BGC PARTNERS, INC.

Earnings Presentation 2Q 2016

NASDAQ: BGCP

DISCLAIMER

Discussion of Forward-Looking Statements by BGC Partners

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

Note Regarding Financial Tables and Metrics

Excel files with the Company'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 ir.bgcpartners.com/news-releases/news-releases.

Other Items

"Newmark Grubb Knight Frank" is synonymous in this document with "NGKF" or "Real Estate Services."

Our discussion of financial results for "Newmark Grubb Knight Frank," "NGKF," or "Real Estate Services" reflects only those businesses owned by us and does not include the results for Knight Frank or for the independently-owned offices that use some variation of the NGKF name in their branding or marketing.

For the purposes of this document, all of the Company's fully electronic businesses in the Financial Services segment may be referred to interchangeably as "FENICS." This includes fees from fully electronic brokerage, as well as data, software, and post-trade services (formerly known as "market data and software solutions") across both BGC and GFI. 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. Trayport generated gross revenues of approximately $80 million for the trailing twelve months ended September 30, 2015 and had a pre-tax profit margin of nearly 45 percent..

On June 28, 2013, BGC sold its fully electronic trading platform for benchmark U.S. Treasury Notes and Bonds to Nasdaq Inc. For the purposes of this document, the assets sold may be referred to as "eSpeed," and the businesses remaining with BGC that were not part of the eSpeed sale may be referred to as "retained" or "FENICS".

Beginning on February 27, 2015, BGC began consolidating the results of GFI, which continues to operate as a controlled company and as a separately branded division of BGC. BGC owned approximately 67% of GFI's outstanding common shares as of December 31, 2015. On January 12, 2016, BGC completed the merger of GFI by acquiring 100% of GFI's outstanding shares.

DISCLAIMER (CONTINUED)

Distributable Earnings

This presentation should be read in conjunction with BGC's most recent financial results press release. Unless otherwise stated, throughout this document we refer to our results only on a distributable earnings basis. For a complete and revised description of this term and how, when and why management uses it, see the "Distributable Earnings Defined" pages of this presentation. For both this description and a reconciliation to GAAP, see the sections of BGC's most recent financial results press release entitled "Distributable Earnings Defined", "Differences Between Consolidated Results for Distributable Earnings and GAAP", and "Reconciliation of GAAP Income (Loss) to Distributable Earnings", which are incorporated by reference, and available at http://ir.bgcpartners.com/Investors/default.aspx.

Adjusted EBITDA

See the sections of BGC's most recent financial results press release titled "Adjusted EBITDA Defined" and "Reconciliation of GAAP Income (Loss) to Adjusted EBITDA"

GENERAL OVERVIEW

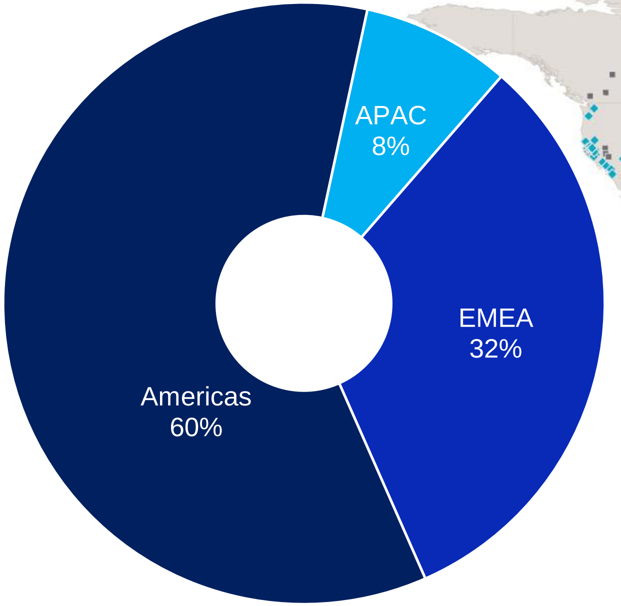
SELECT 2Q 2016 vs. 2Q 2015 Consolidated Financial Results

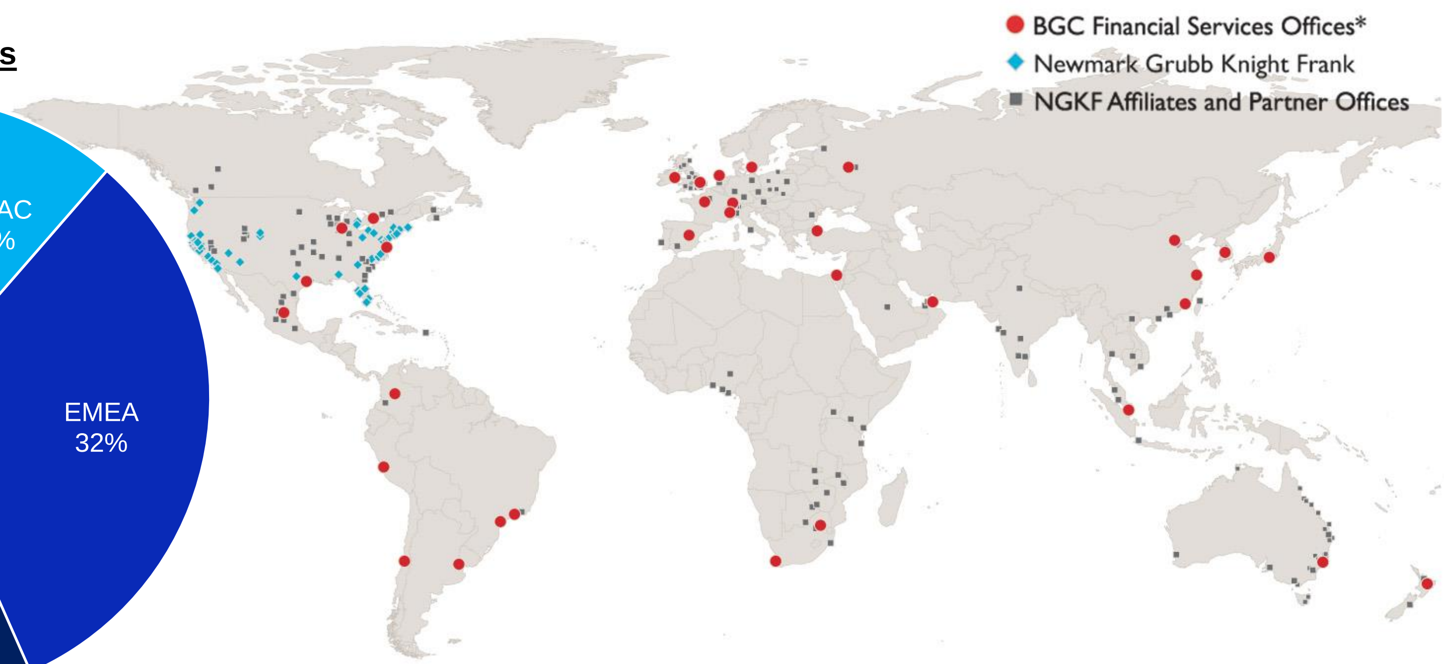
Highlights of Consolidated Results (USD millions, except per share data)	2Q 2016	2Q 2015	Change (%)
Revenues	$652.0	$669.1	(2.6)%
Pre-tax distributable earnings before non-controlling interest in subsidiaries and taxes	93.9	88.0	6.7%
Pre-tax distributable earnings per share	0.22	0.24	(8.3)%
Post-tax distributable earnings to fully diluted shareholders	80.1	70.7	13.2%
Post-tax distributable earnings per share	0.19	0.19	0.0%
Adjusted EBITDA	106.7	109.1	(2.1)%
Provision for taxes under distributable earnings	14.3	13.2	8.1%
Pre-tax distributable earnings margin	14.4%	13.2%	
Post-tax distributable earnings margin	12.3%	10.6%	

- On July 26, 2016, BGC Partners' Board of Directors declared a quarterly cash dividend of $0.16 per share, an increase of 14.3% from the prior year, payable on September 1, 2016 to Class A and Class B common stockholders of record as of August 18, 2016. The ex-dividend date will be August 16, 2016.
- As of 2Q 2016 BGC Partners now presents distributable earnings revenues consistently with revenues recorded under GAAP. Items related to the Nasdaq earn-out, which were previously recorded as "other revenues" for distributable earnings are now recognized under "other income" for both methodologies. Revenues for distributable earnings would have been $21.7 million higher and above the mid-point of the previous guidance, but for this change and $15.5 million higher for 2Q15. This change had no impact on GAAP results.

GLOBAL REVENUE BREAKDOWN

2Q 2016
Global Revenues



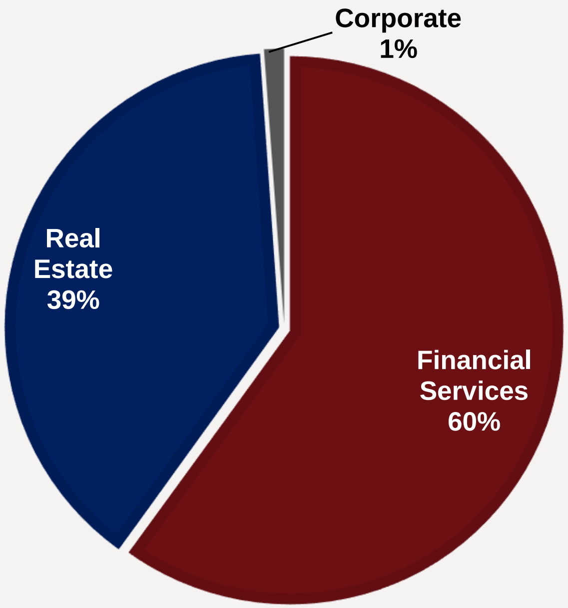


- Americas revenue down 1% from 2Q 2015
- Europe, Middle East & Africa revenue down 3%
- Asia Pacific revenue down 10%

Note: percentages may not sum to 100% due to rounding
*Includes GFI offices

2Q 2016 SEGMENT DATA (DISTRIBUTABLE EARNINGS BASIS)

2Q 2016 REVENUES



(In USD millions)

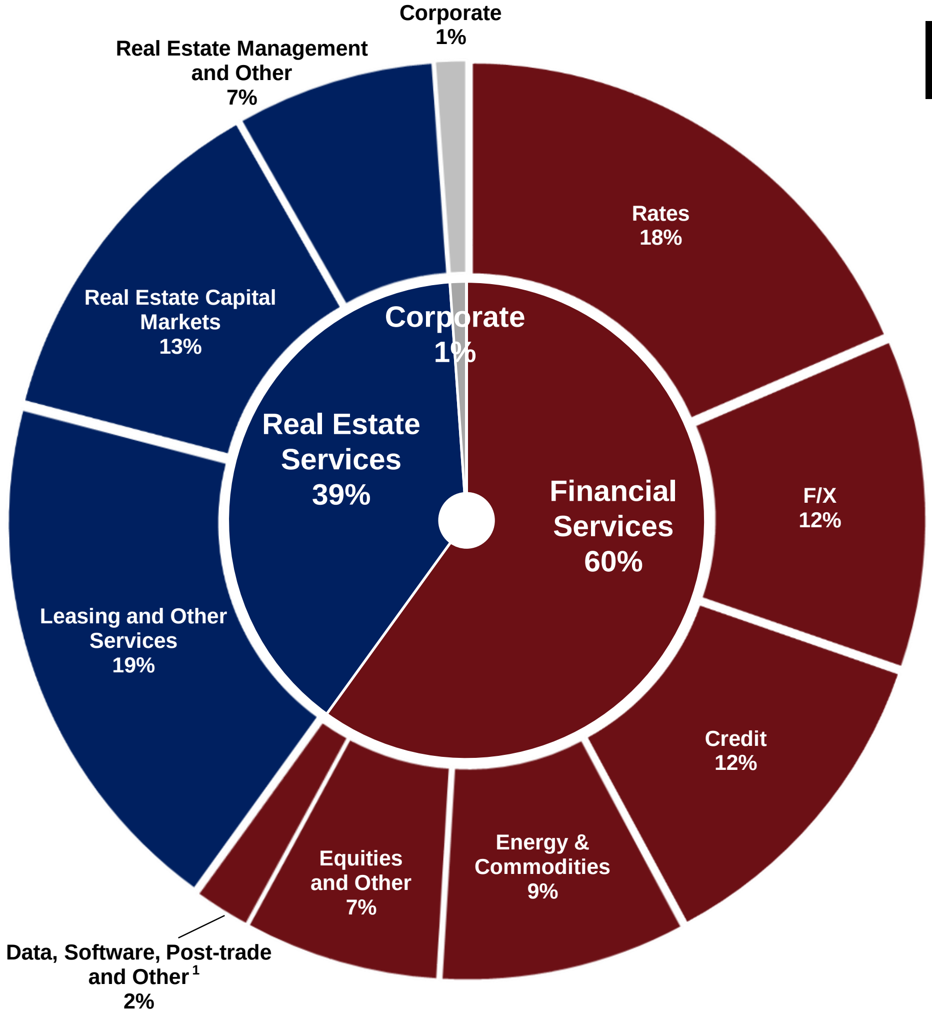
2Q 2016	Revenues	Pre-tax Earnings	Pre-tax Margin
Financial	$390.9	$83.0	21.2%
Real Estate	$253.8	$25.5	10.0%
Corporate	$7.3	($14.5)	NMF

(In USD millions)

2Q 2015	Revenues	Pre-tax Earnings	Pre-tax Margin
Financial	$421.7	$78.6	18.6%
Real Estate	$238.7	$29.8	12.5%
Corporate	$8.7	($20.4)	NMF

- Financial Services revenues were down 7%, primarily due to the sale of Trayport
- Financial Services pre-tax earnings increased by 6% and margins improved 260 basis points as the integration of GFI has progressed and higher margin FENICS products comprise a larger portion of revenues
- Real Estate Services revenues were up over 6%, primarily driven by strong organic growth in capital markets

BGC'S 2Q 2016 BUSINESS STRONG REVENUE DIVERSITY



BGC's Businesses at a Glance

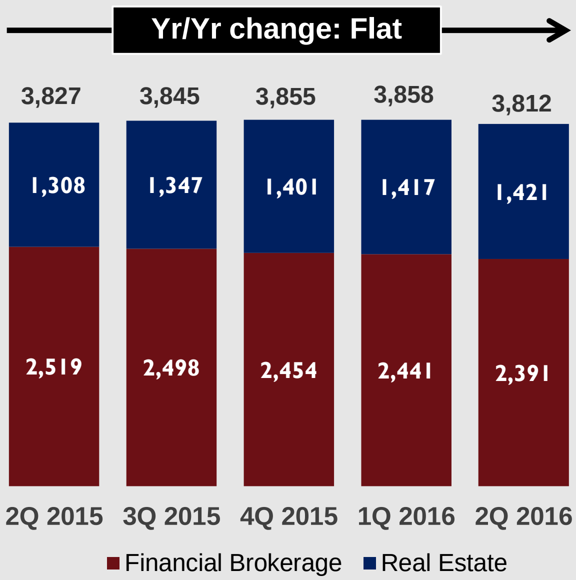
- BGC maintains a highly diverse revenue base
  - Wholesale Financial Services Brokerage revenues and earnings typically seasonally strongest in 1st quarter, weakest in 4th quarter
  - Commercial Real Estate Brokerage revenues and profitability typically seasonally strongest in 4th quarter, weakest in 1st quarter

1. Data, software, post-trade and other includes interest, and other revenue for distributable earnings

Percentages are approximate for rounding purposes.

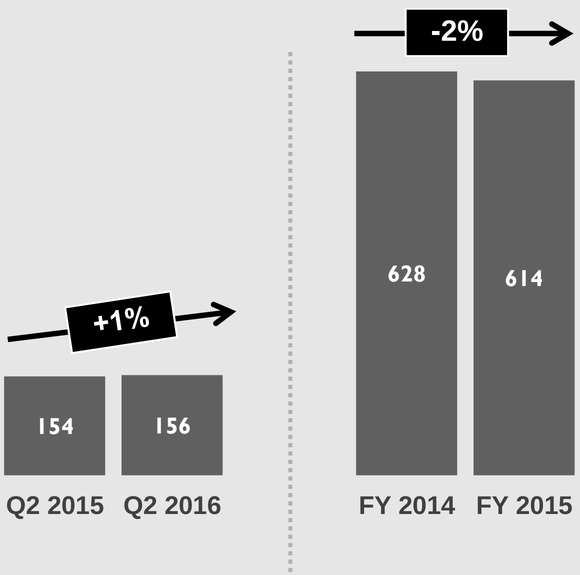
BGC'S FRONT OFFICE HEADCOUNT & PRODUCTIVITY

FRONT OFFICE HEADCOUNT



FRONT OFFICE PRODUCTIVITY

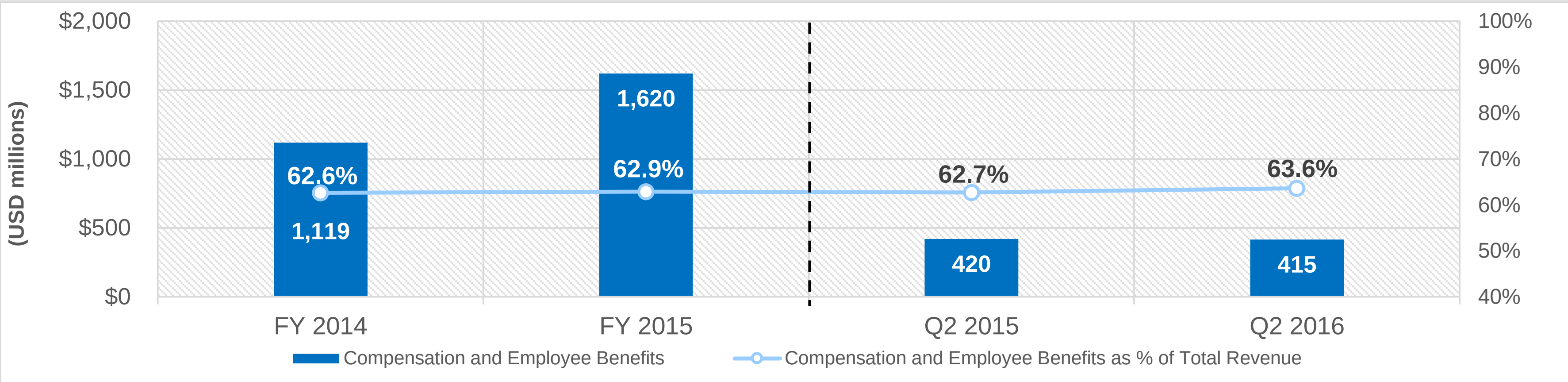
(USD Thousands)

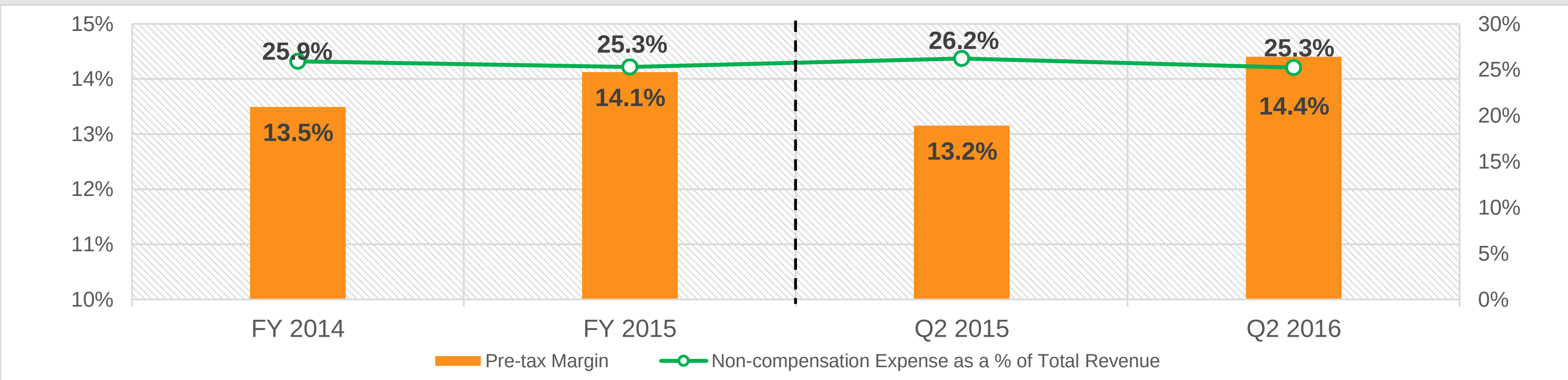


- Financial Services average revenue per front office employee was $162,000, up over 3%, largely driven by FENICS
- Real Estate Services average revenue per front office employee was $146,000, down 1%
- Historically, BGC's revenue per front office employee has generally fallen after large acquisitions and significant broker hires. As the integration of recent acquisitions continues, recently hired brokers ramp up production, and as more voice and hybrid revenue is converted to more profitable fully electronic trading, the Company expects broker productivity to grow.

Note: The Real Estate figures are based on brokerage revenues, leasing and capital markets brokers, and exclude staff in management services and other. The Financial Services figures in the above table include segment revenues from total brokerage revenues, data, software and post-trade, and exclude revenues and salespeople related to Trayport and other income. The average revenues for all producers are approximate and based on the total revenues divided by the weighted-average number of salespeople and brokers for the period.

BGC PARTNERS EXPENSES & PRE-TAX MARGINS





- BGC Partners' Compensation Ratio was 63.6% in 2Q 2016 vs. 62.7% in 2Q 2015; Commercial Real Estate represents a larger percentage of the overall business compared to 2Q 2015 and its brokers generally have a higher compensation ratio than IDBs that have significant electronic trading revenues
- Non-compensation Ratio was 25.3% in 2Q 2016 down from 26.2% a year ago
- Pre-tax margins expanded by 125 basis points from 2Q 2015 to 14.4%, as the integration of GFI has progressed

RECENTLY ANNOUNCED BGC & NGKF ACQUISITIONS

Sunrise Brokers Group:

- On July 19, 2016, BGC announced an agreement to acquire Sunrise Brokers Group (“Sunrise”), a privately owned financial brokerage with a leading reputation in worldwide equity derivatives.

- Sunrise is based in London with offices in New York and Hong Kong, Sunrise was voted overall “Number One Equity Products Broker of the Year” by Risk Magazine for the past nine years, and the top broker in “Equity Exotic Derivatives” for 13 years running. Sunrise has approximately 135 brokers, generated approximately $90 million in revenues in 2015, and has grown its revenues and pre-tax profits for each of the last three years.

- We expect the transaction to be immediately accretive to BGC’s earnings per share, and to close by the end of the year, subject to regulatory approvals.

CRE Group, Inc.:

- On June 17, 2016, NGKF, a division of BGC, acquired the CRE Group Inc. (“CRE Group), a real estate services provider focused on project management, construction management, and LEED consulting.

- The CRE Group is a San Francisco Bay Area-based company that has extensive project and construction management experience in corporate interiors, hospitality, healthcare facilities and retail, among other sectors. The CRE Group manages large- and small-scale projects for national and international clients throughout the Bay Area and across the United States

Overview

FINANCIAL SERVICES

2Q 2016 FINANCIAL SERVICES SUMMARY

BGC Financial Services Segment Highlights

General:

- Pre-tax profits up 6%
- Pre-tax margins expanded 260 basis points, despite the sale of Trayport, which had pre-tax margins of approximately 45%

FENICS[1]:

- FENICS revenues and pre-tax profits up 6% and 19%, respectively; all organic growth
- FENICS pre-tax margins expanded 545 basis points
- Fully electronic credit revenues up 11% as compared to a year ago
- Data, software and post-trade up 26%

Voice/Hybrid:

- Credit revenues up 3%;
- Energy & Commodities revenues up 4%

Quarterly Drivers

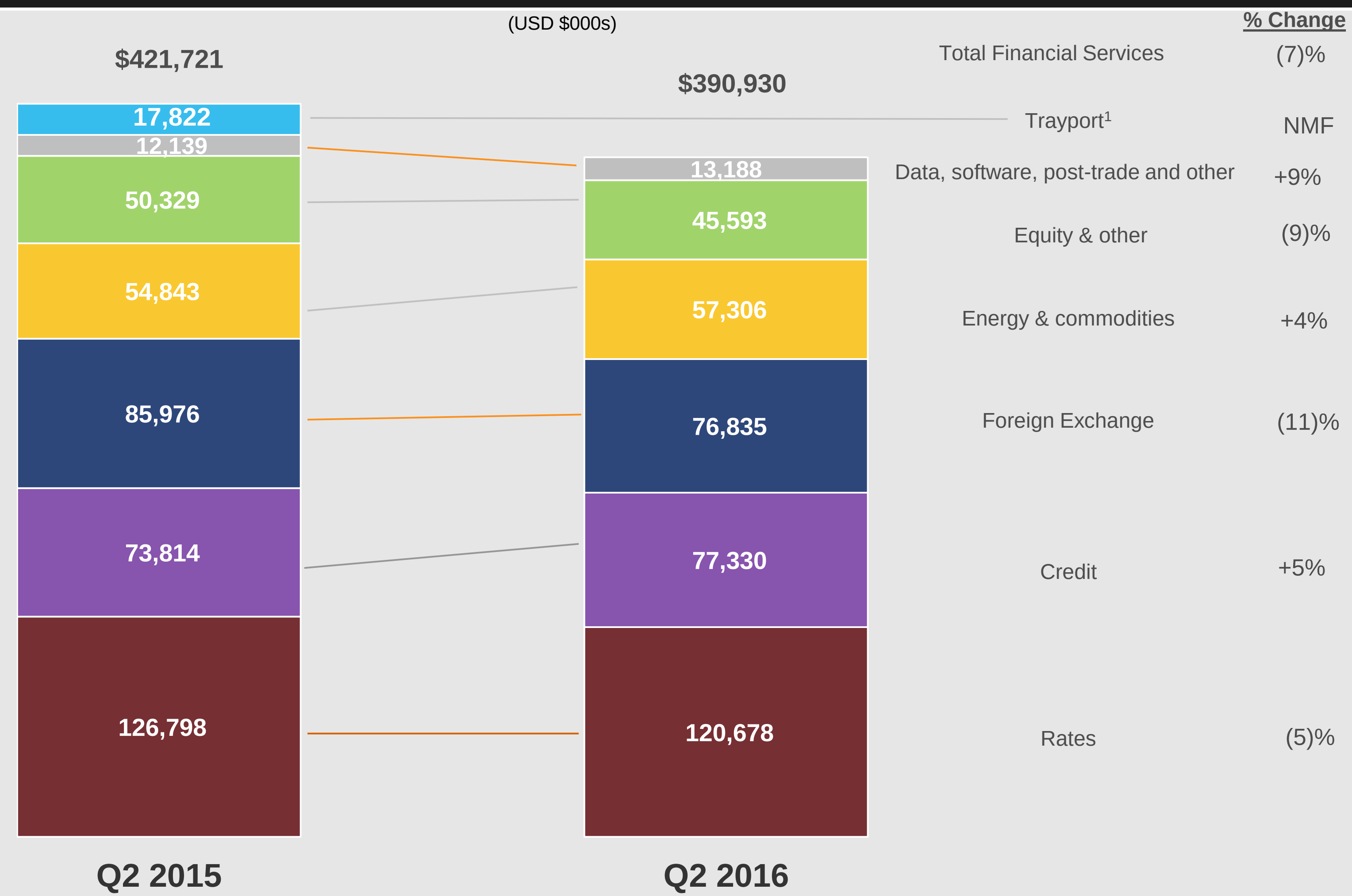
- Continued successful integration of GFI
- Increased activity across energy and commodities and credit; decreased activity across most other asset classes we broker in Financial Services
- Distributable earnings and margins have improved as the integration of GFI has progressed;
- BGC reached its target of $100 million in annualized GFI cost savings in 2Q 2016, two quarters ahead of schedule. BGC now expects to achieve an additional $25 million in annualized synergies, for total GFI cost savings of $125 million by the end of 2016.
- Trayport generated revenues of $17.8 million, net of inter-company eliminations, in 2Q 2015 compared to none in 2Q 2016 due to its sale in 4Q 2015

1. "FENICS" includes "total brokerage revenues" related to fully electronic trading and data, software, and post-trade, all of which are reported within the Financial Services segment and excludes Trayport results.

FINANCIAL SERVICES REVENUE BREAKOUT BY ASSET CLASS

FINANCIAL SERVICES REVENUE COMPOSITION

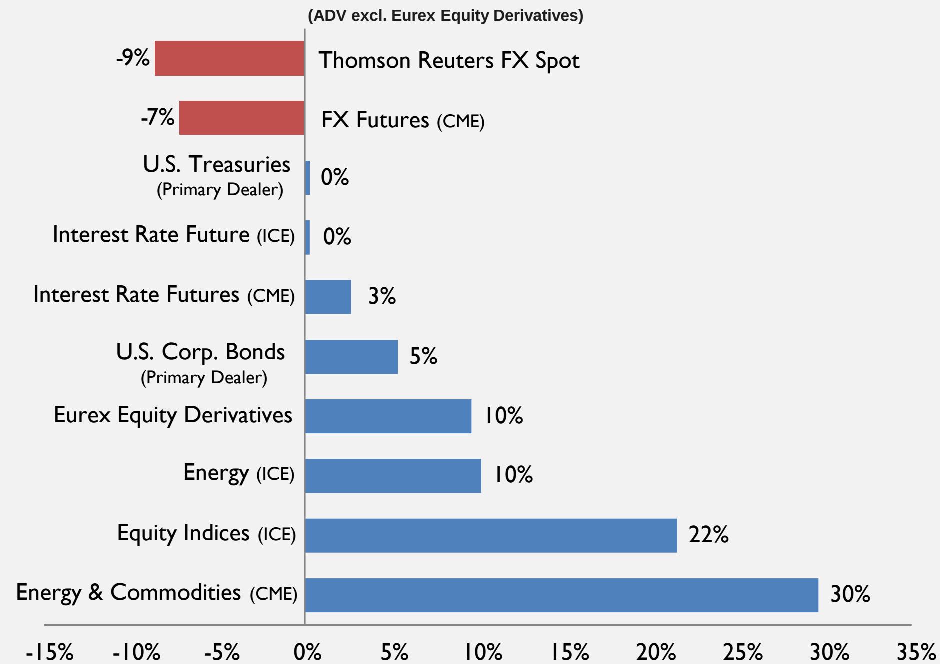
(USD $000s)



1. BGC sold Trayport to Intercontinental Exchange in 4Q 2015

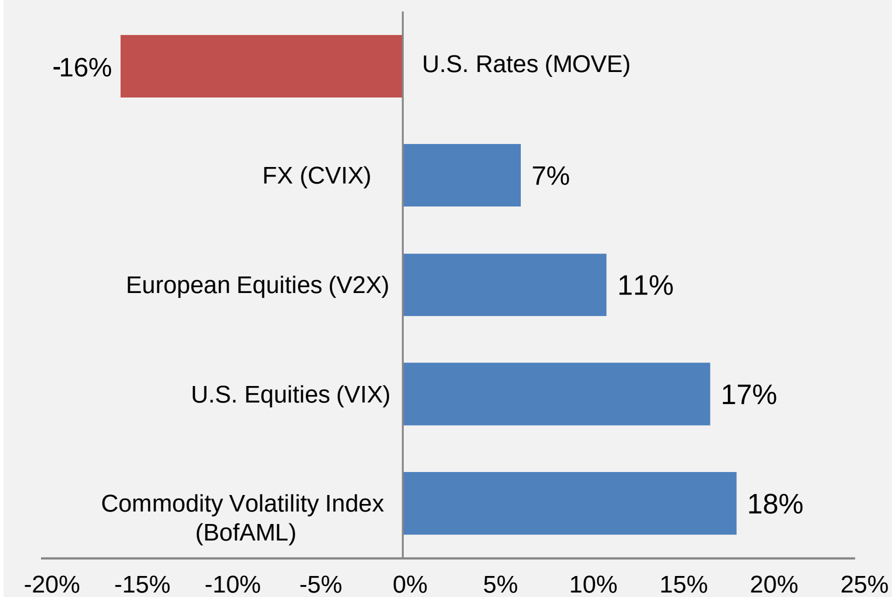
2Q16 INDUSTRY VOLUMES MIXED TO UP; VOLATILITY MOSTLY UP

2Q16: Yr/Yr Change in Capital Markets Activity



Source: Bloomberg, Eurex, CME, ICE, and Thomson

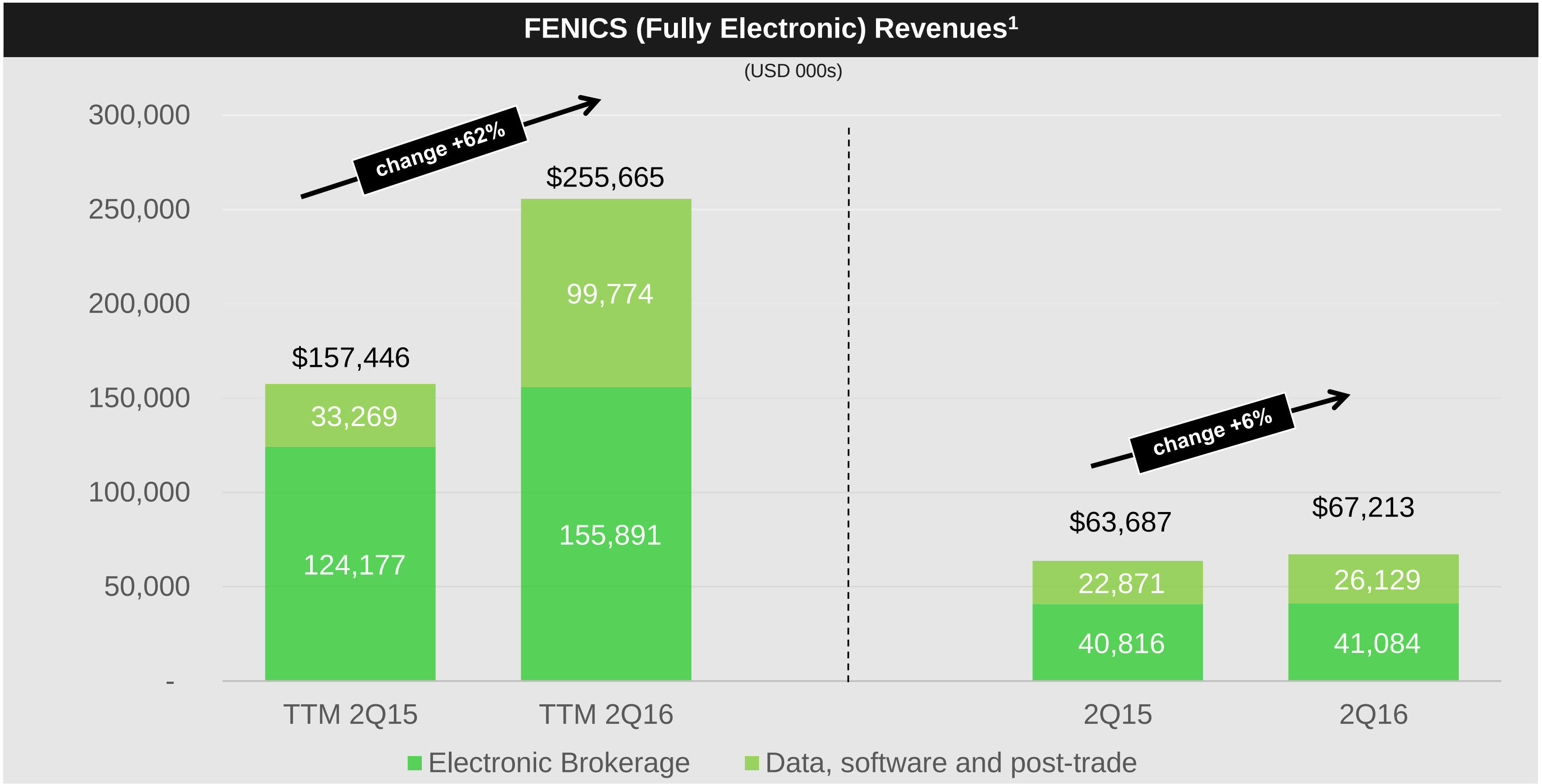
2Q16: Yr/Yr Change in Average Daily Volatility



Source: Bloomberg

- Volumes were generally mixed to up when compared to 2Q 2015
- Volatility measures were mostly up from a year ago; increased volatility often signals increased trading activity, however severe bouts of volatility often results in lower trading activity

BGC'S FENICS (FULLY ELECTRONIC) GROWTH



- 2Q 2016 FENICS revenues up approximately 6%; pre-tax margins expanded 545 bps to 48.2%
- TTM 2Q 2016 FENICS revenues up over 62%; pre-tax margins of 45.6%

1. "FENICS" results include $13.7 million, $13.0 million, $51.6 million, and $13.0 million of data, software, and post-trade (inter-company) revenues for 2Q16, 2Q15, TTM 2Q16, and TTM 2Q15 respectively, which are eliminated in BGC's consolidated financial results. FENICS revenues exclude Trayport net revenues of $17.8 million, $34.7 million, and $23.9 million for 2Q15, TTM 2Q16, and TTM2Q15, respectively. Data, software, and post-trade revenues, net of inter-company eliminations were $12.4 million, $9.9 million, $48.2 million and $20.3 million in 2Q16, 2Q15, TTM 2Q16, and TTM 2Q15 respectively. There were no corresponding Trayport revenues in 2Q16.

STRONG GROWTH AND NEW RECORDS ACROSS FENICS

(USD millions)	2Q 2016					TTM 2Q 2016				
	FENICS	Voice / Hybrid / Other	Real Estate	Corporate / Other	Total	FENICS	Voice / Hybrid / Other	Real Estate	Corporate / Other	Total
Revenue	$67.2	$323.7	$253.8	$7.3	$652.0	$255.7	$1,331.3	$1,029.6	$33.1	$2,649.7
Pre-Tax DE	$32.4	$50.6	$25.5	($14.5)	$93.9	$116.6	$224.5	$132.9	($92.3)	$381.7
Pre-tax DE Margin	48.2%	15.6%	10.0%	NMF	14.4%	45.6%	16.9%	12.9%	NMF	14.4%

	2Q 2015					TTM 2Q 2015				
	FENICS	Voice / Hybrid / Other	Real Estate	Corporate / Other	Total	FENICS	Voice / Hybrid / Other	Real Estate	Corporate / Other	Total
Revenue	$63.7	$358.0	$238.7	$8.7	$669.1	$157.4	$1,102.8	$849.7	$32.2	$2,142.2
Pre-Tax DE	$27.2	$51.4	$29.8	($20.4)	$88.0	$76.8	$191.1	$107.0	($74.6)	$300.3
Pre-tax DE Margin	42.7%	14.3%	12.5%	NMF	13.2%	48.8%	17.3%	12.6%	NMF	14.0%

	Yr/Yr Change					Yr/Yr Change				
	FENICS	Voice / Hybrid / Other	Real Estate	Corporate / Other	Total	FENICS	Voice / Hybrid / Other	Real Estate	Corporate / Other	Total
Revenue	5.5%	-9.6%	6.3%	-16.6%	-2.6%	62.4%	20.7%	21.2%	2.8%	23.7%
Pre-Tax DE	19.0%	-1.5%	-14.6%	NMF	6.7%	51.9%	17.5%	24.2%	NMF	27.1%

Note: numbers may not foot and/or cross foot due to rounding

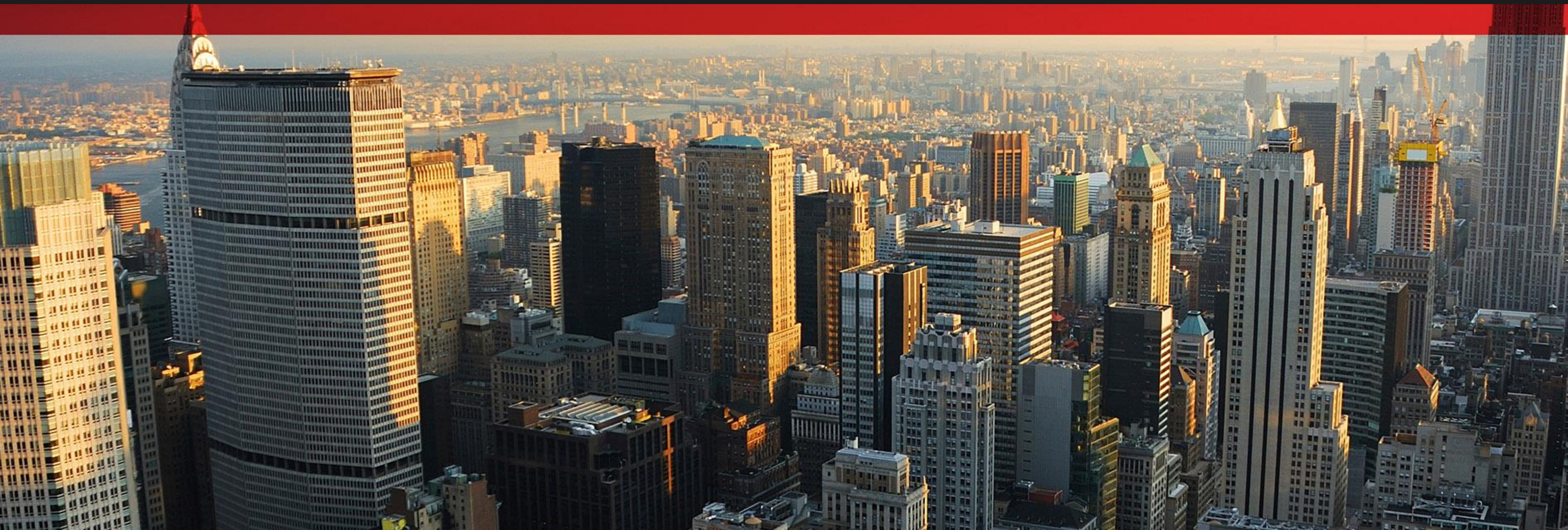
- FENICS set new 2Q records in terms of revenues and pre-tax distributable earnings
- FENICS 2Q 2016 revenues increased by approximately 6%; pre-tax distributable earnings up by 19% compared to last year
- Pre-tax distributable earnings margins expanded by 545 basis points from 2Q 2015 primarily due to the continuing integration of GFI
- FENICS TTM 2Q16 revenues increased by over 62% and pre-tax distributable earnings were up by 52%

Note "FENICS" results include $13.7 million, $13.0 million, $51.6 million, and $13.0 million of data, software, and post-trade (inter-company) revenues for 2Q16, 2Q15, TTM 2Q16, and TTM 2Q15 respectively, which are eliminated in BGC's consolidated financial results. Data, software, and post-trade revenues, net of inter-company eliminations were $12.4 million, $9.9 million, $48.2 million and $20.3 million in 2Q16, 2Q15, TTM 2Q16, and TTM 2Q15 respectively.

FENICS revenues exclude Trayport net revenues of $17.8 million, $34.7 million, and $23.9 million for 2Q15, TTM 2Q16, and TTM 2Q15, respectively. There were no corresponding Trayport revenues in 2Q16.

Overview

REAL ESTATE

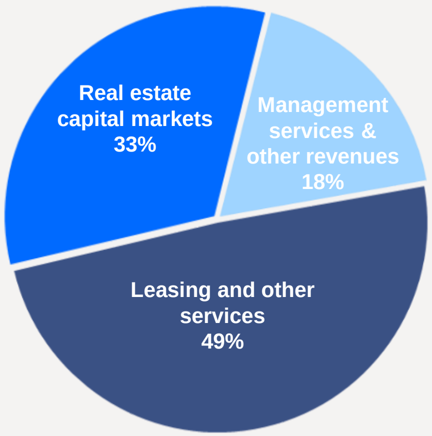


BUSINESS OVERVIEW: REAL ESTATE SERVICES

NGKF Highlights

- 2Q 2016 Real Estate Services revenue increased by over 6% compared to 2Q 2015
- Real estate capital markets revenue increased over 35% from the prior year, primarily due to organic growth
- Real estate brokerage revenue up over 8%
- Management services & other revenue down 2%

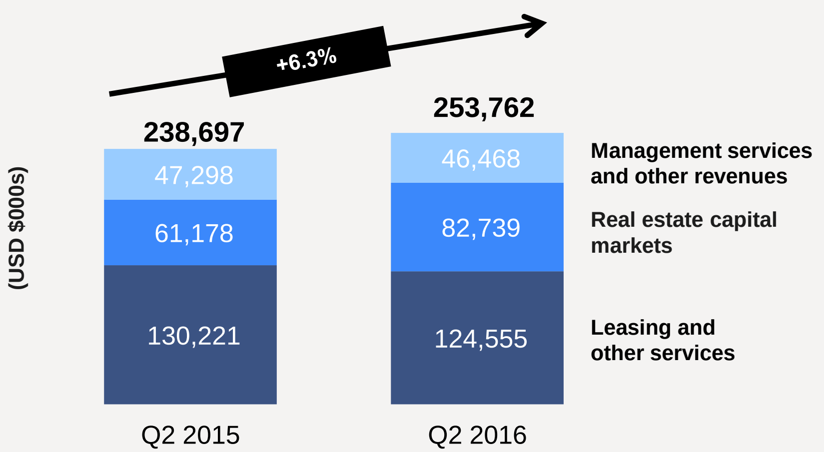
2Q 2016 Real Estate Segment Breakdown



Drivers

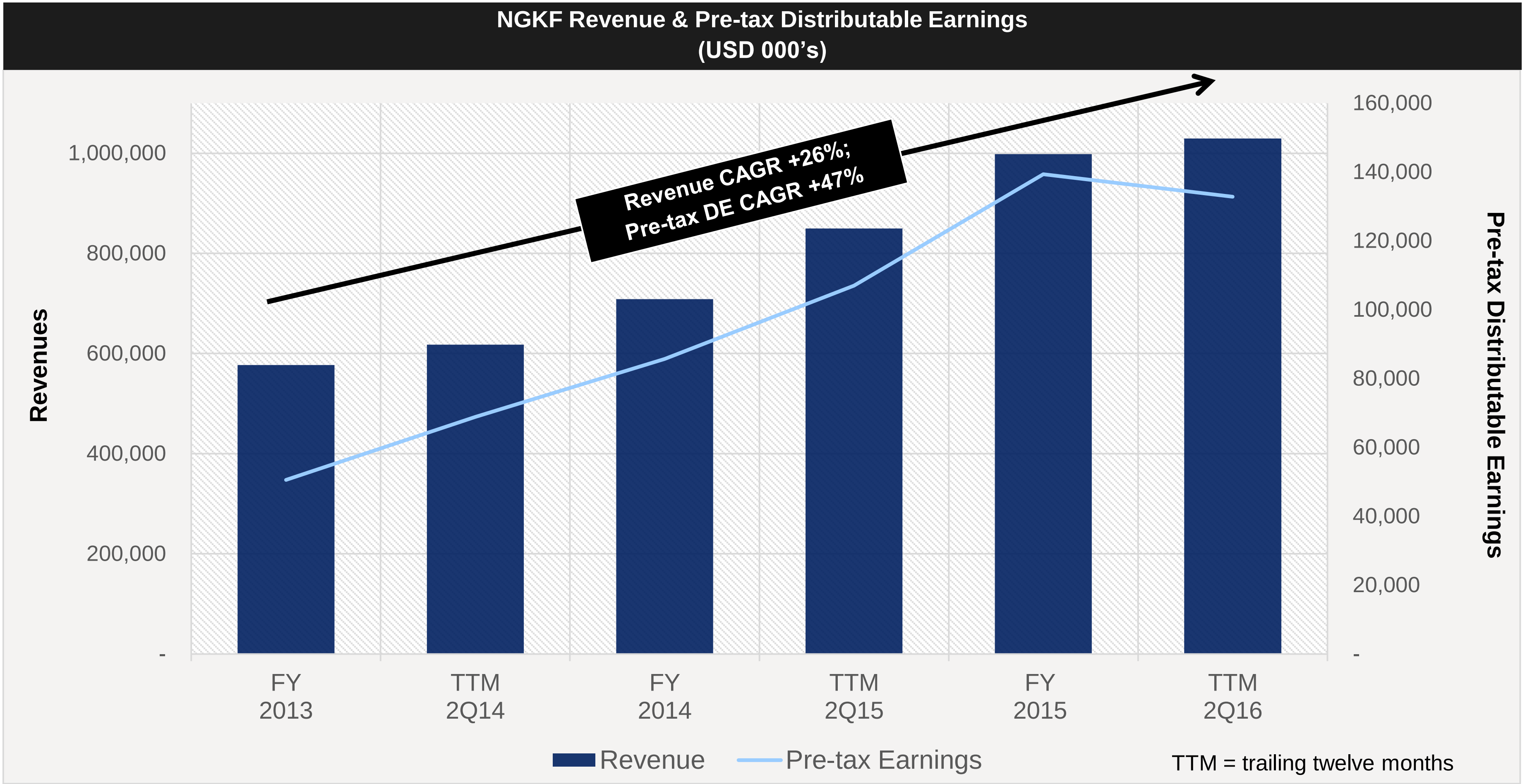
- Organic growth
- Strong U.S. economy, low interest rates and accommodative monetary policy aids the real estate recovery
- Strong U.S. jobs market
- Overall activity industry-wide was generally down for leasing and real estate capital markets in 2Q 2016; NGKF capital markets significantly outpaced relevant industry-wide metrics

2Q 2016 Real Estate Segment Breakdown



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

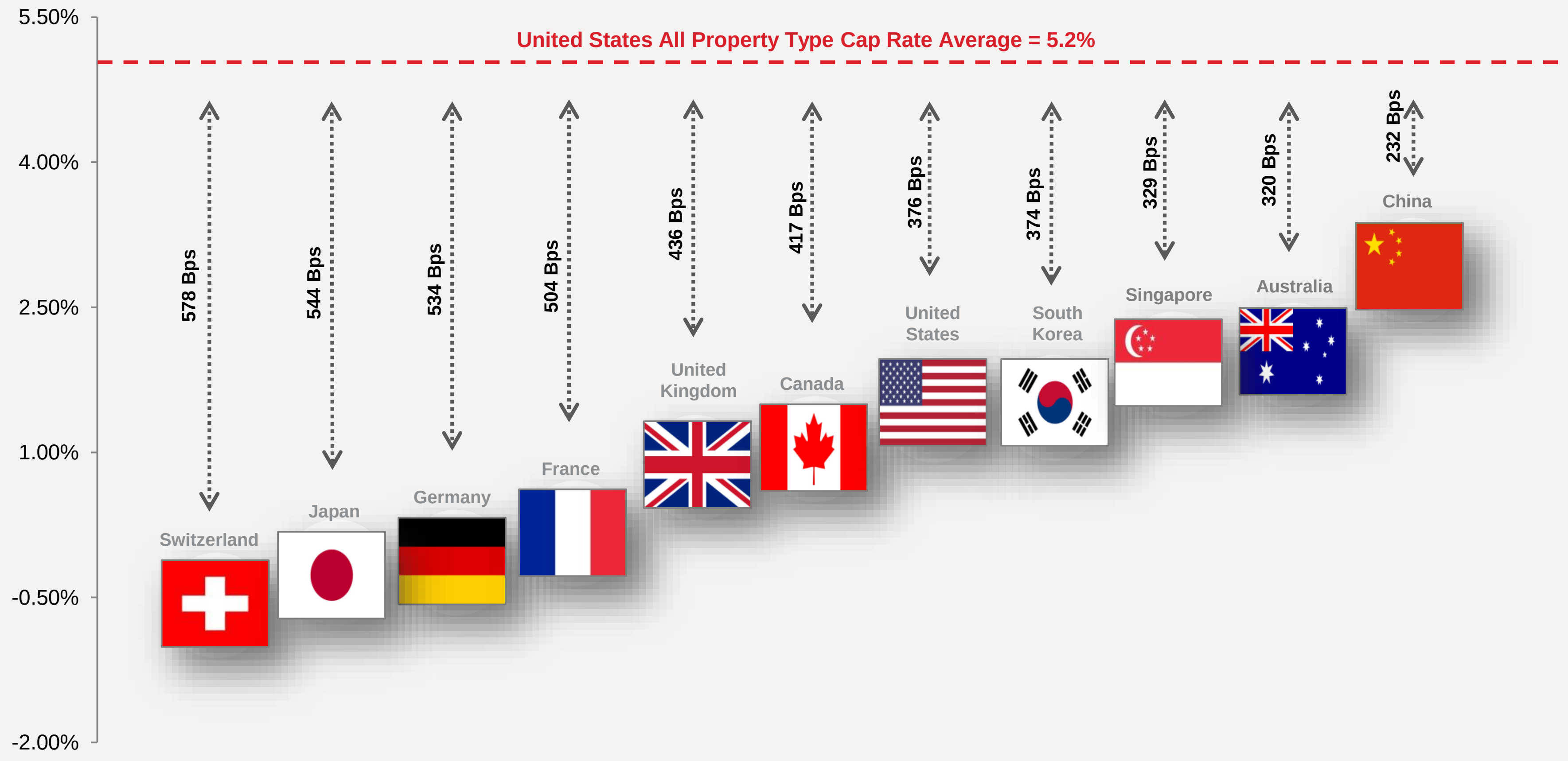
NGKF REVENUE AND EARNINGS CONTINUE STRONG GROWTH



- NGKF trailing twelve month (TTM) revenues have grown from $577 million in FY 2013 to $1.03 billion in 2Q 2016, representing a 26% CAGR
- Pre-tax distributable earnings have more than doubled from $51 million in FY 2013 to $133 million for TTM 2Q 2016, representing a CAGR of over 47%

HISTORICALLY LOW GLOBAL INTEREST RATES: BAD FOR FINANCIAL SERVICES, GOOD FOR REAL ESTATE

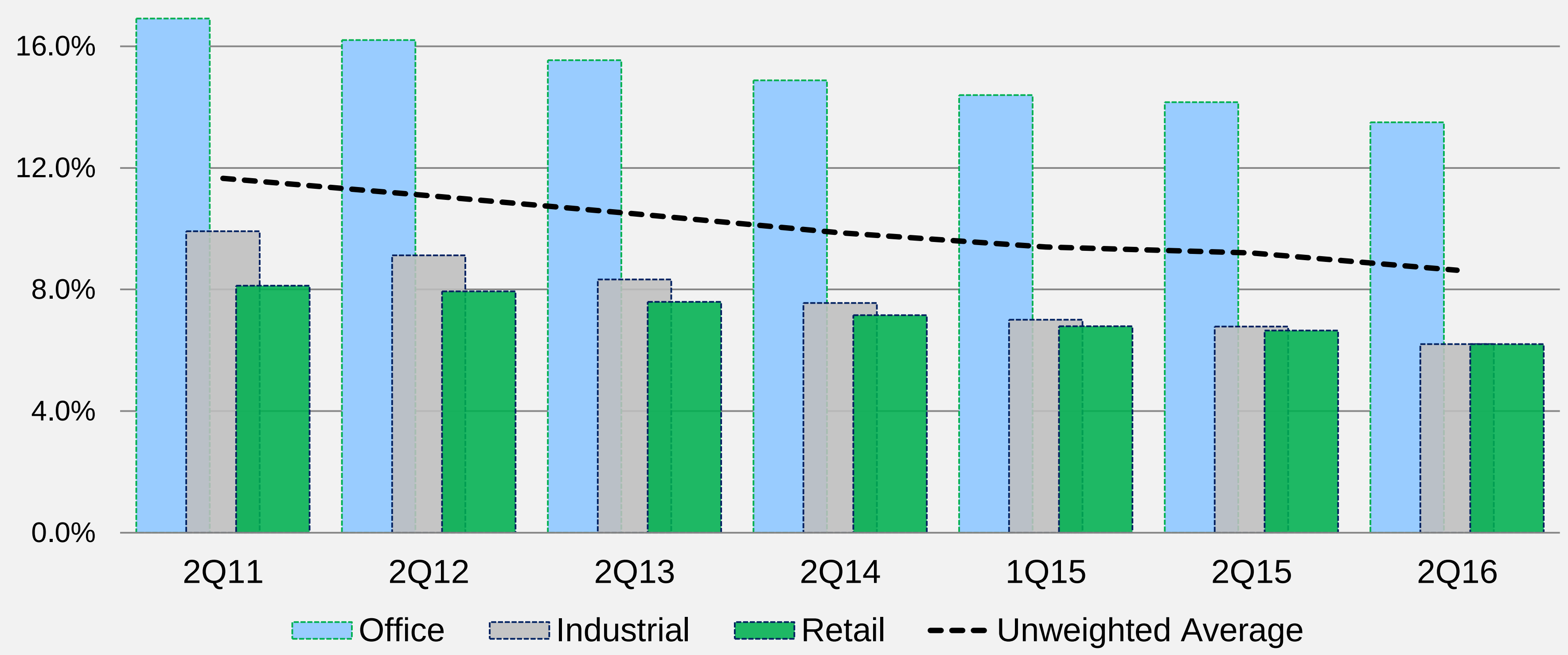
- Historically low interest rates continue to drive global investors into alternative asset classes, such as U.S. commercial real estate, as U.S. cap rates offer significant upside to local bond yields



Source: Newmark Grubb Knight Frank Research, Trading Economics

VACANCY RATES CONTINUE TO IMPROVE SIGNALING STRONG DEMAND FOR COMMERCIAL REAL ESTATE

U.S. Vacancy Rates by Asset Class



Source: CoStar, REIS, and NGKF Research

- Vacancy rates continue to improve, reflecting sustained demand that continues to outpace construction activity across major commercial real estate property types

BGC PARTNERS

OUTLOOK

Outlook Compared with a Year Ago Results

- BGC anticipates third quarter 2016 revenues of between $655 million and $695million, compared with $685.3 million a year earlier, which included over $19 million related to Trayport.

- BGC anticipates generating pre-tax earnings of between $99 million and $115 million, as compared to $99 million, of which over $8 million was attributable to Trayport

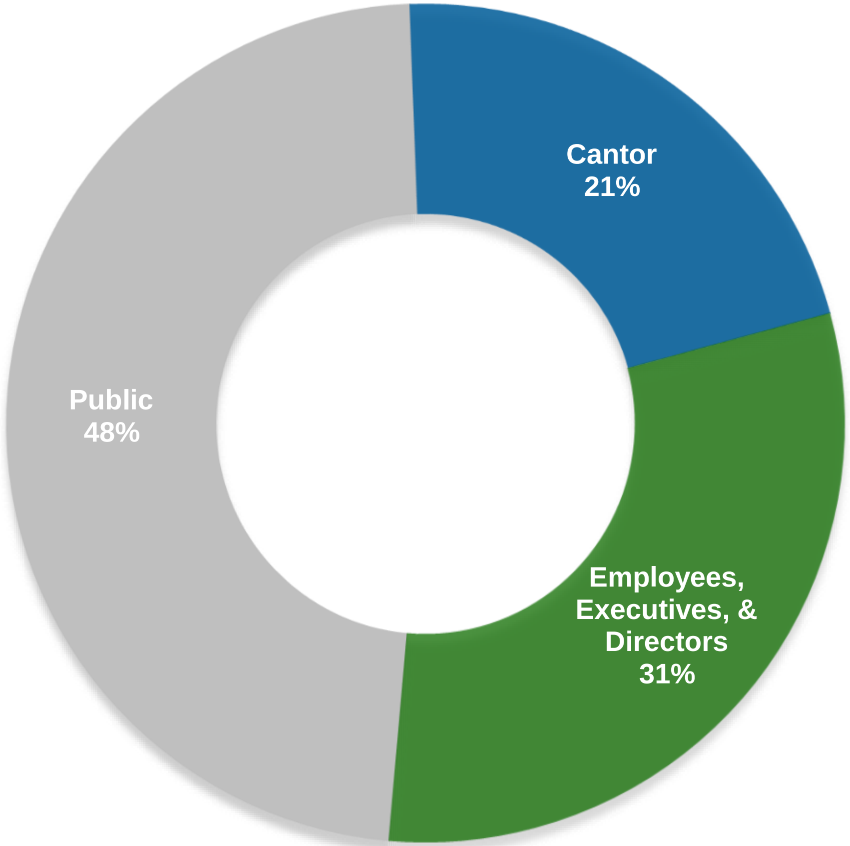
- BGC anticipates its provision for taxes for distributable earnings to be between approximately $15 million and $17.5 million for the third quarter 2016, compared to $14.9 million a year earlier.[1]

- BGC intends to update its third quarter outlook before the end of September 2016.

1. In the third quarter of 2015, GFI results were not yet fully consolidated. Therefore noncontrolling interest in subsidiaries was $4.9 million, reducing post-tax earnings by this amount.

APPENDIX

BGC'S ECONOMIC OWNERSHIP AS OF JUNE 30, 2016



Note: Employees, Executives, and Directors ownership figure attributes all units (PSUs, FPUs, RSUs, etc.) and distribution rights to founding partners & employees and also includes all A shares owned by BGC executives and directors. Cantor ownership includes all A and B shares owned by Cantor as well as all Cantor exchangeable units and certain distribution rights. Public ownership includes all A shares not owned by executives or directors of BGC. The above chart excludes shares related to convertible debt. The above chart excludes all formerly contingent shares that had not yet been issued.

STRONGLY CAPITALIZED; INVESTMENT GRADE CREDIT PROFILE

($ in '000s)

BGC Partners, Inc.	6/30/2016
Cash and Cash Equivalents	$427,558
Securities Owned	318,580
Marketable Securities (net)	152,995
Total Liquidity	**$899,133**

BGC Partners, Inc. and Subsidiaries	Issuer	Maturity	6/30/2016
4.50% Convertible Notes	BGC	7/15/2016	$159,791
8.375% Senior Notes	GFI	7/19/2018	251,167
Collateralized Borrowings	BGC	3/13/2019	19,633
5.375% Senior Notes	BGC	12/9/2019	296,592
5.125% Senior Notes	BGC	5/27/2021	295,834
8.125% Senior Notes	BGC	6/15/2042	109,209
Total Debt			**$1,132,226**

BGC Partners, Inc. (Adj. EBITDA and Ratios are TTM 2Q 2016)	6/30/2016
Adjusted EBITDA[1]	**$849,627**
Leverage Ratio: Total Debt / Adjusted EBITDA[2]	**1.3x**
Net Leverage Ratio: Net Debt / Adjusted EBITDA	**0.3x**
Adjusted EBITDA / Interest Expense	**13.5x**
Total Capital[3]	**$1,207,956**

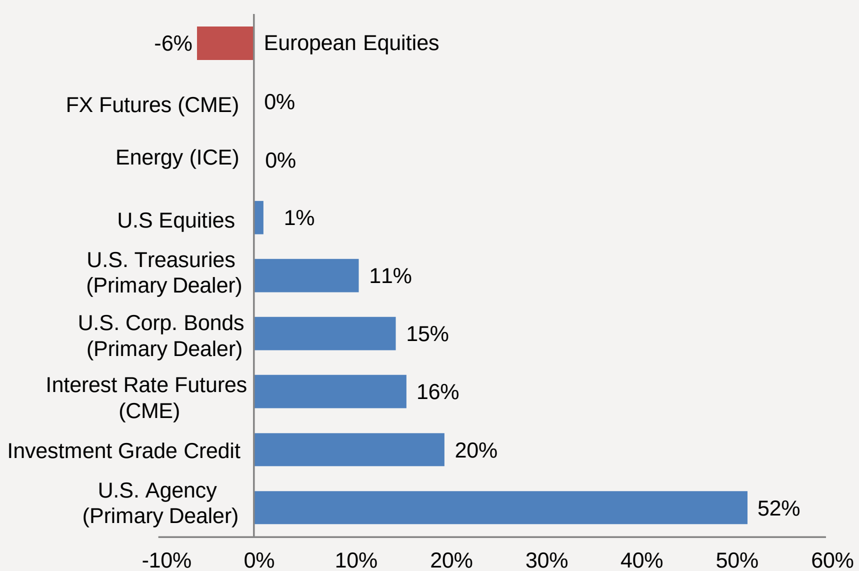
- Subsequent to quarter-end, BGC’s 4.5% Convertible Senior Notes due 7/15/2016 matured and were retired, reducing total debt by approximately $160 million and the fully diluted share count by 16.3 million shares

1. Includes the approximately $407 million gain primarily related to the sale of Trayport in 4Q 2015
2. Does not include the over $770 million (at June 30, 2016 closing price) or the over $840 million (as of July 27, 2016 closing price) in Nasdaq shares expected to be received over time
3. Defined as “redeemable partnership interest,” “noncontrolling interest in subsidiaries,” and “total stockholders’ equity”

VOLUMES GENERALLY UP; VOLATILITY GENERALLY DOWN FROM A YEAR AGO

3Q16TD Change in Capital Markets Activity

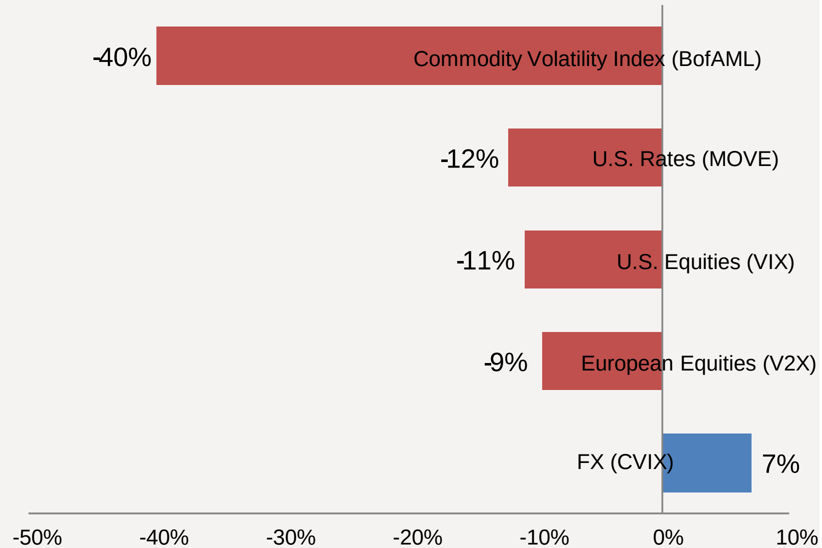
(7/1/2016 – 7/22/2016)



Source: Bloomberg, SIFMA, CME, ICE and Goldman Sachs Global investment Research

3Q16TD Change in Average Daily Volatility

(7/1/2016 – 7/22/2016)



Source: Bloomberg

- 3Q16 to-date industry volumes generally up across most of the asset classes we broker
- Industry volumes typically correlate to volumes in our Financial Services business
- Volatility is generally down across most asset classes we broker; increased volatility often signals higher trading activity, however severe bouts of volatility often result in lower trading activity

AVERAGE EXCHANGE RATES

	Q2 2016	Q2 2015	Jul 1 – Jul 22, 2016	Jul 1 – Jul 22, 2015
US Dollar	1	1	1	1
British Pound	1.435	1.533	1.315	1.556
Euro	1.130	1.111	1.107	1.101
Hong Kong Dollar	0.129	0.129	0.129	0.129
Singapore Dollar	0.737	0.745	0.741	0.737
Japanese Yen	108.050	121.340	103.880	123.080

Source: Bloomberg

Distributable Earnings Defined

BGC Partners uses non-GAAP financial measures including, but not limited to, "pre-tax distributable earnings before noncontrolling interest in subsidiaries and taxes" and "post-tax distributable earnings", which are supplemental measures of operating performance that are used by management to evaluate the financial performance of the Company and its consolidated subsidiaries. BGC believes that distributable earnings best reflect the operating earnings generated by the Company on a consolidated basis and are the earnings which management considers available for, among other things, 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 operations before income taxes and noncontrolling interest in subsidiaries", and "net income (loss) per fully diluted share", all prepared in accordance with GAAP, distributable earnings calculations primarily exclude certain non-cash compensation 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, distributable earnings calculations exclude certain gains and charges that management believes do not best reflect the ordinary operating results of BGC.

Adjustments Made to Calculate Pre-Tax Distributable Earnings

Pre-tax distributable earnings are defined as GAAP income (loss) from operations before income taxes and noncontrolling interest in subsidiaries excluding items, such as:

- Non-cash equity-based compensation charges related to limited partnership unit exchange or conversion.
- Non-cash asset impairment charges, if any.
- Non-cash compensation charges for items granted or issued pre-merger with respect to certain mergers or acquisitions by BGC Partners, Inc. To date, these mergers have only included those with and into eSpeed, Inc. and the back-end merger with GFI Group Inc.

Distributable earnings calculations also exclude certain unusual, one-time or non-recurring items, if any.

These charges are excluded from distributable earnings because the Company views excluding such charges as a better reflection of the ongoing, ordinary operations of BGC.

In addition to the above items, allocations of net income to founding/working partner and other limited partnership units are excluded from calculations of pre-tax distributable earnings. Such allocations represent the pro-rata portion of pre-tax earnings available to such unit holders. These units are in the fully diluted share count, and are exchangeable on a one-to-one basis into common stock. As these units are exchanged to 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 to common shares are not an expense under GAAP, management believes similar allocations of income to unit holders should also not be included when calculating distributable earnings performance measures.

BGC's definition of distributable earnings also excludes certain gains and charges with respect to acquisitions, dispositions, or resolutions of litigation. This exclusion includes the one-time gains related to the Nasdaq and Trayport transactions. Management believes that excluding such gains and charges also best reflects the ongoing operating performance of BGC.

However, the payments associated with BGC's expected annual receipt of Nasdaq stock and related mark-to-market gains or losses are anticipated to be included in the Company's calculation of distributable earnings for the following reasons:

- Nasdaq is expected to pay BGC in an equal amount of stock on a regular basis for a 15 year period beginning in 2013 as part of that transaction;
- The Nasdaq earn-out largely replaced the largely recurring quarterly earnings BGC generated from eSpeed; and
- The Company intends to pay dividends and distributions to common stockholders and/or unit holders based on all other income related to the receipt of the earn-out.

DISTRIBUTABLE EARNINGS DEFINED (CONTINUED)

To make period-to-period comparisons more meaningful, one-quarter of each annual Nasdaq contingent earn-out amount, as well as gains or losses with respect to associated mark-to-market movements and/or hedging, will be included in the Company's calculation of distributable earnings each quarter as "other income."

The calculation of distributable earnings from the fourth quarter of 2015 through the second quarter of 2016 has also excluded the realized and unrealized mark-to-market gains or losses related to the shares of Intercontinental Exchange, Inc. received in connection with the Trayport sale. Beginning with the third quarter of 2016, the Company intends to treat gains or losses related to mark-to-market movements and/or hedging with respect to any remaining ICE shares in a consistent manner with that of the treatment of Nasdaq shares when calculating distributable earnings.

Investors and analysts should note that, due to the large gain recorded with respect to the Trayport sale in December, 2015, and the closing of the back-end merger with GFI in January, 2016, non-cash charges related to the amortization of intangibles with respect to acquisitions will be excluded from the calculation of pre-tax distributable earnings.

Adjustments Made to Calculate Post-Tax Distributable Earnings
Since distributable earnings are calculated on a pre-tax basis, management intends to also report post-tax distributable earnings to fully diluted shareholders. Post-tax distributable earnings to fully diluted shareholders are defined as pre-tax distributable earnings, less noncontrolling interest in subsidiaries, and reduced by the provision for taxes as described below.

The Company's calculation of the provision for taxes on an annualized basis starts with GAAP income tax provision, adjusted to reflect tax-deductible items. Management uses this non-GAAP provision for taxes in part to help it to evaluate, among other things, the overall performance of the business, make decisions with respect to the Company's operations, and to determine the amount of dividends paid to common shareholders.

The provision for taxes with respect to distributable earnings adjusts the GAAP equivalent figure to reflect tax-deductible items including limited partnership unit exchange or conversion, employee loan amortization, and certain other tax deductions taken or expected to be taken.

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 distributable earnings are 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 Pre-tax and Post-Tax Distributable Earnings per Share
BGC's distributable earnings per share calculations assume either that:

- The fully diluted share count includes the shares related to any dilutive instruments, such as the Convertible Senior Notes, but excludes the associated interest 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 interest expense, net of tax.

The share count for distributable earnings excludes shares expected to be issued in future periods but not yet eligible to receive dividends and/or distributions.

DISTRIBUTABLE EARNINGS DEFINED (CONTINUED)

Each quarter, the dividend to BGC's common stockholders is expected to be determined by the Company's Board of Directors with reference a number of factors, including post-tax distributable earnings per fully diluted share. In addition to the Company's quarterly dividend to common stockholders, BGC Partners expects to pay a pro-rata distribution of net income to BGC Holdings founding/working partner and other limited partnership units, as well as to Cantor for its non-controlling interest. The amount of this net income, and therefore of these payments, is expected to be determined using the above definition of pre-tax distributable earnings per share.

Other Matters with Respect to Distributable Earnings
The term "distributable earnings" should not be considered in isolation or as an alternative to GAAP net income (loss). The Company views distributable 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 distributable earnings are not intended to replace the Company's presentation of GAAP financial results. However, management believes that they help provide investors with a clearer understanding of BGC Partners' 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 distributable earnings and the GAAP measures of financial performance should be considered together.

BGC anticipates providing forward-looking quarterly guidance for GAAP revenues and for certain distributable earnings measures from time to time. However, the Company does not anticipate providing a quarterly outlook for other GAAP results. This is because certain GAAP items, which are excluded from distributable earnings, are difficult to forecast with precision before the end of each quarter. The Company therefore believes that it is not possible to forecast quarterly GAAP results or to quantitatively reconcile GAAP results to non-GAAP results 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 and FPUs, 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 non-cash 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.
- Acquisitions, dispositions and/or resolutions of litigation which are fluid and unpredictable in nature.

For more information on this topic, please see certain tables in the most recent BGC financial results press release including "Reconciliation of GAAP Income (Loss) to Distributable Earnings". These tables provide summary reconciliations between pre- and post-tax distributable earnings and the corresponding GAAP measures for the Company.

ADJUSTED EBITDA DEFINED

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

- Interest expense;
- Net income (loss) attributable to noncontrolling interest in subsidiaries;
- Allocations of net income to limited partnership units and FPUs;
- Provision (benefit) for income taxes;
- Non-cash employee loan amortization;
- Non-cash fixed asset depreciation and intangible asset amortization;
- Non-cash impairment charges;
- Non-cash charges relating to grants of exchangeability to limited partnership interests;
- Non-cash charges related to issuance of restricted shares; and
- Non-cash earnings or losses related to BGC’s equity investments.

In addition to the above items, allocations of net income to founding/working partner and other limited partnership units are excluded from calculations of adjusted EBITDA. Such allocations represent the pro-rata portion of pre-tax earnings available to unit holders. These units are in the fully diluted share count and are convertible on a one-to-one basis into common shares. As units are converted to common shares, unit holders become entitled to cash dividends rather than cash distributions. The Company views such distributions as intellectually similar to dividends to 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 not be included when calculating non-GAAP performance measures.

The Company’s management believes that this measure is useful in evaluating BGC’s operating performance compared to that of its peers, because the calculation of adjusted EBITDA 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 these measures 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 adjusted EBITDA is not a recognized measurement under GAAP, investors should use adjusted EBITDA 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 adjusted EBITDA does not consider certain cash requirements, such as tax and debt service payments.

For a reconciliation of adjusted EBITDA to GAAP income (loss) from operations before income taxes, the most comparable financial measure calculated and presented in accordance with GAAP, see the section of this document titled "Reconciliation of GAAP Income (loss) to Adjusted EBITDA.”

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, and Securities owned. 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.

RECONCILIATION OF GAAP INCOME TO ADJUSTED EBITDA

BGC PARTNERS, INC.
Reconciliation of GAAP Income (Loss) to Adjusted EBITDA
(in thousands) (unaudited)

	Q2 2016	Q2 2015
GAAP Net income (loss) available to common stockholders	**$ 15,725**	**$ 9,347**
Add back:		
Provision (benefit) for income taxes	10,548	2,272
Net income (loss) attributable to noncontrolling interest in subsidiaries	4,838	5,670
Employee loan amortization and reserves on employee loans	10,538	11,695
Interest expense	14,624	18,439
Fixed asset depreciation and intangible asset amortization	18,984	23,684
Impairment of fixed assets	1,377	13,195
Exchangeability charges (1)	30,592	25,581
(Gains) losses on equity investments	(500)	(833)
Adjusted EBITDA	**$ 106,726**	**$ 109,050**

(1) Represents non-cash and non-dilutive charges relating to grants of exchangeability to limited partnership units.

BGC PARTNERS, INC.
RECONCILIATION OF GAAP INCOME (LOSS) TO DISTRIBUTABLE EARNINGS

(in thousands, except per share data)

(unaudited)

	Q2 2016	Q2 2015
GAAP income (loss) before income taxes	$ 31,111	$ 17,289
Pre-tax adjustments:		
Non-cash (gains) losses related to equity investments, net	(500)	(833)
Allocations of net income and grant of exchangeability to limited partnership units and FPUs	40,975	26,200
Nasdaq earn-out income (a)	22,882	15,418
(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net	(575)	29,945
Total pre-tax adjustments	62,782	70,730
Pre-tax distributable earnings	**$ 93,893**	**$ 88,019**
GAAP net income (loss) available to common stockholders	$ 15,725	$ 9,347
Allocation of net income (loss) to noncontrolling interest in subsidiaries	5,279	1,575
Total pre-tax adjustments (from above)	62,782	70,730
Income tax adjustment to reflect distributable earnings taxes	(3,724)	(10,931)
Post-tax distributable earnings	**$ 80,062**	**$ 70,721**
Pre-tax distributable earnings per share (b)	$ 0.22	$ 0.24
Post-tax distributable earnings per share (b)	$ 0.19	$ 0.19
Fully diluted weighted-average shares of common stock outstanding	437,257	386,469

Notes and Assumptions

(a) Distributable earnings for Q2 2016 and Q2 2015 includes $22.9 million and $15.4 million, respectively, of adjustments associated with the Nasdaq transaction. For Q2 2016 and Q2 2015 income (loss) related to the Nasdaq earn-out shares were $(1.3) million and $(2.1) million for GAAP and $21.6 million and $13.3 million for distributable earnings, respectively.

(b) On April 1, 2010, BGC Partners issued $150 million in 8.75 percent Convertible Senior Notes due 2015, which matured and were converted into 24.0 million Class A common shares in Q2 2015, and on July 29, 2011, BGC Partners issued $160 million in 4.50 percent Convertible Senior Notes due 2016. The distributable earnings per share calculations for Q2 2016 and Q2 2015 include 16.3 million and 19.7 million shares, respectively, underlying these Notes. The distributable earnings per share calculations exclude the interest expense, net of tax, associated with these Notes.

Note: Certain numbers may not add due to rounding.

BGC PARTNERS, INC.

RECONCILIATION OF FENICS GAAP INCOME BEFORE TAXES TO PRE-TAX DISTRIBUTABLE EARNINGS

(in thousands)

(unaudited)

	Q2 2016	Q2 2015
FENICS GAAP income before income taxes	$ 30,515	$ 25,736
Pre-tax adjustments:		
Grant of exchangeability to limited partnership units	921	531
Amortization of intangible assets	940	940
Total pre-tax adjustments	1,861	1,471
FENICS Pre-tax distributable earnings	**$ 32,376**	**$ 27,207**

BGC PARTNERS, INC.

RECONCILIATION OF FULLY DILUTED WEIGHTED-AVERAGE SHARE COUNT FOR GAAP AND DISTRIBUTABLE EARNINGS

(in thousands)

(unaudited)

	Q2 2016	Q2 2015
Common stock outstanding	275,997	244,862
Limited partnership units	77,885	54,503
Cantor units	50,558	48,783
Founding partner units	14,785	16,836
4.50% Convertible Debt Shares	16,260	-
RSUs	376	944
Other	1,396	846
Fully diluted weighted-average share count GAAP	**437,257**	**366,774**
Distributable Earnings Adjustments:		
8.75% Convertible Debt Shares	-	3,435
4.50% Convertible Debt Shares	-	16,260
Fully diluted weighted-average share count DE	**437,257**	**386,469**

BGC PARTNERS, INC.
LIQUIDITY ANALYSIS
(in thousands)
(unaudited)

	June 30, 2016		December 31, 2015	
Cash and cash equivalents	$	427,558	$	461,207
Securities owned (1)		318,580		32,361
Marketable securities (2) (3)		152,995		532,510
Total	**$**	**899,133**	**$**	**1,026,078**

(1) As of June 30, 2016, Securities owned primarily consists of U.S. Treasury bills.

(2) As of December 31, 2015, $117.9 million of Marketable securities on our balance sheet had been lent out in a Securities Loaned transaction and therefore are not included in this Liquidity Analysis.

(3) The significant decrease in Marketable securities during the six months ended June 30, 2016 was primarily due to selling a portion of our positions in both ICE and Nasdaq.

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