	$ (21,905)	$ (80,303)	$ 73,704	$ (124,803)
Allocation of net income (loss) from continuing operations to noncontrolling interest in subsidiaries	(22,098)	(32,025)	18,251	34,688
Total pre-tax adjustments (from above)	109,383	129,053	213,652	295,458
Income tax adjustment to reflect adjusted earnings taxes	4,982	39,227	30,241	83,155
Post-tax adjusted earnings from continuing operations	**$ 70,362**	**$ 55,952**	**$ 335,848**	**$ 288,498**
Per Share Data			$ 335.85	
GAAP fully diluted earnings (loss) per share from continuing operations	$ (0.07)	$ (0.28)	$ 0.23	$ (0.43)
Less: Allocations of net income (loss) from continuing operations to limited partnership units, FPUs, and noncontrolling interest in subsidiaries, net of tax	(0.02)	0.03	(0.04)	0.24
Total pre-tax adjustments (from above)	0.22	0.28	0.44	0.65
Income tax adjustment to reflect adjusted earnings taxes	0.01	0.08	0.06	0.18
Post-tax adjusted earnings per share from continuing operations	$ 0.14	$ 0.12	$ 0.69	$ 0.64
Fully diluted weighted-average shares of common stock outstanding	498,548	462,912	486,700	454,256
Dividends declared per share of common stock	$ 0.18	$ 0.18	$ 0.72	$ 0.70
Dividends declared and paid per share of common stock	$ 0.18	$ 0.18	$ 0.72	$ 0.70

(1) Q4 2018 and FY 2018 include a non-cash gain (loss) of $(0.7) million and $37.6 million, respectively, related to a fair value adjustment of an investment held by BGC under GAAP, which was excluded for Adjusted Earnings.

Note: Certain numbers may not add due to rounding.

RECONCILIATION OF GAAP INCOME (LOSS) FROM CONTINUING OPERATIONS TO ADJUSTED EBITDA FROM CONTINUING OPERATIONS

(IN THOUSANDS) (UNAUDITED)

	Q4 2018	Q4 2017	FY 2018	FY 2017
GAAP Net income (loss) available to common stockholders from continuing operations	**$ (21,905)**	**$ (80,303)**	**$ 73,704**	**$ (124,803)**
Add back:				
Provision (benefit) for income taxes	16,980	41,084	76,120	92,772
Net income (loss) from continuing operations attributable to noncontrolling interest in subsidiaries (1)	(18,995)	(31,983)	29,993	36,167
Employee loan amortization and reserves on employee loans	10,005	12,686	13,015	26,930
Interest expense	11,615	25,542	41,733	76,958
Fixed asset depreciation and intangible asset amortization	19,534	16,831	71,495	65,444
Impairment of long-lived assets	540	2,962	2,807	5,073
Exchangeability and issuance of common stock charges (2)	78,559	92,181	160,804	176,462
Allocations of net income to limited partnership units and FPUs (3)	5,778	1,019	38,353	51,009
(Gains) losses on equity investments (4)	(2,415)	(1,587)	(7,377)	(4,627)
Adjusted EBITDA from continuing operations	**$ 99,696**	**$ 78,432**	**$ 500,647**	**$ 401,385**

(1) Primarily represents Cantor's pro-rata portion of net income.

(2) Represents non-cash and non-dilutive charges relating to grants of exchangeability and issuance of common stock. Such charges reflect the value of the shares of common stock into which the unit is exchangeable when the unit holder is granted exchangeability or the value of the shares of the common stock issued.

(3) Represents BGC employees' pro-rata portion of net income.

(4) Non-cash gains related to BGC's investments accounted for under the equity method.

Note: Beginning in the first quarter of 2019, when calculating Adjusted EBITDA, BGC will add all charges relating to equity-based compensation and will no longer exclude GAAP charges with respect to employee loan amortization and reserves on employee loans.

LIQUIDITY ANALYSIS FROM CONTINUING OPERATIONS

(IN THOUSANDS) (UNAUDITED)

	December 31, 2018	December 31, 2017
Cash and cash equivalents	$ 336,535	$ 513,306
Repurchase agreements	(986)	-
Securities owned	58,408	33,007
Marketable securities (1)	16,924	5,833
Total	**$ 410,881**	**$ 552,146**

(1) As of December 31, 2018 and December 31, 2017, $15.1 million and $144.7 million, respectively, of Marketable securities on our balance sheet were lent out in Securities loaned transactions and therefore are not included as part of our Liquidity Analysis.

FULLY DILUTED WEIGHTED-AVERAGE SHARE COUNT FOR GAAP AND ADJUSTED EARNINGS FROM CONTINUING OPERATIONS (IN THOUSANDS) (UNAUDITED)

	Q4 2018	Q4 2017	FY 2018	FY 2017
Common stock outstanding	331,382	290,871	322,141	287,378
RSUs	-	-	368	-
Other	-	-	1,335	-
Fully diluted weighted-average share count for GAAP continuing operations	**331,382**	**290,871**	**323,844**	**287,378**
Adjusted Earnings Adjustments:				
Limited partnership units	102,251	105,336	99,657	100,215
Cantor units	50,986	51,888	50,944	51,361
Founding partner units	12,224	12,943	12,255	13,474
RSUs	260	679	-	521
Other	1,445	1,195	-	1,307
Fully diluted weighted-average share count for AE continuing operations	**498,548**	**462,912**	**486,700**	**454,256**

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