BGC PARTNERS, INC.

NASDAQ: BGCP

General Investor Presentation

3Q 2018

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.

Non-GAAP Financial Measures

This presentation should be read in conjunction with BGC's and Newmark's respective most recent financial results press releases. Throughout this presentation, BGC refers to certain non-GAAP financial measures, including Adjusted Earnings, Adjusted EBITDA and Liquidity. Certain non-GAAP measures are presented for BGC excluding Newmark and for Newmark on a stand-alone basis. 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 Consolidated Results" is a summary of certain GAAP and non-GAAP results for BGC. Segment 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.

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. Excel files with Newmark's quarterly financial results and metrics from the current period and full year 2017 are accessible in the financial results press releases at the "Investor Relations" section of http://www.ngkf.com. They are also available directly at http://ir.ngkf.com/investors/news-releases/financial-and-corporate-releases.

Other Items

BGC's financial results consolidate those of the Company's publicly traded and majority-owned subsidiary, Newmark. Newmark is a leading commercial real estate advisory firm that completed its initial public offering ("IPO") on December 19, 2017, and unless otherwise stated, its results are recorded for the purposes of this document as BGC's "Real Estate Services" segment. Newmark reports its stand-alone results separately.

Newmark Group, Inc. operates as "Newmark Knight Frank", "Newmark", "NKF", or derivations of these names. The discussion of financial results for BGC's Real Estate Services segment reflects only those businesses owned by us or our affiliates and subsidiaries and does not include the results for Knight Frank or for the independently-owned offices that use some variation of the Newmark name in their branding or marketing. Berkeley Point Financial LLC and its wholly owned subsidiary Berkeley Point Capital LLC may together be referred to as "Berkeley Point" or "BPF". For its consolidated results, BGC classifies certain Newmark stand-alone expenses as Corporate Items. BGC calculates certain revenue items slightly differently than Newmark. Accordingly, Newmark's stand-alone revenues and pre-tax earnings will differ in certain respects from those recorded in BGC's Real Estate Services segment. Please see the "Appendix" section of this presentation, including the sections titled "Reconciliation of BGC Real Estate Segment Revenues to Newmark Group, Inc. Stand-Alone for Revenues", "Reconciliation of BGC Real Estate Segment to Newmark Group, Inc. Stand-Alone for GAAP Income (Loss) From Operations before Income Taxes" and "Reconciliation of BGC Real Estate Segment to Newmark Group, Inc. Stand-Alone for Pre-Tax Adjusted Earnings."

These stand-alone results for BGC Partners excluding Newmark Group may be referred to as "post-spin BGC." Post-spin BGC represents what BGC financial results would be had the spin-off of Newmark already occurred. Post-spin BGC can also be defined as the results for BGC's Financial Services segment plus their pro-rata portion of corporate items. See the section titled "Post-spin BGC" at the end of this document.

DISCLAIMER (CONTINUED)

On June 28, 2013, BGC sold its eSpeed business to Nasdaq, Inc. (“Nasdaq”). The purchase consideration consisted of $750 million in cash paid upon closing, plus an expected payment of up to 14.9 million shares of Nasdaq common stock to be paid ratably over 15 years beginning in 2013, assuming that Nasdaq, as a whole, generates at least $25 million in gross revenues each of these years. “Payments” may be used interchangeably with the Nasdaq share “earn-out”. The right to receive the remainder of the Nasdaq payment was transferred from BGC to Newmark prior to the completion of the Newmark IPO. The future value of Nasdaq shares discussed in this presentation is based on the closing price as of August 1, 2018 excluding the portion of the Nasdaq earn-out already monetized. See section titled “Nasdaq Monetization & BGC Bond Deal” later in this presentation.

Consistent with Newmark’s methodology of recognizing income related to the receipt of Nasdaq shares in the third quarter under GAAP, the consolidated Company will record any income and tax obligation related to the Nasdaq earn-out in the third quarters of each year through 2027 for GAAP, Adjusted Earnings, and Adjusted EBITDA. BGC’s consolidated results for Adjusted Earnings have been recast to incorporate this change in Nasdaq earn-out methodology in other income from 2017 onward.

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”). 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.

BGC’s financial statements are presented to include the results of Berkeley Point and Lucera for all periods in this document prior to their acquisitions because these transactions involved reorganizations of entities under common control. On September 8, 2017, BGC acquired Berkeley Point Financial LLC, including its wholly owned subsidiary Berkeley Point Capital LLC. On November 4, 2016, BGC acquired the 80 percent of LFI Holdings LLC (“Lucera”) interests not already owned by the Company.

Throughout this document the term “GSE” may refer to a government-sponsored enterprise such as Fannie Mae or Freddie Mac, “FHA” is used to refer to the Federal Housing Administration.

BGC, BGC Trader, GFI, Fenics, Fenics.com, Capitalab, Swaptioniser, ColleX, Newmark, Grubb & Ellis, ARA, Computerized Facility Integration, Berkeley Point, Landauer, Lucera, Excess Space, and Excess Space Retail Services, Inc. are trademarks/service marks, and/or registered trademarks/service marks of BGC Partners, Inc. and/or its affiliates. Knight Frank is a service mark of Knight Frank (Nominees) Limited.

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. Any such changes would have had no impact on consolidated revenues or earnings for GAAP and would either leave essentially unchanged or increase pre- and post-tax Adjusted Earnings for the prior periods, all else being equal. Certain numbers in the tables throughout this document may not sum due to rounding. Rounding may have also impacted the presentation of certain and year-on-year percentage changes. See the tables towards the end of this document under “Segment Overview” for additional information about both Real Estate Services and Financial Services, as well as about Corporate Items, which are shown separately from the following segment results.

DISCLAIMER (CONTINUED - FOR BGC PARTNERS)

Highlights of Consolidated Results (USD millions)	2Q 2018	2Q 2017	Change
Revenues	$960.1	$848.9	13.1%
GAAP income from operations before income taxes	65.9	94.3	(30.1)%
GAAP net income for fully diluted shares	50.4	81.9	(38.4)%
Pre-tax Adjusted Earnings before noncontrolling interest in subsidiaries and taxes	175.8	134.9	30.3%
Post-tax Adjusted Earnings	144.1	115.7	24.6%
Adjusted EBITDA before allocations to units	217.2	167.6	29.6%

Per Share Results	2Q 2018	2Q 2017	Change
GAAP net income per fully diluted share	$0.10	$0.18	(44.4)%
Post-tax Adjusted Earnings per share	$0.30	$0.26	15.4%

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.

A discussion of GAAP, Adjusted Earnings and Adjusted EBITDA and reconciliations of these items, as well as liquidity, to GAAP results are found later in this document, incorporated by reference, and also in our most recent financial results press release and/or are available at http://ir.bgcpartners.com/Investors/default.aspx.

Note: U.S. Generally Accepted Accounting Principles is referred to as "GAAP".
Adjusted Earnings were formerly referred to as Distributable Earnings.
See the section titled "Non-GAAP Financial Measures" on page 2.

DISCLAIMER (FOR NEWMARK GROUP)

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. Any such changes would have had no impact on consolidated revenues or earnings for GAAP and would either leave essentially unchanged or increase pre- and post-tax Adjusted Earnings for the prior periods, all else being equal. Certain numbers in the tables throughout this document may not sum due to rounding. Rounding may have also impacted the presentation of certain and year-on-year percentage changes.

Newmark, Grubb & Ellis, ARA, Computerized Facility Integration, Landauer, Excess Space Retail Services, Inc., and Berkeley Point are trademarks/service marks, and/or registered trademarks/service marks and/or service marks of Newmark Group, Inc. and/or its affiliates. Knight Frank is a service mark of Knight Frank (Nominees) Limited.

Adjusted Earnings and Adjusted EBITDA

This presentation should be read in conjunction with Newmark's most recent financial results press releases. Unless otherwise stated, throughout this document Newmark refers to its income statement results only on an Adjusted Earnings basis. Newmark may also refer to "Adjusted EBITDA". For a complete and revised description of these non-GAAP terms and how, when, and why management uses them, see the "Adjusted Earnings Defined" and "Adjusted EBITDA Defined" pages of this presentation. For both this description and reconciliations to GAAP, as well as for more information regarding GAAP results, see Newmark's most recent financial results press release, including the sections called "Adjusted Earnings Defined", "Differences Between Consolidated Results for Adjusted Earnings and GAAP", "Reconciliation of GAAP Income (Loss) to Adjusted Earnings", Adjusted EBITDA Defined", and "Reconciliation of GAAP Income (Loss) to Adjusted EBITDA". These reconciliations can be found in the "Appendix" section of this presentation. Below is a summary of certain GAAP and non-GAAP results for Newmark.

Highlights of Consolidated Results (USD millions)	2Q18	2Q17	Change	YTD 18	YTD 17	Change
Revenues	$466.6	$405.1	15.2%	$897.1	$737.7	21.6%
GAAP income before income taxes and noncontrolling interests	15.1	56.6	(73.3)%	54.5	93.6	(41.7)%
GAAP net income (loss) for fully diluted shares	0.7	N/A	N/A	32.8	N/A	N/A
Pre-tax Adjusted Earnings before noncontrolling interest in subsidiaries and taxes	75.5	59.0	27.9%	139.2	93.8	48.4%
Post-tax Adjusted Earnings to fully diluted shareholders	65.3	48.4	34.9%	119.6	76.6	56.2%
Adjusted EBITDA	94.5	64.9	45.6%	169.5	107.4	57.8%
Adjusted EBITDA before allocations to units	99.2	71.1	39.5%	178.3	118.3	50.8%

Per Share Results	2Q18	2Q17	Change	YTD 18	YTD 17	Change
GAAP net income (loss) per fully diluted share	$0.00	N/A	N/A	$0.13	N/A	N/A
Post-tax Adjusted Earnings per share	0.25	0.21	19.0%	0.47	0.34	38.2%

A discussion of GAAP, Adjusted Earnings and Adjusted EBITDA and reconciliations of these items, as well as liquidity, to GAAP results are found later in this document, incorporated by reference, and also in our most recent financial results press release and/or are available at http://ir.ngkf.com/investors/investors-home/default.aspx

Liquidity Defined

Newmark may also use 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. The Company 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.

GENERAL OVERVIEW

SOLID FINANCIAL SERVICES BUSINESS WITH SIGNIFICANT OPPORTUNITIES

- Intermediary-oriented, low-risk business model
- Strong track record of accretive acquisitions and profitable hiring
- Diversified revenues by geography & product
- Dividend of $0.18 per share, for a 6.0% qualified dividend yield[1]
- 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 for FS business
- Attractive industry dynamics for Commercial Real Estate Services
- Spin-off of public subsidiary Newmark Group targeted for completion by year-end 2018
- Stand-alone, post-spin BGCP earnings and revenue growth expected to continue

1. Yield based on September 14, 2018 closing price of BGCP.

CONSOLIDATED FIRM, 2 COMPANIES, MANY BUSINESSES

Financial Services (BGCP)

Voice/Hybrid

- Key products include:
  - Rates
  - Foreign Exchange ("FX")
  - Credit
  - Energy & Commodities
  - Equities
  - Insurance
- 2,465 brokers & salespeople (across entire financial services segment)
- Average revenue per broker up 17% YoY in 1H 2018
- In 50+ cities

TTM 2Q 2018
Revenues = $1,532 MM

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

TTM 2Q 2018
Revenues = $303 MM

Real Estate Services (NMRK)

Commercial Real Estate

- Brokerage & Financing Services:
  - Leasing
  - Investment Sales
  - Commercial Mortgage Brokerage
  - GSE and FHA Multifamily Lending
  - Loan Servicing
- Other Services:
  - Global Corporate Services (consulting)
  - Valuation & Appraisal
  - Property & Facilities Management
  - Due Diligence
  - CRE Data &Technology
- 1,569 brokers & salespeople
- Average revenue per broker up 5% YoY in 1H 2018
- Over 120 offices

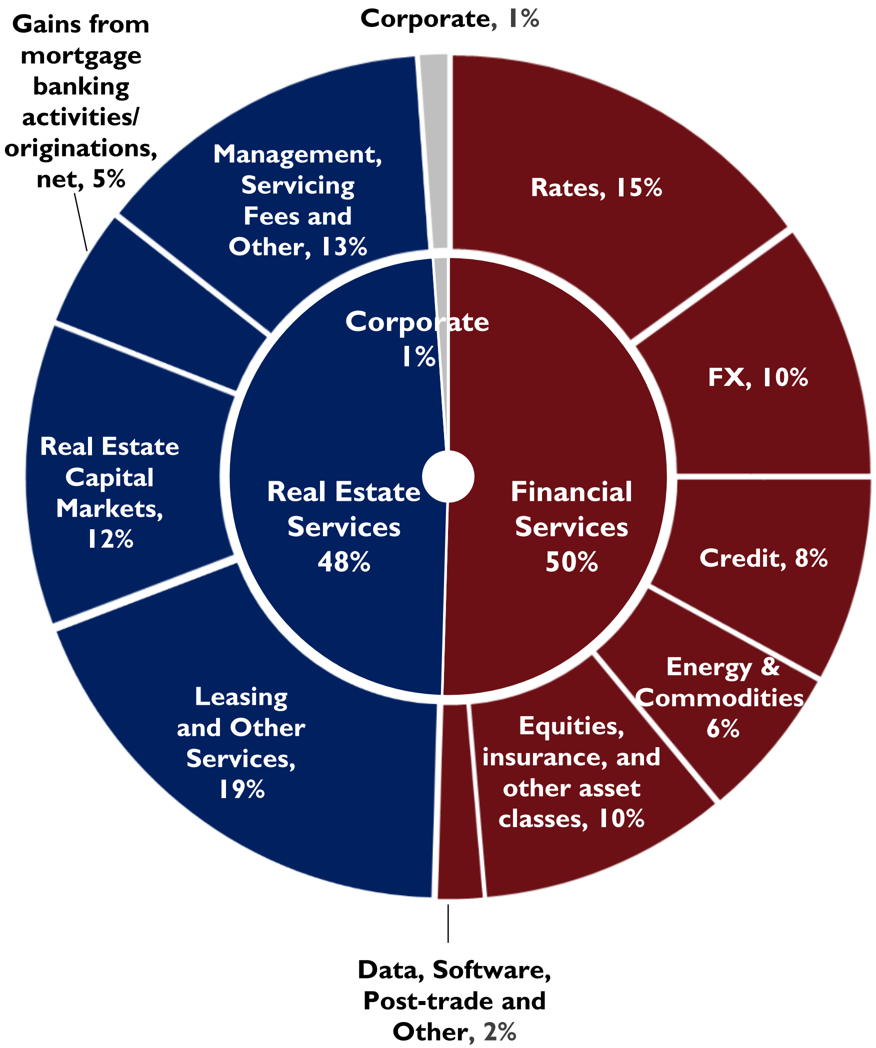
TTM 2Q 2018
Revenues = $1,762 MM

- Spin-off of Real Estate Services (NMRK) targeted for completion by year-end 2018

Note: In addition to the results shown above, BGC's consolidated TTM 2Q 2018 results also include Corporate revenues of $40.4 million not shown above. Fenics revenues include data, software, and post-trade (inter-company) revenues of $60.5 million for TTM 2Q 2018, which are eliminated upon consolidation.

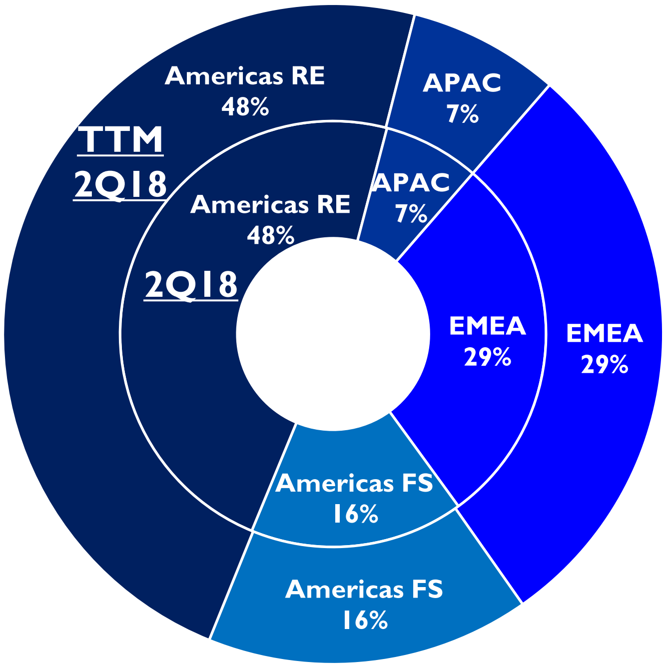
REVENUE BREAKDOWN

TTM 2Q18 Segment Revenue Breakdown



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

TTM 2Q18 & 2Q 2018 Global Revenue Breakdown

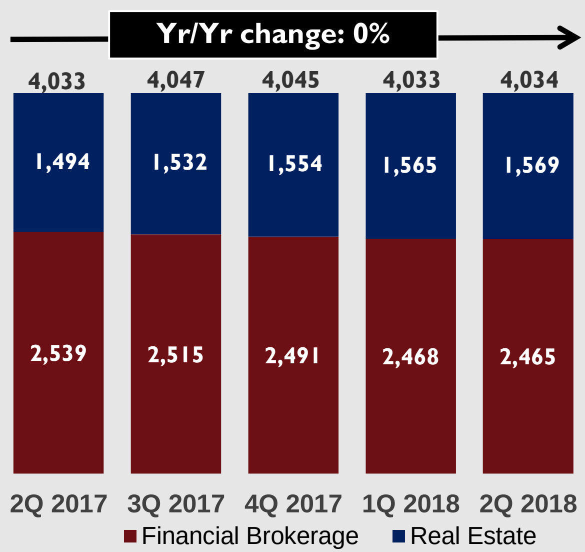


- Total Americas revenue up 15% and 11% in TTM 2Q 2018 and 2Q 2018, respectively
- Europe, Middle East & Africa revenue up 19% and 16% in TTM 2Q 2018 and 2Q 2018, respectively
- Asia Pacific revenue up 18% and 20% in TTM 2Q 2018 and 2Q 2018, respectively

BGC'S FRONT OFFICE HEADCOUNT & PRODUCTIVITY

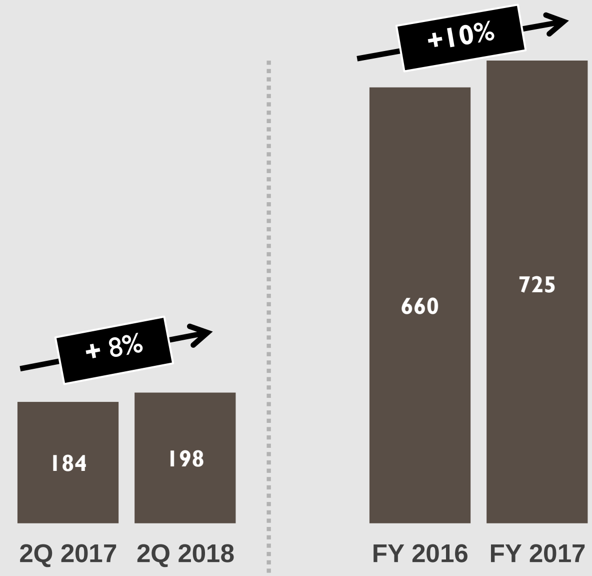
FRONT OFFICE HEADCOUNT

(as of period-end)



FRONT OFFICE PRODUCTIVITY

(period-average, USD Thousands)



- Financial Services average revenue per front office employee was $194,000 in 2Q 2018, up 15%, and $401,000 in 1H18, up 17%
- Real Estate Services average revenue front office employee was $205,000 in 2Q 2018, down 2%, and $397,000 in 1H18, up 5%

Note: The Real Estate Services productivity figures are based on revenues from "leasing and other", "real estate capital markets", and "Gains from mortgage banking activities/originations, net". The productivity figures exclude both revenues and 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. 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.

BGC PARTNERS, INC.

Overview

FINANCIAL SERVICES

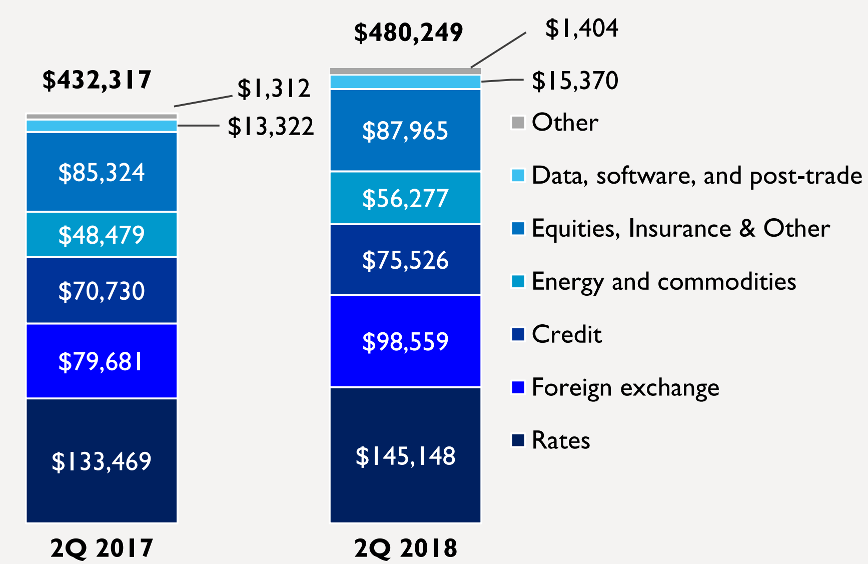
BUSINESS OVERVIEW: FINANCIAL SERVICES SEGMENT (2Q 2018)

Highlights

- Total revenues increased 11% YoY
  - Double-digit percentage increase in brokerage revenues across foreign exchange, and energy and commodities revenues
  - YoY growth in every asset class across voice/hybrid
- Pre-tax Adjusted Earnings increased approximately 24% YoY (as a segment)
- Pre-tax margin at 24%, more than 240 basis points higher YoY

2Q 2018 Revenue Breakdown

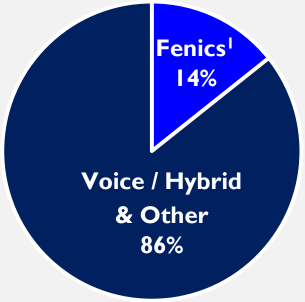
(USD $000s)



Drivers

- Increased activity across rates, foreign exchange, and energy and commodities
- Growth in revenues across all assets classes was virtually entirely organic
- YoY growth in every asset class in Financial Services across both voice/hybrid and Fenics

2Q 2018 Revenue Breakdown

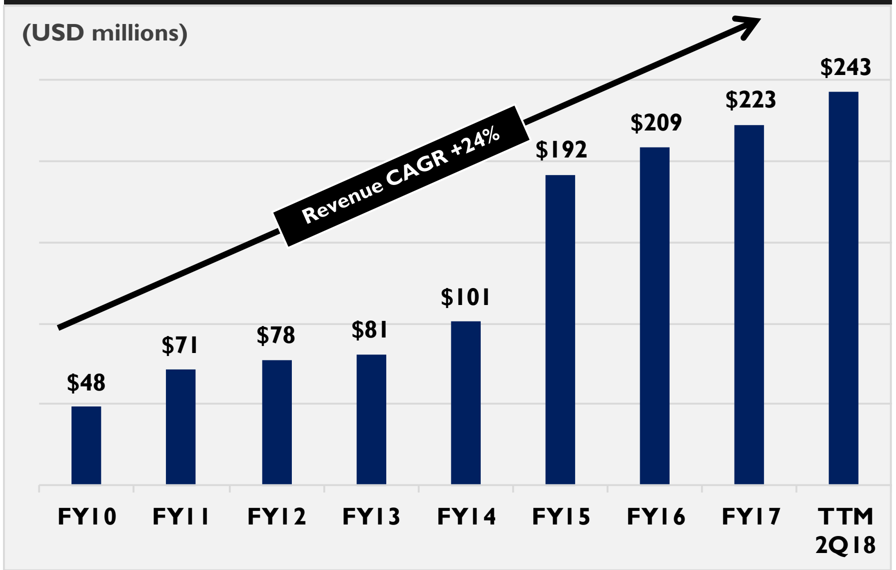


1. Data, software, and post-trade excludes inter-company revenues.

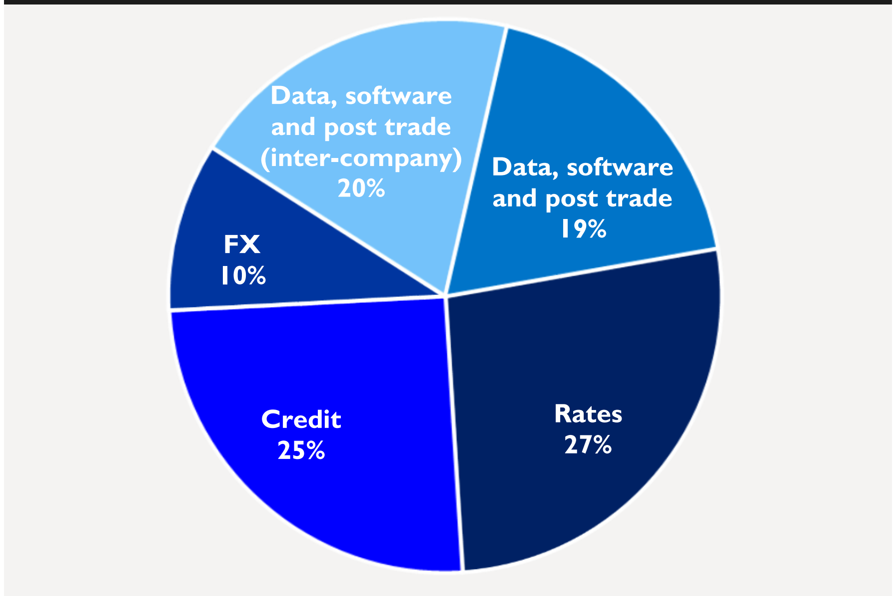
Note: See the section titled "Non-GAAP Financial Measures" on page 2.

BUSINESS OVERVIEW: FENICS

Fenics Net Revenue Growth[1]



2Q 2018 Fenics Revenue Breakdown[2]



- Overall Fenics revenues up 19%[3]; Fenics brokerage revenues increased 20% year-over-year in 2Q 2018
- Fenics revenues comprised record 14% of total Financial Services revenues versus approximately 4% in 2010 (net of inter-company eliminations)
- Data, software and post-trade revenues up 15% to $15 million (quarterly)
- Double digit percentage revenue growth across rates, credit and foreign exchange

1. Excludes inter-company revenues and revenues related to eSpeed (sold in June 2013), and revenues related to Trayport (sold in December 2015). Results shown by segment or business exclude revenues, earnings and/or losses associated with Corporate items.
2. Excludes a de minimis amount of revenues related to equities and other products and energy and commodities
3. Includes inter-company revenues.

STRONG RECORD OF SUCCESSFUL, ACCRETIVE ACQUISITIONS: FINANCIAL SERVICES

2005 - 2010

8 Financial Services 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

Emerging Markets Bond Exchange Ltd

- Electronic trading

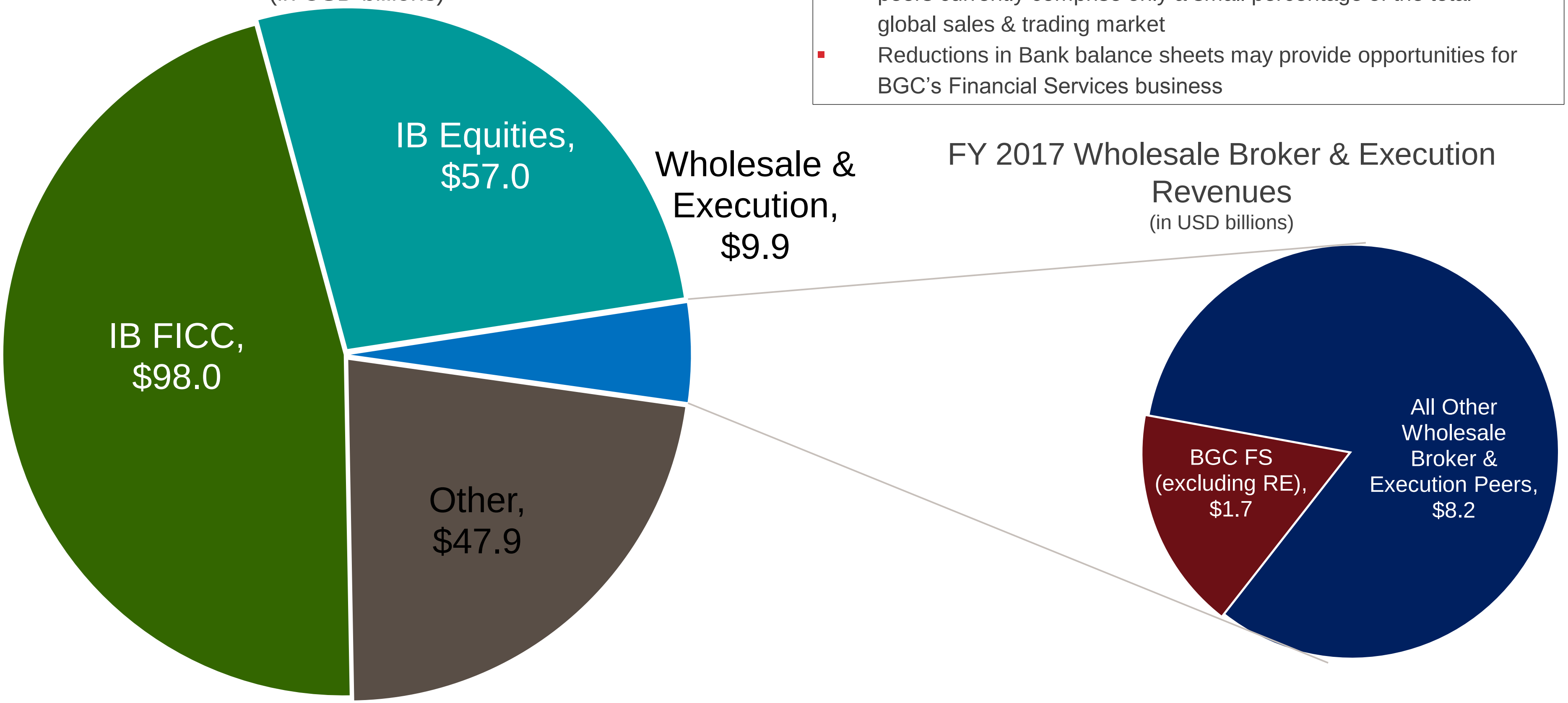
1. BGC acquired the rights of these businesses

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

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

- 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 Financial Services business

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

SELECT FINANCIAL RESULTS OF POST-SPIN BGC

(USD millions)

Financial Results Highlights of post-spin BGC (USD millions, except per share data)	6MTD 2018	6MTD 2017	Change (%)	FY 2017	FY 2016	Change (%)
Revenues	$1,015.8	$891.9	13.9%	$1,751.0	$1,554.3	12.7%
Pre-tax Adjusted Earnings before non-controlling interest in subsidiaries and taxes	221.5	160.6	37.9%	299.6	293.3	2.1%
Pre-tax Adjusted Earnings - Excluding Nasdaq payment [1]	221.5	160.6	37.9%	299.6	226.3	32.4%
Adjusted EBITDA before allocations to units	281.1	214.0	31.4%	371.1	417.6	-11.1%
Adjusted EBITDA before allocations to units - Excluding Nasdaq payment [1]	281.1	214.0	31.4%	371.1	350.6	5.8%
Pre-tax Adjusted Earnings margin	21.8%	18.0%		17.1%	18.9%	
Pre-tax Adjusted Earnings margin - Excluding Nasdaq payment [1]	21.8%	18.0%		17.1%	14.6%	

- Pre-tax Adjusted Earnings and Adjusted EBITDA for post-spin BGC increased 37.9% and 31.4%, respectively, in the 6MTD 2018 on a year-over-year basis
- Adjusted Earnings total compensation and employee benefits (as a percentage of revenues) was approximately 2pp lower for post-spin BGC in the 6MTD 2018 compared to the year ago period

1. FY 2016 includes Nasdaq payment of $67.0 million in Adjusted Earnings and Adjusted EBITDA, which is no longer reflected in the Financial Services segment for FY 2017.

Note: These stand-alone results for BGC Partners excluding Newmark Group may be referred to as "post-spin BGC." Post-spin BGC represents what BGC financial results would be had the spin-off of Newmark already occurred. Post-spin BGC can also be defined as the results for BGC's Financial Services segment plus their pro-rata portion of corporate items.
See the sections titled "Non-GAAP Financial Measures" on page 2 and "Post-spin BGC" at the end of this document.

DIVIDEND AND IMPLIED DIVIDEND YIELD OF POST-SPIN

Post-spin BGC Dividend and Dividend Yield Using Distribution Ratio of 0.4647 (for illustrative purposes only)

BGCP stock price	$11.93
NMRK stock price	$11.52
Distribution ratio of NMRK shares per BGCP share	0.4647
Implied stock price of NMRK (using distribution ratio)	$5.35
Implied stock price of BGCP	$6.58
Post-spin BGC 2018 implied dividend	at least $0.50
Post-spin BGC implied dividend yield	at least 8%

Note: Prices are as of September 14, 2018

Assumes distribution ratio of 0.4647 which may change before the spin-off

Based on BGC's outlook dated August 2, 2018*

* BGC has not updated its dividend outlook dated August 2, 2018.

- Given BGC's dividend policy of paying out at least 75 percent of post-tax Adjusted Earnings per share and based on BGC's outlook dated August 2, 2018*, post-spin BGC would have paid full year dividends of at least 50 cents per share in 2018 had the spin-off already occurred, which results in post-spin BGC having a dividend yield of at least 8%

* BGC has not updated its dividend outlook dated August 2, 2018.

Note: "These stand-alone results for BGC Partners excluding Newmark Group and the Nasdaq earn-out may be referred to as "post-spin BGC." Post-spin BGC represents what BGC results would be had the spin-off of Newmark already occurred. Post-spin BGC can also be defined as the results for BGC's Financial Services segment plus their pro-rata portion of corporate items, less the Nasdaq payments for any prior period. See the sections titled "Non-GAAP Financial Measures" and "Post-spin BGC" elsewhere this document.

Please see section on Dividend Policies towards the end of this document for more information.

BGC PARTNERS, INC.

Newmark Cornish & Carey | NEWMARK | ARA A Newmark Company | berkeley point

Overview

NEWMARK

BUSINESS OVERVIEW: NEWMARK HIGHLIGHTS

- Newmark Group, Inc. revenues increased by 22% YoY in 1H 2018
- Newmark Group, Inc. Pre-tax Adjusted Earnings increased by 48% in 1H 2018
- Newmark Group, Inc. Adjusted EBITDA before allocations to units increased by 51% in 1H 2018
- Details regarding Newmark stand-alone results are contained in its financial results press release and investor presentation for the second quarter and first half of 2018 (accessible at http://ir.ngkf.com)
- Results shown by segment or business exclude revenues, earnings and/or losses associated with Corporate items. Newmark' Group's stand-alone revenues and earnings will therefore differ in certain respects from those recorded in BGC's Real Estate Services segment. Please see tables later in this presentation[1]

1. Please see tables "Reconciliation of BGC Real Estate Segment to Newmark Group, Inc. Stand-Alone for Revenues", "Reconciliation of BGC Real Estate Segment to Newmark Group, Inc. Stand-Alone for GAAP Income (Loss) From Operations before Income Taxes" and "Reconciliation of BGC Real Estate Segment to Newmark Group, Inc. Stand-Alone for Pre-Tax Adjusted Earnings" later in BGC's financial results presentations for 1Q2018 and for 2Q2018, which can be found at BGC's investor relations website: http://ir.bgcpartners.com.

BROAD SERVICE OFFERING AND HIGHEST GROWTH IN US CRE SECTOR

Business Line	NEWMARK[1]	CBRE	JLL	C&W	Colliers	HFF	Walker & Dunlop	Marcus & Millichap
Leasing	✓	✓	✓	✓	✓			
Investment Sales & Mortgage Brokerage	✓	✓	✓	✓	✓	✓	✓	✓
Multifamily lending (GSE and FHA)	✓	✓	✓			✓	✓	
Servicing	✓	✓	✓			✓	✓	
Property & Facility Management	✓	✓	✓	✓	✓			
Advisory & Consulting	✓	✓	✓	✓	✓	✓		
Appraisal	✓	✓	✓	✓	✓			
Property & Development Services	✓	✓	✓	✓	✓			
Non-Agency Lending	✓							
Investment Management		✓	✓		✓		✓	
Historical Revenue CAGR[2]	**38%**	**16%**	**14%**	**13%**	**15%**	**16%**	**29%**	**17%**

Source: Public filings

1. Includes Newmark's 27% interest in the commercial real estate-related limited partnership between the Company and Cantor
2. Newmark's unaudited 2011 revenues are based on full year 2011 revenues for Newmark & Co. Except for C&W, revenue CAGRs are based on global revenues reported for FY 2011 and FY 2017. C&W's revenue CAGR is based on gross revenue for FY 2017 and gross revenue for 2011 as reported by UGL Limited for DTZ and by EXOR S.p.A. for C&W Group

Note: The peers are CBRE Group, Inc. (CBRE), Jones Lang LaSalle Incorporated (JLL), Cushman & Wakefield plc (C&W), Colliers International Group Inc. (Colliers), HFF, Inc. (HFF), Walker & Dunlop, Inc. (Walker & Dunlop), and Marcus & Millichap, Inc. (Marcus & Millichap). All revenues figures on this page are based on those reported prior to any restatements related to ASC 606

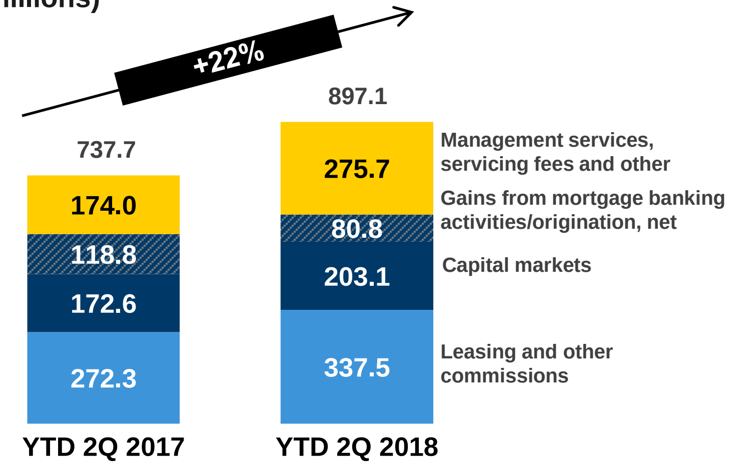
YTD 2Q 2018 REVENUE PERFORMANCE

Highlights

- YTD 2Q 2018 management services, servicing fees and other increased 58% YoY[1]
- YTD 2Q 2018 leasing and other commissions revenue increased 24% YoY
- YTD 2Q 2018 capital markets revenue increased 18% YoY

YTD 2Q 2018 Revenue Growth

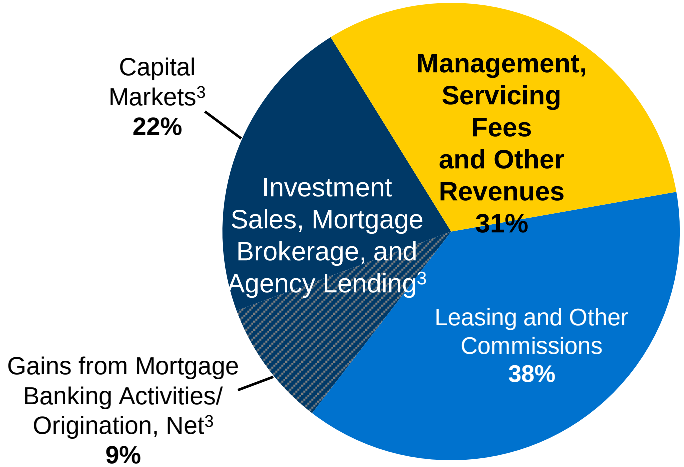
(US$ millions)



Drivers

- Over 85% of revenue growth was organic
- Strong revenue growth from leasing, Valuation & Advisory, and Global Corporate Services
- Investment sales outpacing comparable industry metrics
- Commercial real estate fundamentals remain strong

YTD 2Q 2018 Revenue Composition



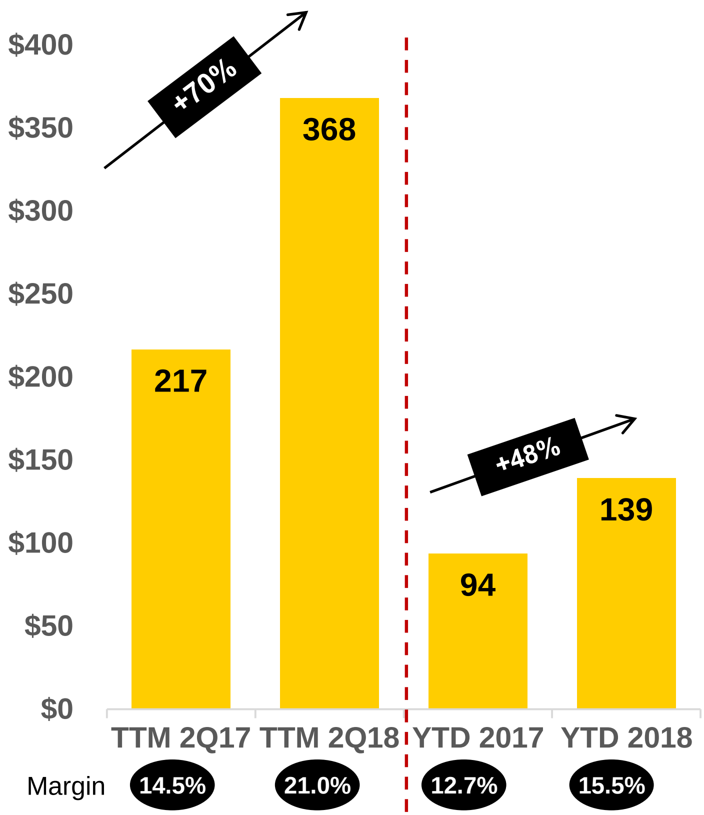
1. Excluding additional pass-through revenue related to ASC 606, these revenues would have increased 34%
2. Sources: CoStar and/or Newmark Research
3. Investment sales, mortgage brokerage, and agency lending revenues represents two separate line items: 1) real estate capital markets (which consists of investment sales and mortgage brokerage), and 2) Gains from mortgage banking activities/origination, net (referred to here as "agency lending")

NEWMARK

ADJUSTED EARNINGS & ADJUSTED EBITDA PERFORMANCE

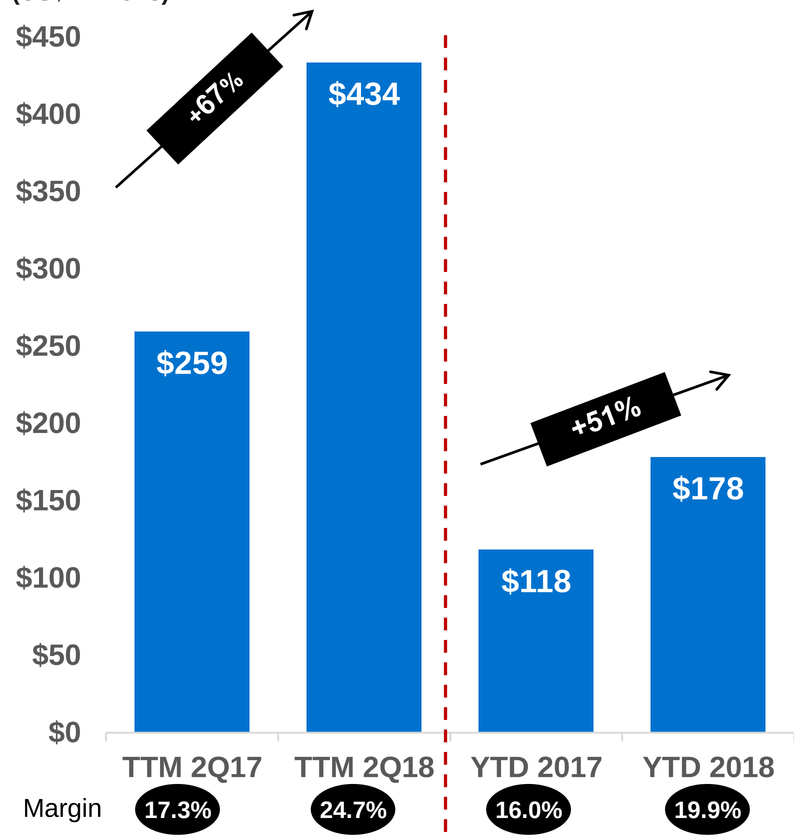
Pre-tax Adjusted Earnings[1]

(US$ millions)



Adjusted EBITDA before allocations to units[1]

(US$ millions)



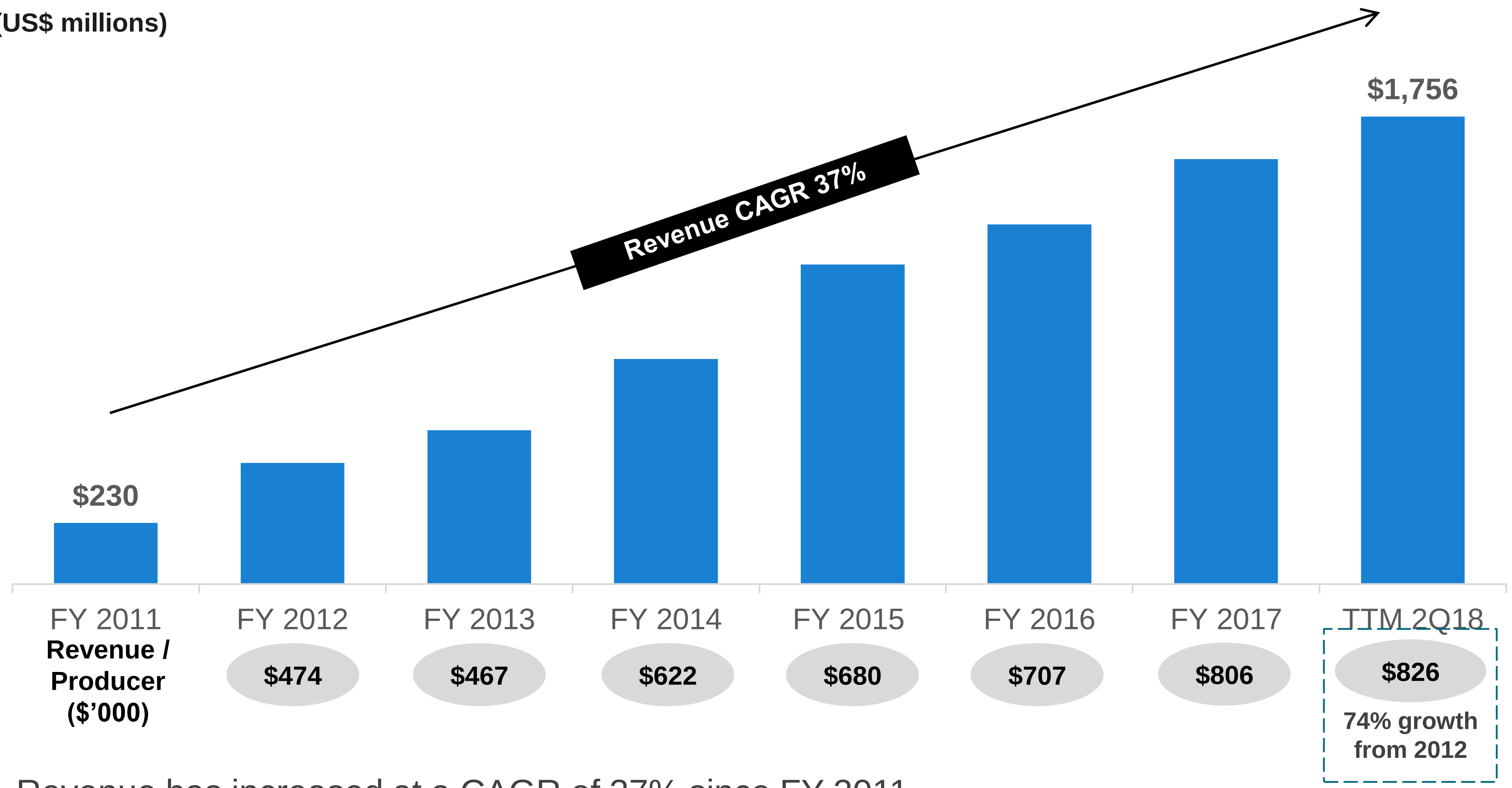
1. TTM 2Q18 includes other income related to the Nasdaq shares of $79.3 million. Excluding this income, TTM 2Q18 pre-tax Adjusted Earnings and TTM 2Q18 Adjusted EBITDA would have been up approximately 33% and 37%, while TTM 2Q18 pre-tax Adjusted Earnings margin and TTM 2Q18 Adjusted EBITDA margin would have been 16.5% and 20.2%, respectively

NEWMARK

LONG-TERM REVENUE AND PRODUCTIVITY GROWTH

Newmark Revenues[1]

(US$ millions)



- Revenue has increased at a CAGR of 37% since FY 2011
- Revenue per producer increased at a CAGR of 11% from FY 2012 to TTM 2Q18

1. Based on revenues reported for BGC's Real Estate Services segment for FY 2012, FY 2013, and FY 2014. FY 2011 revenues are based on unaudited full year 2011 revenues for Newmark & Co. Includes Berkeley Point revenues for FY 2014 onwards

NEWMARK

SUCCESSFUL TRACK RECORD OF ACCRETIVE ACQUISITIONS

2011

Newmark Knight Frank

2012

2 Acquisitions

- Frederick Ross
- Smith Mack

Grubb & Ellis

2013

2014

18 Acquisitions

- Cornish & Carey Commercial
- Apartment Realty Advisors (ARA)[1]

2015

4 Acquisitions

- Excess Space
- Computerized Facility Integration
- Cincinnati Commercial Real Estate
- Steffner Commercial Real Estate d/b/a Newmark Grubb Memphis

2016

5 Acquisitions

- The CRE Group
- Rudesill-Pera Multifamily
- Continental Realty
- Newmark Grubb Mexico City
- Walchle Lear

2017

9 Acquisitions

- Berkeley Point Financial
- Regency Capital Partners
- Spring11
- 6 former Integra Realty Resources offices

2018

6 Acquisitions

- 4 former Integra Realty Resources offices
- RKF
- Jackson Cooksey

› In addition to growth through acquisition, over 40% of Newmark's growth since 2011 has been organic

Note: Certain of these acquisitions involved only the purchase of assets

1. Included 17 transactions not all of which were in 2014 with some completed after that year

NEWMARK

GLOBAL CRE SERVICES MARKET OPPORTUNITY

MASSIVE POTENTIAL GLOBAL MARKET FOR BROKERAGE AND SERVICES

Large and Highly Fragmented Market

The Top 6 CRE Brokerage & Services Firms 2017 Market Share <15%

1. Represents actual revenues earned by global commercial real estate services firms as well as potential revenues from outsourcing opportunities

Sources: IBIS World, Bloomberg, public filings, CoStar and Newmark Knight Frank research. Top 6 CRE Brokerage and Services Companies as measured by FY17 global revenue prior to any restatements related to ASC 606: Newmark, CBRE (fee-revenue), JLL (fee-revenue), Colliers, Savills, Cushman & Wakefield (fee-revenue)

Note: Chart has not been shown to scale

NEWMARK

CONCLUSION

NMRK INTENDS TO COMPLETE SPIN-OFF FROM BGCP BY YEAR-END 2018

- NMRK continues to make progress towards the planned spin-off, which BGCP and NMRK intend to complete by the end of 2018.
- Newmark Group is working with the rating agencies to obtain its own credit rating and believes that it is well-positioned to be investment grade.
- Having its own credit rating will better enable Newmark Group to refinance its long-term debt at an attractive interest rate.
- Separation from BGCP is required in order for the spin-off to be tax-free for BGCP shareholders.
- Had the spin-off occurred immediately following the close of 2Q2018, the ratio of Newmark common shares to be distributed in respect of each BGCP common share would have been approximately 0.4647. BGCP owns 59% of Newmark's 258.9 million fully diluted shares as of June 30, 2018.
- Had the spin-off occurred as of this same date, NMRK's Class A float would have increased from approximately 23MM shares to 148MM.

Note: The total number of Class A shares would have increased to approximately 160MM in this hypothetical scenario. The float includes only Class A common shares not owned by Cantor or by executives and Directors of Newmark Group. See also the sections of this document titled "BGC'S Fully Diluted Share Count Summary as of June 30, 2018" and "Proposed Spin-Off of Newmark".

SOLID FINANCIAL SERVICES BUSINESS WITH SIGNIFICANT OPPORTUNITIES

- Intermediary-oriented, low-risk business model
- Strong track record of accretive acquisitions and profitable hiring
- Diversified revenues by geography & product
- Dividend of $0.18 per share, for a 6.0% qualified dividend yield[1]
- 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 for FS business
- Attractive industry dynamics for Commercial Real Estate Services
- Spin-off of public subsidiary Newmark Group targeted for completion by year-end 2018
- Stand-alone, post-spin BGCP earnings and revenue growth expected to continue

1. Yield based on September 14, 2018 closing price of BGCP.

BGC PARTNERS, INC.

GAAP FINANCIAL RESULTS

SELECT CONSOLIDATED GAAP FINANCIAL RESULTS

Highlights of Consolidated GAAP Results (USD millions, except per share data)	2Q 2018	2Q 2017	Change (%)
Revenues under both U.S. Generally Accepted Accounting Principles ("GAAP") and Adjusted Earnings	$960.1	$848.9	13.1%
Income from operations before income taxes	65.9	94.3	-30.1%
Net income for fully diluted shares	50.4	81.9	-38.4%
Net income per fully diluted share	0.10	0.18	-44.4%
Pre-tax earnings margin	6.9%	11.1%	
Post-tax earnings margin	5.3%	9.6%	

BGC PARTNERS, INC. CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

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

	June 30, 2018	December 31, 2017
Assets		
Cash and cash equivalents	$ 398,469	$ 634,333
Cash segregated under regulatory requirements	423,556	162,457
Securities owned	57,414	33,007
Marketable securities	78,109	208,176
Loans held for sale, at fair value	547,968	362,635
Receivables from broker-dealers, clearing organizations, customers and related broker-dealers	1,731,288	745,402
Mortgage servicing rights, net	392,040	392,626
Accrued commissions and other receivables, net	798,848	620,039
Loans, forgivable loans and other receivables from employees and partners, net	409,553	335,734
Fixed assets, net	210,462	189,347
Investments	167,759	141,788
Goodwill	946,855	945,582
Other intangible assets, net	298,109	311,021
Receivables from related parties	6,602	3,739
Other assets	381,641	343,826
Total assets	$ 6,848,673	$ 5,429,712
Liabilities, Redeemable Partnership Interest, and Equity		
Short-term borrowings	$ 5,187	$ 6,046
Short-term borrowings to related parties	130,000	-
Repurchase agreements	3,108	-
Securities loaned	77,504	202,343
Warehouse notes payable	540,571	360,440
Accrued compensation	471,329	432,733
Payables to broker-dealers, clearing organizations, customers and related broker-dealers	1,516,934	607,580
Payables to related parties	77,620	40,988
Accounts payable, accrued and other liabilities	1,022,681	942,917
Notes payable and other borrowings	1,289,269	1,650,509
Total liabilities	5,134,203	4,243,556
Redeemable partnership interest	47,116	46,415
Equity		
Stockholders' equity:		
Class A common stock, par value $0.01 per share; 750,000 shares authorized; 341,030 and 306,218 shares issued at June 30, 2018 and December 31, 2017, respectively; and 290,910 and 256,968 shares outstanding at June 30, 2018 and December 31, 2017, respectively	3,410	3,063
Class B common stock, par value $0.01 per share; 150,000 shares authorized; 34,848 shares issued and outstanding at June 30, 2018 and December 31, 2017, convertible into Class A common stock	348	348
Additional paid-in capital	2,104,898	1,763,371
Contingent Class A common stock	36,352	40,472
Treasury stock, at cost: 50,120 and 49,250 shares of Class A common stock at June 30, 2018 and December 31, 2017, respectively	(312,909)	(303,873)
Retained deficit	(860,107)	(859,009)
Accumulated other comprehensive income (loss)	(19,374)	(10,486)
Total stockholders' equity	952,618	633,886
Noncontrolling interest in subsidiaries	714,736	505,855
Total equity	1,667,354	1,139,741
Total liabilities, redeemable partnership interest and equity	$ 6,848,673	$ 5,429,712

BGC PARTNERS, INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Revenues:				
Commissions	$ 658,320	$ 577,172	$ 1,326,919	$ 1,122,892
Principal transactions	84,988	80,360	176,906	166,103
Total brokerage revenues	743,308	657,532	1,503,825	1,288,995
Gains from mortgage banking activities/originations, net	41,878	73,547	80,792	118,808
Real estate management and other services	107,121	51,589	203,999	102,219
Servicing fees	32,333	26,840	61,259	51,672
Fees from related parties	6,271	6,018	12,861	12,956
Data, software and post-trade	15,370	13,322	30,469	26,409
Interest income	12,366	19,177	21,114	29,183
Other revenues	1,429	876	2,403	1,852
Total revenues	960,076	848,901	1,916,722	1,632,094
Expenses:				
Compensation and employee benefits	524,030	482,353	1,058,841	942,984
Allocations of net income and grant of exchangeability to limited partnership units and FPUs	106,545	50,237	171,777	113,430
Total compensation and employee benefits	630,575	532,590	1,230,618	1,056,414
Occupancy and equipment	52,428	50,311	107,212	101,140
Fees to related parties	9,887	5,519	17,651	12,009
Professional and consulting fees	26,918	22,891	52,999	44,561
Communications	34,143	32,353	68,993	64,526
Selling and promotion	32,900	30,034	62,749	54,675
Commissions and floor brokerage	15,623	10,476	29,718	20,906
Interest expense	27,441	26,490	54,579	45,253
Other expenses	66,307	50,269	134,898	92,662
Total non-compensation expenses	265,647	228,343	528,799	435,732
Total expenses	896,222	760,933	1,759,417	1,492,146
Other income (losses), net:				
Gain (loss) on divestiture and sale of investments	-	-	-	557
Gains (losses) on equity method investments	2,854	1,602	8,655	1,839
Other income (loss)	(810)	4,713	33,132	9,733
Total other income (losses), net	2,044	6,315	41,787	12,129
Income (loss) from operations before income taxes	65,898	94,283	199,092	152,077
Provision (benefit) for income taxes	15,908	16,552	51,671	23,230
Consolidated net income (loss)	$ 49,990	$ 77,731	$ 147,421	$ 128,847
Less: Net income (loss) attributable to noncontrolling interest in subsidiaries	14,787	24,811	53,444	39,102
Net income (loss) available to common stockholders	$ 35,203	$ 52,920	$ 93,977	$ 89,745
Per share data:				
Basic earnings per share				
Net income (loss) available to common stockholders (1)	$ 35,039	$ 52,920	$ 93,813	$ 89,745
Basic earnings (loss) per share	$ 0.11	$ 0.18	$ 0.30	$ 0.31
Basic weighted-average shares of common stock outstanding	321,199	286,840	314,501	285,129
Fully diluted earnings per share				
Net income (loss) for fully diluted shares	$ 50,445	$ 81,872	$ 139,202	$ 138,506
Fully diluted earnings (loss) per share	$ 0.10	$ 0.18	$ 0.29	$ 0.31
Fully diluted weighted-average shares of common stock outstanding	481,461	451,857	480,193	448,347
Dividends declared per share of common stock	$ 0.18	$ 0.18	$ 0.36	$ 0.34
Dividends declared and paid per share of common stock	$ 0.18	$ 0.18	$ 0.36	$ 0.34

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
Revenues:	**2018**	**2017**	**2018**	**2017**
Commissions	279,833	239,848	540,568	444,806
Gains from mortgage banking activities/originations, net	41,877	73,546	80,791	118,808
Management services, servicing fees and other	144,909	91,677	275,720	174,039
Total revenues	466,619	405,071	897,079	737,653
Expenses:				
Compensation and employee benefits	268,980	238,518	521,675	453,663
Allocations of net income and grant of exchangeability to limited partnership units	65,026	23,851	90,835	34,500
Total compensation and employee benefits	334,006	262,369	612,510	488,163
Operating, administrative and other	80,048	59,404	155,475	106,786
Fees to related parties	6,301	4,167	13,195	8,885
Depreciation and amortization	20,201	23,218	42,714	41,455
Total non-compensation expenses	106,550	86,789	211,384	157,126
Total operating expenses	440,556	349,158	823,894	645,289
Other income (losses), net:				
Other income (loss)	(365)	(715)	5,342	(1,308)
Total other income (losses), net	(365)	(715)	5,342	(1,308)
Income (loss) from operations	25,698	55,198	78,527	91,056
Interest (income) expense , net	(10,582)	1,381	(23,991)	2,515
Income before income taxes and noncontrolling interests	15,116	56,579	54,536	93,571
Provision (benefit) for income taxes	10,822	1,422	17,755	1,407
Consolidated net income (loss)	$ 4,294	$ 55,157	$ 36,781	$ 92,164
Less: Net income (loss) attributable to noncontrolling interest in subsidiaries	3,555	12	16,045	308
Net income (loss) available to common stockholders	$ 739	$ 55,145	$ 20,736	$ 91,856
Per share data:				
Basic earnings per share				
Net income (loss) available to common stockholders	$ 739	$ 55,145	$ 20,736	$ 91,856
Basic earnings per share	$ 0.00	N/A	$ 0.13	N/A
Basic weighted-average shares of common stock outstanding	155,157	N/A	155,157	N/A
Fully diluted earnings per share				
Net income (loss) for fully diluted shares	739	N/A	32,755	N/A
Fully diluted earnings per share	$ 0.00	N/A	$ 0.13	N/A
Fully diluted weighted-average shares of common stock outstanding	155,938	N/A	252,805	N/A
Dividends declared per share of common stock	$ 0.09	N/A	$ 0.18	N/A
Dividends declared and paid per share of common stock	$ 0.09	N/A	$ 0.09	N/A

NEWMARK

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

	June 30, 2018	December 31, 2017
Assets		
Current Assets:		
Cash and cash equivalents	$ 60,274	$ 121,027
Restricted cash	314,991	52,347
Marketable securities	9,127	57,623
Loans held for sale	547,968	362,635
Receivables, net	317,663	210,471
Other current assets	48,738	20,994
Total current assets	1,298,761	825,097
Goodwill	481,714	477,532
Mortgage servicing rights, net	392,040	392,626
Loans, forgivable loans and other receivables from employees and partners	248,038	209,549
Fixed assets, net	67,686	64,822
Other intangible assets, net	26,677	24,921
Other assets	322,223	278,460
Total assets	$ 2,837,139	$ 2,273,007
Liabilities, Redeemable Partnership Interest, and Equity:		
Current Liabilities:		
Warehouse notes payable	$ 540,571	$ 360,440
Accrued compensation	228,788	205,395
Current portion of accounts payable, accrued expenses and other liabilities	184,248	124,961
Secured loans	9,127	57,623
Current portion of payables to related parties	267,397	34,169
Total current liabilities	1,230,131	782,588
Long-term debt	247,150	670,710
Long-term debt payable to related parties	412,500	412,500
Other long term liabilities	169,079	163,795
Total liabilities	2,058,860	2,029,593
Equity:		
Total equity (1)	778,279	243,414
Total liabilities and equity	$ 2,837,139	$ 2,273,007

(1) Includes "redeemable partnership interests," "noncontrolling interests" and "total stockholders' equity."

NEWMARK

BGC PARTNERS, INC.

APPENDIX

PARTNERSHIP STRUCTURE CREATES COMPETITIVE ADVANTAGE

Virtually all BGC and Newmark producers are partners

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

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) — As of 6/30/2018

	Issuer	Maturity	BGC Partners, Inc. (Consolidated)	Post-Spin BGC Partners, Inc.
Cash and Cash Equivalents			$398,469	$338,195
Repurchase Agreements			(3,108)	(3,108)
Securities Owned			57,414	57,414
Marketable Securities (net)			605	605
Total Liquidity[1]			**$453,380**	**$393,106**
8.375% Senior Notes	GFI	07/19/2018	$240,235	$240,235
Unsecured converted term loan	BGC / NMRK[2]	09/08/2019	245,257	-
Unsecured senior revolving credit agreement	BGC	09/08/2019	70,000	70,000
5.375% Senior Notes	BGC / NMRK[2]	12/09/2019	298,555	-
5.125% Senior Notes	BGC	05/27/2021	297,403	297,403
Collateralized Borrowings	BGC	05/31/2021	28,360	28,360
8.125% Senior Notes[3]	BGC / NMRK[2]	06/15/2042	109,459	-
Total Long-term Debt			**$1,289,269**	**$635,998**
Credit Ratios (Adj. EBITDA and Ratios as of TTM 2Q 2018)				
Adjusted EBITDA before allocations to units			$847,983	$438,225
Leverage Ratio: Total Long-term Debt / Adjusted EBITDA before allocations to units			1.5x	1.5x
Net Leverage Ratio: Net Long-term Debt / Adjusted EBITDA before allocations to units			1.0x	0.6x
Adjusted EBITDA before allocations to units / Interest Expense[4]			8.9x	11.3x

1. As of June 30, 2018, $77.5 million of Marketable Securities on our balance sheet were lent out in Securities Loaned transactions and therefore are not included in Total Liquidity.
2. Debt assumed by Newmark Group, Inc. in connection with the Newmark IPO and proposed tax-free spin-off.
3. Callable at par beginning June 26, 2017. BGC completed their redemption on September 5, 2018 and loaned Newmark $112.5 million at an annual interest rate of 6.5% on September 4, 2018.
4. Interest expense excludes $17.1 million of operating interest on warehouse notes payable. In addition, post-spin BGC interest expense excludes $24.6 million of interest incurred prior to the Newmark IPO on the debt assumed by Newmark.

Note: BGC's balance sheet does not reflect the impact of the Nasdaq monetization transaction (see section titled "Nasdaq Monetization & BGC Bond Deal" in BGC's 2Q2018 earnings presentation).
BGC's balance sheet also does not include the more than $720 million worth of remaining eight Nasdaq earn-outs (based on September 14, 2018 closing price) expected to be received from 2021 through 2027 and this year.
This table does not include short-term borrowings, of which there were $270 million of inter-company debt related to Newmark's credit facility with BGC as of June 30, 2018.
See the section titled "Non-GAAP Financial Measures" on page 2.

STRONG CREDIT PROFILE

($ in '000s)

Newmark Group, Inc.			6/30/2018
Cash and Cash Equivalents			$60,274

Newmark Group, Inc.	Interest Rate	Maturity	6/30/2018
Converted Term Loan	4.307%	9/8/2019	$247,150
Long-term debt payable to related parties[1]	8.125%	6/26/2042	112,500
Long-term debt payable to related parties	5.375%	12/9/2019	300,000
Total Long-term Debt			**$659,650**

Newmark Group, Inc. (Adj. EBITDA and Ratios are TTM 2Q 2018)	6/30/2018
Adjusted EBITDA before allocations to units	**$ 433,581**
Leverage Ratio: Total Long-term Debt / Adjusted EBITDA[2]	**1.5x**
Net Leverage Ratio: Net Long-term Debt / Adjusted EBITDA[2]	**1.4x**
Total equity[3]	**778,279**

- Newmark's balance sheet does not include the over $720 million of Nasdaq shares (at September 14, 2018 closing price) expected to be received in the future

1. Callable at par beginning June 26, 2017. On September 5, 2018, Newmark announced that this debt has been replaced with $112.5 million in notional debt at 6.5%
2. This calculation is based on Newmark's Adjusted EBITDA before allocations to units
3. Includes "redeemable partnership interests", "noncontrolling interests" and "total stockholders' equity"

Note: This table does not include short-term borrowings, of which there was $271 million of debt related to Newmark's credit facility with BGC as of June 30, 2018. Restricted cash is also excluded from this table

NEWMARK

BGC'S FULLY DILUTED SHARE COUNT SUMMARY AS OF JUNE 30, 2018

BGC Partners, Inc. Fully Diluted Share Count Summary (as of June 30, 2018)	Fully-diluted Shares (MN)	Ownership (%)
Class A owned by Public	260.1	54%
Class A owned by executives, board members and employees(1)	19.8	4%
Partnership units owned by employees(2,3)	106.5	22%
Other owned by employees(3,4)	3.5	1%
Class A owned by Cantor	11.0	2%
Class B owned by Cantor	34.8	7%
Partnership units owned by Cantor(3,5)	50.2	10%
Total	485.9	**100%**

BGC Partners, Inc. Fully Diluted Share Count Summary (as of June 30, 2018)	Fully-diluted Shares (MN)	Ownership (%)
Public	260.1	54%
Employees	129.8	27%
Cantor	96.0	20%

Note: Please see similar chart on Newmark's share count on the next page.

- Had the spin-off occurred immediately following the close of the second quarter of 2018, the ratio of Newmark common shares to be distributed in respect of each BGC common share would have been approximately 0.4647.

1. Class A shares owned by employees only includes restricted shares. 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 proposed 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. Excludes approximately 14.8 million standalone LPUs, 0.5 million standalone FPUs, 2.2 million standalone Cantor units, and 0.1 million standalone other units owned by employees. After the spin-off of Newmark, these standalone BGC limited partnership interests can then become exchangeable into BGC Class A or Class B common stock.
4. These primarily represent contingent shares and/or units for which all necessary conditions have been satisfied except for the passage of time.
5. Includes 15.8 million Cantor distribution rights.

NEWMARK'S FULLY DILUTED SHARE COUNT SUMMARY AS OF JUNE 30, 2018

Newmark Group, Inc. Fully Diluted Share Count Summary As of June 30, 2018	Fully-diluted Shares (millions)	Ownership (%)
Class A owned by Public	23.3	9%
Limited partnership units owned by employees[1]	57.6	22%
Other owned by employees[2]	1.6	1%
Class A owned by BGC	115.6	45%
Class B owned by BGC	15.8	6%
Limited partnership units owned by BGC and subsidiaries	21.4	8%
Partnership units owned by Cantor	23.6	9%
Total	258.9	100%

- Had the spin-off occurred immediately following the close of the second quarter of 2018, the ratio of Newmark common shares to be distributed in respect of each BGC common share would have been approximately 0.4647. BGC owns 59% of Newmark's 258.9 million fully diluted shares
  - Currently the outstanding shares and shares underlying the limited partnership units in yellow are the shares available to be distributed to BGC shareholders as part of the proposed spin-off[3]

1. In conjunction with the proposed spin-off of Newmark, the limited 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 Newmark will be compensated with Newmark partnership units and partners of BGC will be compensated with BGC partnership units
2. These primarily represent contingent shares and/or units for which all necessary conditions have been satisfied except for the passage of time
3. Subject to applicable spin-off terms and partnership adjustments. See also the section of this document titled "Proposed Spin-Off of Newmark"

DIFFERENCES BETWEEN CONSOLIDATED RESULTS FOR ADJUSTED EARNINGS AND GAAP

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

In the second quarters of 2018 and 2017, non-cash gains of $1.1 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.

In the second quarter of 2018, a non-cash loss of $2.8 million related to the variable share forward agreement with respect to Newmark's expected receipt of the Nasdaq payments in 2019 and 2020 was included as part of "Other income (losses), net" under GAAP, but excluded for Adjusted Earnings.

Adjusted Earnings calculations for the second quarters of 2018 and 2017 also excluded additional net losses of $0.5 million and $2.0 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".

Impact of OMSRs and MSRs for Adjusted Earnings and GAAP

GAAP income from operations before income taxes for the second quarter of 2018 includes a $9.0 million non-cash gain attributable to originated mortgage servicing rights ("OMSRs") net of amortization of mortgage servicing rights ("MSRs") but excluded for Adjusted Earnings. In the year earlier period, the gain attributable to OMSRs net of amortization of MSRs was $23.6 million.

Differences between Compensation Expenses for Adjusted Earnings and GAAP

In the second quarter of 2018, the difference between compensation expenses as calculated for GAAP and Adjusted Earnings included non-cash, non-dilutive net charges related to $96.8 million in grants of exchangeability and $9.7 million in allocation of net income to limited partnership units and FPUs.

In the second quarter of 2017, the difference between compensation expenses as calculated for GAAP and Adjusted Earnings included non-cash, non-dilutive net charges related to $38.2 million in grants of exchangeability and $12.0 million in allocation of net income to limited partnership units and FPUs.

In the second quarter of 2018, $0.9 million 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 second quarter of 2017, the corresponding amount was $2.0 million.

DIFFERENCES BETWEEN CONSOLIDATED RESULTS FOR ADJUSTED EARNINGS AND GAAP

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

The difference between non-compensation expenses in the second 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 $8.8 million, respectively, of non-cash GAAP charges related to amortization of intangibles; $0.6 million and $0.3 million, respectively, of acquisition related costs; none and $0.2 million, respectively, of non-cash GAAP impairment charges; and various other GAAP items that together came to a net charge of $1.1 million and $2.2 million, respectively.

Differences between Taxes for Adjusted Earnings and GAAP

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 $15.9 million and $16.6 million for the second quarters of 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 $5.1 million and $0.6 million for the second quarters of 2018 and 2017, respectively. As a result, the provision for income taxes with respect to Adjusted Earnings was $21.0 million and $17.1 million for the second quarters of 2018 and 2017, respectively.

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.

As compared with "income (loss) from operations before income taxes", and "net income (loss) 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 operations before income taxes and noncontrolling interest in subsidiaries, excluding items such as:

- The impact of any unrealized non-cash mark-to-market gains or losses on "other income (loss)" related to the variable share forward agreement with respect to Newmark's expected receipt of the Nasdaq payments in 2019 and 2020 (the "Nasdaq Forward");
- Non-cash asset impairment charges, if any;
- Allocations of net income to limited partnership units;
- Non-cash charges related to the amortization of intangibles with respect to acquisitions; and
- Non-cash charges relating to grants of exchangeability to limited partnership units that 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.

Virtually all of BGC's key executives and producers have partnership or equity stakes in the Company and receive deferred equity or limited partnership units as part of their compensation. A significant percentage of the Company's fully diluted shares are owned by its executives, partners and employees. The Company issues limited partnership units and grant exchangeability to unit holders 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. BGC includes such shares in the Company's fully diluted share count when the unit is granted because the unit holder is expected to be paid a pro-rata distribution based on BGC's calculation of Adjusted Earnings per fully diluted share and because the holder could be granted the ability to exchange their units into shares of common stock in the future. Non-cash 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 non-cash 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 during the annual period, as described further below under "Adjustments Made to Calculate Post-Tax Adjusted Earnings."

Adjusted Earnings also excludes non-cash GAAP gains attributable to originated mortgage servicing rights (which Newmark refer to as "OMSRs") and non-cash GAAP amortization of mortgage servicing rights (which the Company refers to as "MSRs"). Under GAAP, the Company recognizes OMSRs gains equal to the fair value of servicing rights retained on mortgage loans originated and sold. Subsequent to the initial recognition at fair value, MSRs are carried at the lower of amortized cost or fair value and amortized in proportion to the net servicing revenue expected to be earned. However, it is expected that any cash received with respect to these servicing rights, net of associated expenses, will increase Adjusted Earnings (and Adjusted EBITDA) in future periods.

Additionally, Adjusted Earnings calculations exclude certain unusual, one-time, non-ordinary or non-recurring items, if any. These items are excluded from Adjusted Earnings because the Company views excluding such items as a better reflection of the ongoing operations of BGC. BGC's definition of Adjusted Earnings also excludes certain gains and charges with respect to acquisitions, dispositions, or resolutions of litigation. Management believes that excluding such gains and charges also best reflects the ongoing performance of BGC.

Adjustments Made to Calculate Post-Tax Adjusted Earnings

Because Adjusted Earnings are calculated on a pre-tax basis, BGC also intends to report post-tax Adjusted Earnings on a consolidated basis. 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 operations before income taxes and noncontrolling interests in subsidiaries and the expected inclusions and deductions for income tax purposes, including expected grants of exchangeability to limited partnership units during the annual period. The resulting annualized tax rate is applied to BGC's quarterly GAAP income (loss) from operations before income taxes and noncontrolling interests in subsidiaries. At the end of the annual period, the Company updates its estimate to reflect the actual tax amounts owed for the period.

ADJUSTED EARNINGS DEFINED (CONTINUED)

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 non-cash charges with respect to grants of exchangeability; 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 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 previously described adjustments, the result is the Company's taxable income for its pre-tax Adjusted Earnings, to which BGC then applies the statutory tax rates. This amount is the Company's non-GAAP tax provision. BGC views the effective tax rate on pre-tax Adjusted Earnings as equal to the amount of its non-GAAP tax provision divided by the amount of pre-tax Adjusted Earnings.

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

Management uses post-tax Adjusted Earnings in part to help it evaluate, among other things, the overall performance of the 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.

Adjusted Earnings Attributable to Noncontrolling Interest in Subsidiaries

Adjusted Earnings attributable to noncontrolling interest in subsidiaries is calculated based on the relevant noncontrolling interest existing on the balance sheet date. Until the proposed spin-off of Newmark occurs, noncontrolling interest will reflect the allocation of income to Newmark's public shareholders and the pro-rata ownership of certain shares and/or units of BGC and Newmark.

ADJUSTED EARNINGS DEFINED (CONTINUED)

Calculations of Pre-Tax and Post-Tax Adjusted Earnings per Common Share
BGC's Adjusted Earnings per common 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 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 common 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 common 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 common share.

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

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 Adjusted Earnings measures and the GAAP measures of financial performance should be considered together.

ADJUSTED EARNINGS DEFINED (CONTINUED)

BGC anticipates providing forward-looking guidance for GAAP revenues and for certain Adjusted Earnings 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 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, 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, including with respect to the Nasdaq Forward. 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.

Please see our most recent financial results press release available at http://ir.bgcpartners.com/Investors/default.aspx for a discussion of Adjusted Earnings and adjusted EBITDA and reconciliations of these items, as well as liquidity, to GAAP results, and for more information on BGC's non-GAAP results.

ADJUSTED EBITDA DEFINED

Adjusted EBITDA and Adjusted EBITDA Before Allocations to Units 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;
- 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;
- Non-cash charges relating to grants of exchangeability to limited partnership interests;
- Non-cash charges related to issuance of restricted shares;
- Non-cash earnings or losses related to BGC's equity investments; and
- Net non-cash GAAP gains related to OMSR gains and MSR amortization.

The Company also discloses "Adjusted EBITDA before allocations to units", which is Adjusted EBITDA excluding GAAP charges with respect to allocations of net income to limited partnership units. 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 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 to common shares are not an expense under GAAP, management believes similar allocations of income to unit holders should also be excluded by investors when analyzing BGC's results on a fully diluted share basis with respect to Adjusted EBITDA.

For all periods beginning with the third quarter of 2018, the Company will simplify its definition of "Adjusted EBITDA" so that it excludes GAAP charges with respect to allocations of net income to limited partnership units. Therefore, the term "Adjusted EBITDA" will be consistent with what the Company has historically referred to as "Adjusted EBITDA before allocations to units".

The Company's management believes that these Adjusted EBITDA measures are 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 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 these Adjusted EBITDA measures are not recognized measurements under GAAP, investors should use these measures 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 these Adjusted EBITDA measures are may not be comparable to similarly titled measures of other companies. Furthermore, these Adjusted EBITDA measures are not intended to be a measure of free cash flow or GAAP cash flow from operations, because these Adjusted EBITDA measures do not consider certain cash requirements, such as tax and debt service payments.

For a reconciliation of these non-GAAP measures to GAAP "Net income (loss) available to common stockholders", 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".

IMPACT OF ASC 606 NEWMARK'S RESULTS

Impact of ASC 606 on Newmark's Future Results

As was discussed in BGC's financial results press release dated February 9, 2018: From 2014 through 2016, the Financial Accounting Standards Board ("FASB") issued several accounting standard updates, which together comprise Accounting Standards Codification Topic 606, Revenue from Contracts with Customers ("ASC 606"). Beginning in the first quarter of 2018, the Company is recording its financial results to conform to ASC 606. ASC 606 does not materially impact the results of BGC's Financial Services segment currently, but does impact the results of Newmark. The consolidated Company has elected to adopt the guidance using the modified retrospective approach to ASC 606, under which the consolidated Company applied the new standard only to new contracts initiated on or after January 1, 2018 and recorded the transition adjustments as part of "Total capital".

Under this approach, for all periods from the first quarter of 2018 onward, Newmark did not and will not record revenues or earnings related to "Leasing and other commissions" with respect to contingent revenue expected to be received in future periods as of December 31, 2017, in relation to contracts signed prior to January 1, 2018, for which services have already been completed. Instead, the Company recorded this contingent revenue and related commission payments on the balance sheet on January 1, 2018, with a corresponding pre-tax improvement of approximately $23 million to "Total capital". Over time, the Company expects to receive $23 million of cash related to these "Leasing and other commissions" receivables, primarily over the course of 2018 and 2019. This cash, however, will not be recorded as GAAP net income, Adjusted Earnings, or Adjusted EBITDA.

The adoption of ASC 606 impacted the consolidated Company's recognition of revenue from its outsourcing businesses, which are recorded as part of "Real estate management and other services." Implementation of the updated principal versus agent considerations under ASC 606 increased the proportion of reimbursable non-compensation expenses related to the Company's outsourcing business accounted for as revenue on a gross basis. This resulted in an increase in revenue and a corresponding increase in cost of revenue, with no impact on earnings for periods from January 1, 2018 onward. For the second quarter of 2018, this increased Newmark's management services revenues by $24.5 million, with a corresponding increase in non-compensation costs attributable to these revenues. For the first half of 2018, this increased Newmark's management services revenues by $43 million, with a corresponding increase in non-compensation costs attributable to these revenues. Because BGC's financial results consolidate those of Newmark, the consolidated Company's quarterly revenues and expenses increased by the same amount.

For additional information regarding the adoption of ASC 606, please see the section titled "New Accounting Pronouncements" in both BGC's and Newmark's Annual Reports on Form 10-K as filed with the Securities and Exchange Commission.

PROPOSED SPIN-OFF OF NEWMARK

Proposed Spin-Off of Newmark

BGC expects to pursue a distribution to its stockholders of all of the Class A common shares and Class B common shares of Newmark (collectively, the "Newmark common shares") that BGC then owns in a manner that is intended to qualify as generally tax-free for U.S. federal income tax purposes (the "spin-off"). As currently contemplated, shares of Class A common stock of Newmark held by BGC would be distributed to the holders of shares of Class A common stock of BGC, and shares of Class B common stock of Newmark held by BGC would be distributed to the holders of shares of Class B common stock of BGC.

Had the spin-off occurred immediately following the close of the second quarter of 2018, the ratio of Newmark common shares to be distributed in respect of each BGC common share would have been approximately 0.4647. However, the exact ratio of Newmark common shares to be distributed in respect of each BGC common share in the spin-off will depend on, among other things, the number of BGC common shares outstanding and the number of Newmark common shares (including Newmark common shares underlying units of Newmark Partners, L.P. and Newmark Holdings, L.P.) owned by BGC as of the record date of the spin-off. The spin-off is subject to a number of conditions, and BGC may determine not to proceed with the spin-off if the BGC board of directors determines, in its sole discretion, that the spin-off is not in the best interest of the Company and its stockholders. Accordingly, the spin-off may not occur on any expected timeframe, or at all.

For additional information regarding the proposed spin-off, please see the sections titled "Item 1—Business—Structure of Newmark—Structure of Newmark Following the Separation and Newmark IPO" in BGC's Annual Report on Form 10-K as well the sections titled "Item 13—Certain Relationships and Related Transactions, and Director Independence—Separation and Distribution Agreement—The Distribution" and "Item 13—Certain Relationships and Related Transactions, and Director Independence—Separation and Distribution Agreement— BGC Partners Contribution of Newmark OpCo Units Prior to the Distribution" in Newmark's amended 2017 annual report on Form 10-K/A for additional information regarding the proposed distribution.

POST-SPIN BGC

These stand-alone results for BGC Partners excluding Newmark Group may be referred to as "post-spin BGC." Post-spin BGC represents what BGC financial results would be had the spin-off of Newmark already occurred. Post-spin BGC can also be defined as the results for BGC's Financial Services segment plus their pro-rata portion of corporate items. If and when the Company refers to the stock price, implied dividend, or implied dividend yield of post-spin BGC, it is basing such figures on yesterday's closing stock prices of $10.94 for BGC Partners and $13.83 for Newmark Group; the abovementioned distribution ratio of 0.4647 Newmark common shares for each BGC Partners common share; and an annualized dividend of BGC as though the spin-off of Newmark had already occurred. The table below summarizes these calculations, and is shown for illustrative purposes only and is not meant to be a precise outlook for post-spin BGC. Please see the sections of this document titled document titled "Reconciliation of BGC Partners. Inc. Consolidated to Post-spin BGC Partners, Inc for Revenues", "Reconciliation of BGC Partners. Inc. Consolidated to Post-spin BGC Partners, Inc. for Revenues", "Reconciliation of BGC Partners. Inc. Consolidated to Post-spin BGC Partners, Inc. for GAAP income (loss) from operations before income taxes", and "Reconciliation of BGC Consolidated to Post-spin BGC Partners, Inc. for Pre-tax Adjusted Earnings". Please see additional reconciliation tables elsewhere in this document.

Post-spin BGC Dividend and Dividend Yield Using Distribution Ratio of 0.4647 (for illustrative purposes only)

BGCP stock price	$11.93
NMRK stock price	$11.52
Distribution ratio of NMRK shares per BGCP share	0.4647
Implied stock price of NMRK (using distribution ratio)	$5.35
Implied stock price of BGCP	$6.58
Post-spin BGC 2018 implied dividend	at least $0.50
Post-spin BGC implied dividend yield	at least 8%

Note: Prices are as of September 14, 2018

Assumes distribution ratio of 0.4647 which may change before the spin-off

Based on BGC's outlook dated August 2, 2018*

* BGC has not updated its dividend outlook dated August 2, 2018.

DIVIDEND POLICIES

BGC Partners Dividend Policy

Our board of directors has authorized a dividend policy which provides that we expect to pay a quarterly cash dividend to our common stockholders based on our "post-tax adjusted earnings per fully diluted share." Our board of directors declared a dividend of 18 cents per share for the second quarter of 2018 and has indicated that it expects to maintain such 18 cent quarterly dividend until the completion of the proposed distribution. The balance of any remaining adjusted earnings will be available to repurchase shares of our Class A common stock or redeem or purchase BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor, our executive officers, other employees, partners and others. Please see above for a detailed definition of "post-tax adjusted earnings per fully diluted share."

Our board of directors and our Audit Committee have authorized repurchases of shares of our Class A common stock and redemptions of BGC Holdings limited partnership interests or other equity interests in us or in subsidiaries, including Newmark and its subsidiaries, from Cantor, our executive officers, other employees, partners and others. BGC's Board of Directors has increased the Company's authorization by $194 million to $300 million under this authorization., and BGC may continue to actively make repurchases or purchases, or cease to make such repurchases or purchases, from time to time.

We expect to pay such dividends, if and when declared by our board of directors, on a quarterly basis. The dividend to our common stockholders is expected to be calculated based on post-tax adjusted earnings allocated to us and generated over the fiscal quarter ending prior to the record date for the dividend. No assurance can be made, however, that a dividend will be paid each quarter.

The declaration, payment, timing and amount of any future dividends payable by us will be at the sole discretion of our board of directors. We are a holding company, with no direct operations, and therefore we are able to pay dividends only from our available cash on hand and funds received from distributions from BGC U.S. and BGC Global and dividends from Newmark and distributions from Newmark Holdings and Newmark OpCo. Please see below "Newmark Dividend Policy." Our ability to pay dividends may also be limited by regulatory considerations as well as by covenants contained in financing or other agreements. In addition, under Delaware law, dividends may be payable only out of surplus, which is our net assets minus our capital (as defined under Delaware law), or, if we have no surplus, out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. Accordingly, any unanticipated accounting, tax, regulatory or other charges against net income may adversely affect our ability to declare and pay dividends. While we intend to declare and pay dividends quarterly, there can be no assurance that our board of directors will declare dividends at all or on a regular basis or that the amount of our dividends will not change.

Newmark Dividend Policy

Newmark's board of directors has authorized a dividend policy that reflects its intention to pay a quarterly dividend, starting with the first quarter of 2018. Any dividends to Newmark's common stockholders will be calculated based on its expected post-tax Adjusted Earnings per fully diluted share, as a measure of net income for the year. See Newmark's 10-Q for a definition of "post-tax Adjusted Earnings" per fully diluted share.

Newmark currently expects that, in any year, its aggregate quarterly dividends will be equal to or less than its estimate at the end of the first quarter of such year of 25% of its post-tax Adjusted Earnings per fully diluted share to its common stockholders for such year. The declaration, payment, timing and amount of any future dividends payable by Newmark will be at the discretion of its board of directors; provided that any dividend to its common stockholders that would result in the dividends for a year exceeding 25% of its post-tax Adjusted Earnings per fully diluted share for such year shall require the consent of the holder of a majority of the Newmark Holdings exchangeable limited partnership interests, which is currently Cantor.

For the second quarter of 2018, Newmark's board of directors declared a dividend of 9 cents per share based on management's current expectation of its post-tax Adjusted Earning per fully diluted share for the year, and has indicated that it expects such dividend to remain consistent for the full year. To the extent that 25% of Newmark's post-tax Adjusted Earnings per fully diluted share for the year exceeds this dividend on an annualized basis (i.e. an expected aggregate of $0.36 for four quarters), Newmark does not expect that its board of directors will increase the amount of the quarterly dividend payment during the year, or make downward adjustments in the event of a shortfall, although no assurance can be given that adjustments will not be made during the year. Newmark has indicated that it expects to announce the annual expected dividend rate in the first quarter of each year. Newmark's Board of Directors has increased the company's authorization of repurchases of shares of its Class A common stock by $100 million to $200.

RECONCILIATION OF GAAP INCOME (LOSS) TO ADJUSTED EARNINGS AND GAAP FULLY DILUTED EPS TO POST-TAX ADJUSTED EPS

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

	Q2 2018	Q2 2017
GAAP income (loss) before income taxes	$ 65,898	$ 94,283
Pre-tax adjustments:		
Non-cash (gains) losses related to equity investments, net	(1,080)	(1,602)
Allocations of net income and grant of exchangeability to limited partnership units and FPUs	106,545	50,237
Non-cash MSR income, net of amortization	(8,969)	(23,557)
(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net (a) (b)	13,447	15,562
Total pre-tax adjustments	109,943	40,640
Pre-tax adjusted earnings	**$ 175,841**	**$ 134,923**
GAAP net income (loss) available to common stockholders	$ 35,203	$ 52,920
Allocation of net income (loss) to noncontrolling interest in subsidiaries	4,114	22,697
Total pre-tax adjustments (from above)	109,943	40,640
Income tax adjustment to reflect adjusted earnings taxes	(5,140)	(565)
Post-tax adjusted earnings	**$ 144,120**	**$ 115,692**
Per Share Data		
GAAP fully diluted earnings per share	$ 0.10	$ 0.18
Less: Allocations of net income to limited partnership units, FPUs, and noncontrolling interest in subsidiaries, net of tax	(0.03)	(0.02)
Total pre-tax adjustments (from above)	0.23	0.09
Income tax adjustment to reflect adjusted earnings taxes	(0.01)	(0.00)
Post-tax adjusted earnings per share	$ 0.30	$ 0.26
Fully diluted weighted-average shares of common stock outstanding	481,461	451,857

(a) Q2 2018 includes an unrealized non-cash mark-to-market loss of $2.8 million under GAAP related to the variable share forward agreement with respect to Newmark's expected receipt of the Nasdaq payments in 2019 and 2020, which was excluded from Adjusted Earnings.

Note: Certain numbers may not add due to rounding.

RECONCILIATION OF GAAP INCOME (LOSS) TO ADJUSTED EBITDA

(IN THOUSANDS) (UNAUDITED)

	Q2 2018	Q2 2017
GAAP Net income (loss) available to common stockholders	**$ 35,203**	**$ 52,920**
Add back:		
Provision (benefit) for income taxes	15,908	16,552
Net income (loss) attributable to noncontrolling interest in subsidiaries	14,787	24,811
Employee loan amortization and reserves on employee loans	9,191	9,531
Interest expense (1)	23,006	17,036
Fixed asset depreciation and intangible asset amortization	20,740	21,446
Non-cash MSR income, net of amortization	(8,969)	(23,557)
Impairment of long-lived assets	1,844	213
Exchangeability charges (2)	96,823	38,245
(Gains) losses on equity investments	(1,080)	(1,602)
Adjusted EBITDA	**$ 207,453**	**$ 155,595**
Allocations of net income to limited partnership units and FPUs	9,722	11,992
Adjusted EBITDA before allocations to limited partnership units and FPUs	**$ 217,175**	**$ 167,587**

(1) The Interest expense add back for Adjusted EBITDA excludes $4.4 million and $9.5 million for Q2 2018 and Q2 2017, respectively, of operating interest on Warehouse notes payable.

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

Note: For all periods beginning with the third quarter of 2018, the Company will simplify its definition of "Adjusted EBITDA" so that it excludes GAAP charges with respect to allocations of net income to limited partnership units. Therefore, the term "Adjusted EBITDA" will be consistent with what the Company has historically referred to as "Adjusted EBITDA before allocations to units".

LIQUIDITY ANALYSIS
(IN THOUSANDS) (UNAUDITED)

	June 30, 2018	December 31, 2017
Cash and cash equivalents	$ 398,469	$ 634,333
Repurchase agreements	(3,108)	-
Securities owned	57,414	33,007
Marketable securities (1)	605	5,833
Total	**$ 453,380**	**$ 673,173**

(1) As of June 30, 2018 and December 31, 2017, $77.5 million and $202.3 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.

RECONCILIATION OF BGC PARTNERS, INC. CONSOLIDATED TO POST-SPIN BGC PARTNERS, INC. FOR REVENUES (IN THOUSANDS) (UNAUDITED)

	Q2 2018	Q2 2017	June YTD 2018	June YTD 2017	FY 2017	FY 2016
BGC Partners, Inc. consolidated revenues	**$ 960,076**	**$ 848,901**	**$ 1,916,722**	**$ 1,632,094**	**$ 3,353,356**	**$ 2,908,096**
BGC Real Estate segment revenues	(469,034)	(406,243)	(900,905)	(739,963)	(1,601,420)	(1,353,720)
BGC Corporate Items relating to Real Estate	-	(219)	-	(219)	(984)	(64)
Post-spin BGC Partners, Inc. revenues	**$ 491,042**	**$ 442,439**	**$ 1,015,817**	**$ 891,912**	**$ 1,750,952**	**$ 1,554,312**

RECONCILIATION OF BGC PARTNERS, INC. CONSOLIDATED TO POST-SPIN BGC PARTNERS, INC. FOR GAAP INCOME (LOSS) FROM OPERATIONS BEFORE INCOME TAXES (IN THOUSANDS) (UNAUDITED)

	Q2 2018	Q2 2017	June YTD 2018	June YTD 2017	FY 2017	FY 2016
BGC Partners, Inc. consolidated income (loss) from operations before income taxes	**$ 65,898**	**$ 94,283**	**$ 199,092**	**$ 152,077**	**$ 231,997**	**$ 314,170**
BGC Real Estate segment income (loss) from operations before income taxes	(96,356)	(83,027)	(178,717)	(135,581)	(376,249)	(254,524)
BGC Corporate Items relating to Real Estate:						
Interest income	-	(218)	-	(218)	(984)	(75)
Compensation and employee benefits	755	505	1,538	1,065	38,276	18,912
Allocations of net income and grant of exchangeability to limited partnership units and FPUs	65,026	23,851	90,835	34,500	114,657	72,319
Fees to related parties	1,528	973	2,889	2,051	4,529	4,618
Professional and consulting fees	197	254	343	863	2,832	479
Interest expense	13,726	368	28,546	2,442	5,338	2,267
Other expenses	90	-	210	-	6,335	80
Gains (losses) on equity method investments	(70)	-	(70)	-	(1,561)	-
Other income (loss)	(12)	715	(110)	1,307	4,252	(15,279)
Total BGC Corporate Items	81,240	26,448	124,181	42,010	173,674	83,321
Other consolidation adjustments	(53)	-	2,209	-	-	4,241
Post-spin BGC Partners, Inc. income (loss) from operations before income taxes	**$ 50,729**	**$ 37,704**	**$ 146,765**	**$ 58,506**	**$ 29,422**	**$ 147,208**

RECONCILIATION OF BGC PARTNERS, INC. CONSOLIDATED TO POST-SPIN BGC PARTNERS, INC. FOR PRE-TAX ADJUSTED EARNINGS

(IN THOUSANDS) (UNAUDITED)

	Q2 2018	Q2 2017	June YTD 2018	June YTD 2017	FY 2017	FY 2016
BGC Partners, Inc. consolidated pre-tax adjusted earnings	**$ 175,841**	**$ 134,923**	**$ 360,526**	**$ 254,246**	**$ 620,489**	**$ 476,634**
BGC Real Estate segment pre-tax adjusted earnings	(91,448)	(60,766)	(172,074)	(99,241)	(294,276)	(192,685)
BGC Corporate Items relating to Real Estate:						
Interest income	-	(218)	-	(218)	(984)	(75)
Compensation and employee benefits	755	505	1,538	1,065	2,222	768
Fees to related parties	1,528	973	2,889	2,051	4,529	4,618
Professional and consulting fees	-	156	-	156	154	(311)
Interest expense	13,726	368	28,546	2,442	5,338	2,267
Other expenses	(4)	(54)	21	(47)	(172)	259
Gains (losses) on equity method investments	(70)	-	(70)	-	(1,561)	-
Other income (loss)	-	-	-	-	(38,060)	-
Total BGC Corporate Items	15,935	1,730	32,924	5,449	(28,534)	7,526
Other consolidation adjustments	151	39	95	103	1,916	1,860
Post-spin BGC Partners, Inc. pre-tax adjusted earnings	**$ 100,479**	**$ 75,926**	**$ 221,471**	**$ 160,557**	**$ 299,595**	**$ 293,335**

RECONCILIATION OF BGC PARTNERS, INC. CONSOLIDATED TO POST-SPIN BGC PARTNERS, INC. FOR ADJUSTED EBITDA BEFORE ALLOCATIONS TO LIMITED PARTNERSHIP UNITS AND FPUS (IN THOUSANDS) (UNAUDITED)

	Q2 2018	Q2 2017	June YTD 2018	June YTD 2017	FY 2017	FY 2016
BGC Partners, Inc. consolidated adjusted EBITDA before allocations to limited partnership units and FPUs	**$ 217,175**	**$ 167,587**	**$ 463,101**	**$ 318,383**	**$ 703,265**	**$ 635,641**
Newmark Group, Inc. stand-alone income (loss) from operations before income taxes	(15,116)	(56,579)	(54,536)	(93,571)	(202,575)	(171,203)
Newmark AEBITDA add backs:						
Employee loan amortization and reserves on employee loans	(5,231)	(2,384)	(11,241)	(4,358)	(34,420)	(25,791)
Interest expense	(13,726)	(367)	(28,546)	(2,441)	(5,337)	(2,267)
Fixed asset depreciation and intangible asset amortization	(4,466)	(4,174)	(9,098)	(8,487)	(16,906)	(14,056)
Non-cash MSR income, net of amortization	8,969	23,557	12,242	38,991	48,451	66,223
Impairment of long-lived assets	(9)	(4)	(64)	(52)	(8,283)	-
Exchangeability charges	(60,334)	(17,644)	(82,083)	(23,681)	(89,436)	(45,573)
(Gains) losses on equity investments	70	-	70	-	1,562	-
Allocations of net income to limited partnership units and FPUs	(4,692)	(6,207)	(8,752)	(10,819)	(25,224)	(26,745)
Other consolidation adjustments	-	-	-	-	-	1,359
Post-spin BGC Partners, Inc. adjusted EBITDA before allocations to limited partnership units and FPUs	**$ 122,640**	**$ 103,785**	**$ 281,093**	**$ 213,965**	**$ 371,097**	**$ 417,588**

RECONCILIATION OF BGC PARTNERS, INC. CONSOLIDATED TO POST-SPIN BGC PARTNERS, INC. FOR LIQUIDITY (IN THOUSANDS) (UNAUDITED)

	June 30, 2018	December 31, 2017
BGC Partners, Inc. Consolidated Liquidity	**$ 453,380**	**$ 673,173**
Less Newmark Liquidity:		
Cash and cash equivalents	(60,274)	(121,027)
Post-spin BGC Partners, Inc. Liquidity	**$ 393,106**	**$ 552,146**

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

	Q2 2018	Q2 2017
Common stock outstanding	321,199	286,840
Limited partnership units	96,161	98,483
Cantor units	50,439	51,183
Founding partner units	12,140	13,661
RSUs	311	409
Other	1,211	1,281
Fully diluted weighted-average share count for GAAP and AE	**481,461**	**451,857**

SEGMENT DISCLOSURE – 2Q 2018 VS 2Q 2017

(IN THOUSANDS) (UNAUDITED)

	Q2 2018				Q2 2017			
	Financial Services	Real Estate Services	Corporate Items	Total	Financial Services	Real Estate Services	Corporate Items	Total
Total revenues	$ 480,249	$ 469,034	$ 10,793	$ 960,076	$ 432,317	$ 406,243	$ 10,341	$ 848,901
Total expenses	375,460	372,149	148,613	896,222	351,579	323,216	86,138	760,933
Total other income (losses), net	3,444	(529)	(871)	2,044	4,069	-	2,246	6,315
Income (loss) from operations before income taxes	**$ 108,233**	**$ 96,356**	**$ (138,691)**	**$ 65,898**	**$ 84,807**	**$ 83,027**	**$ (73,551)**	**$ 94,283**
Pre-tax adjustments:								
Non-cash (gains) losses related to equity investments, net	-	-	(1,080)	(1,080)	-	-	(1,602)	(1,602)
Allocations of net income and grant of exchangeability to limited partnership units and FPUs	-	-	106,545	106,545	-	-	50,237	50,237
Non-cash MSR income, net of amortization	-	(8,969)	-	(8,969)	-	(23,557)	-	(23,557)
(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net	5,047	4,061	4,339	13,447	6,632	1,296	7,634	15,562
Total pre-tax adjustments	5,047	(4,908)	109,804	109,943	6,632	(22,261)	56,269	40,640
Pre-tax adjusted earnings	**$ 113,280**	**$ 91,448**	**$ (28,887)**	**$ 175,841**	**$ 91,439**	**$ 60,766**	**$ (17,282)**	**$ 134,923**

(IN THOUSANDS) (UNAUDITED)

	June YTD 2018				June YTD 2017			
	Financial Services	Real Estate Services	Corporate Items	Total	Financial Services	Real Estate Services	Corporate Items	Total
Total revenues	$ 996,870	$ 900,905	$ 18,947	$ 1,916,722	$ 873,495	$ 739,963	$ 18,636	$ 1,632,094
Total expenses	779,281	727,268	252,868	1,759,417	705,485	604,382	182,279	1,492,146
Total other income (losses), net	14,379	5,080	22,328	41,787	8,717	-	3,412	12,129
Income (loss) from operations before income taxes	**$ 231,968**	**$ 178,717**	**$ (211,593)**	**$ 199,092**	**$ 176,727**	**$ 135,581**	**$ (160,231)**	**$ 152,077**
Pre-tax adjustments:								
Non-cash (gains) losses related to equity investments, net	-	-	(3,705)	(3,705)	-	-	(1,839)	(1,839)
Allocations of net income and grant of exchangeability to limited partnership units and FPUs	-	-	171,777	171,777	-	-	113,430	113,430
Non-cash MSR income, net of amortization	-	(12,242)	-	(12,242)	-	(38,991)	-	(38,991)
(Gains) and charges with respect to acquisitions, dispositions and / or resolutions of litigation, and other non-cash, non-dilutive items, net	10,812	5,599	(10,807)	5,604	13,383	2,651	13,535	29,569
Total pre-tax adjustments	10,812	(6,643)	157,265	161,434	13,383	(36,340)	125,126	102,169
Pre-tax adjusted earnings	**$ 242,780**	**$ 172,074**	**$ (54,328)**	**$ 360,526**	**$ 190,110**	**$ 99,241**	**$ (35,105)**	**$ 254,246**

RECONCILIATION OF BGC REAL ESTATE SEGMENT REVENUES TO NEWMARK GROUP, INC. STAND-ALONE REVENUES (IN THOUSANDS) (UNAUDITED)

	Q2 2018	Q2 2017
BGC Real Estate segment revenues	**$ 469,034**	**$ 406,243**
Interest income (1)	(2,415)	(1,172)
Newmark Group, Inc. stand-alone revenues	**$ 466,619**	**$ 405,071**

(1) This is not included as part of Total revenues in Newmark Group, Inc.'s stand-alone financial statements.

RECONCILIATION OF BGC REAL ESTATE SEGMENT TO NEWMARK GROUP, INC. STAND-ALONE FOR GAAP INCOME (LOSS) FROM OPERATIONS BEFORE INCOME TAXES (IN THOUSANDS) (UNAUDITED)

	Q2 2018	Q2 2017
BGC Real Estate segment income (loss) from operations before income taxes	**$ 96,356**	**$ 83,027**
BGC Corporate Items:		
Interest income	-	218
Compensation and employee benefits	(755)	(505)
Allocations of net income and grant of exchangeability to limited partnership units and FPUs	(65,026)	(23,851)
Fees to related parties	(1,528)	(973)
Professional and consulting fees	(197)	(254)
Interest expense	(13,726)	(368)
Other expenses	(90)	-
Gains (losses) on equity method investments	70	-
Other income (loss)	12	(715)
Total BGC Corporate Items	(81,240)	(26,448)
Newmark Group, Inc. stand-alone income (loss) from operations before income taxes	**$ 15,116**	**$ 56,579**

RECONCILIATION OF BGC REAL ESTATE SEGMENT TO NEWMARK GROUP, INC. STAND-ALONE FOR PRE-TAX ADJUSTED EARNINGS

(IN THOUSANDS) (UNAUDITED)

	Q2 2018	Q2 2017
BGC Real Estate segment pre-tax adjusted earnings	**$ 91,448**	**$ 60,766**
BGC Corporate Items:		
Interest income	-	218
Compensation and employee benefits	(755)	(505)
Fees to related parties	(1,528)	(973)
Professional and consulting fees	-	(156)
Interest expense	(13,726)	(368)
Other expenses	4	54
Gains (losses) on equity method investments	70	-
Total BGC Corporate Items	(15,935)	(1,730)
Newmark Group, Inc. stand-alone pre-tax adjusted earnings	**$ 75,513**	**$ 59,036**

DIFFERENCES BETWEEN CONSOLIDATED RESULTS FOR ADJUSTED EARNINGS AND GAAP

Differences between Consolidated Results for Adjusted Earnings and GAAP

The following sections describe the main differences between results as calculated for Adjusted Earnings and GAAP for the periods discussed herein.

In the second quarter 2018, the difference between compensation expenses as calculated for GAAP and Adjusted Earnings included non-cash, non-dilutive net charges related to $60.3 million in grants of exchangeability with respect to units of BGC held by certain Newmark partners and $4.7 million in allocation of net income to limited partnership units and FPUs.

In the second quarter 2017, the difference between compensation expenses as calculated for GAAP and Adjusted Earnings included non-cash, non-dilutive net charges related to the $17.6 million in grants of exchangeability; and $6.2 million in allocation of net income to limited partnership units and FPUs.

In the first six months of 2018, the difference between compensation expenses as calculated for GAAP and Adjusted Earnings included non-cash, non-dilutive net charges related to $82.1 million in grants of exchangeability with respect to units of BGC held by certain Newmark partners and $8.8 million in allocation of net income to limited partnership units and FPUs.

In the first six months of 2017, the difference between compensation expenses as calculated for GAAP and Adjusted Earnings included non-cash, non-dilutive net charges related to the $23.7 million in grants of exchangeability; and $10.8 million in allocation of net income to limited partnership units and FPUs.

Impact of OMSRs and MSRs on Non-Compensation Expenses for Adjusted Earnings

GAAP income from operations before income taxes for the second quarter 2018 includes a $9.0 million non-cash gain attributable to OMSRs net of MSRs. In the year earlier period, the comparable gain attributable to OMSRs net of amortization of MSRs was $23.6 million. These non-cash GAAP net gains were excluded from pre-tax Adjusted Earnings calculations as an adjustment to non-compensation expenses.

GAAP income from operations before income taxes for the first six months of 2018 includes a $12.2 million non-cash gain attributable to OMSRs net of MSRs. In the year earlier period, the comparable gain attributable to OMSRs net of amortization of MSRs was $39.0 million. These non-cash GAAP net gains were excluded from pre-tax Adjusted Earnings calculations as an adjustment to non-compensation expenses.

Other Differences between Non-compensation Expenses for Adjusted Earnings and GAAP

In addition to the adjustments related to OMSRs and MSRs, the difference between non-compensation expenses in the second quarter 2018 as calculated for GAAP and Adjusted Earnings also included $1.3 million of non-cash GAAP charges related to amortization of intangibles; and $0.3 million of non-recurring costs.

In addition to the adjustments related to OMSRs and MSRs, the difference between non-compensation expenses in the second quarter 2017 as calculated for GAAP and Adjusted Earnings also included $1.4 million of non-cash GAAP charges related to amortization of intangibles; and $0.8 million of non-recurring costs.

In addition to the adjustments related to OMSRs and MSRs, the difference between non-compensation expenses in the first six months of 2018 as calculated for GAAP and Adjusted Earnings also included $2.8 million of non-cash GAAP charges related to amortization of intangibles; and $0.4 million of non-recurring costs associated with the IPO.

In addition to the adjustments related to OMSRs and MSRs, the difference between non-compensation expenses in the first six months of 2017 as calculated for GAAP and Adjusted Earnings also included $2.7 million of non-cash GAAP charges related to amortization of intangibles; and $2.0 million of non-recurring costs associated with the IPO.

DIFFERENCES BETWEEN CONSOLIDATED RESULTS FOR ADJUSTED EARNINGS AND GAAP (CONTINUED)

Differences between Other income (loss) for Adjusted Earnings and GAAP

GAAP income from operations before income taxes for the second quarter 2018 and first half of 2018 includes a $2.8 million non-cash loss attributable to unrealized non-cash mark-to-market gains or losses on “other income (loss)” related to the variable share forward agreement with respect to Newmark’s expected receipt of the Nasdaq payments in 2019 and 2020. In the year earlier periods, there was no comparable loss attributable to other non-cash, non-dilutive, non-economic items. These non-cash GAAP net losses were excluded from pre-tax Adjusted Earnings calculations.

Differences between Taxes for Adjusted Earnings and GAAP

Newmark’s GAAP provision for income taxes is calculated based on an annualized methodology. The Company’s GAAP provision for income taxes was $10.8 million for the second quarter 2018. 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 provision for income taxes with respect to Adjusted Earnings was modified by $0.8 million for the second quarter 2018. As a result, the provision for income taxes for Adjusted Earnings was $10.0 million for second quarter 2018.

Newmark’s GAAP provision for income taxes was $1.4 million for the second quarter 2017. The Company’s provision for income taxes with respect to Adjusted Earnings was modified by $9.2 million for the second quarter 2017 using the same methodology described above. As a result, the provision for income taxes for Adjusted Earnings was $10.6 million for second quarter 2017. The Company did not include the effect of the 2017 U.S. Tax Cuts and Jobs Act when calculating the Adjusted Earnings provision for income taxes for 2017.

Newmark’s GAAP provision for income taxes is calculated based on an annualized methodology. The Company’s GAAP provision for income taxes was $17.8 million for the first six months of 2018. 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 provision for income taxes with respect to Adjusted Earnings was modified by $0.7 million for the first six months of 2018. As a result, the provision for income taxes for Adjusted Earnings was $18.5 million for the first six months of 2018.

Newmark’s GAAP provision for income taxes was $1.4 million for the first six months of 2017. The Company’s provision for income taxes with respect to Adjusted Earnings was modified by $15.5 million for the first six months of 2017 using the same methodology described above. As a result, the provision for income taxes for Adjusted Earnings was $16.9 million for first six months of 2017. The Company did not include the effect of the 2017 U.S. Tax Cuts and Jobs Act when calculating the Adjusted Earnings provision for income taxes for 2017.

ADJUSTED EARNINGS DEFINED

Adjusted Earnings Defined

Newmark 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. Newmark believes that Adjusted 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, dividends and/or distributions to Newmark’s common stockholders and holders of Newmark Holdings partnership units during any period.

As compared with items such as “Income (loss) before income taxes and noncontrolling interests” and “Net income (loss) for fully diluted shares” all prepared in accordance with GAAP, Adjusted 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, Adjusted Earnings calculations exclude certain gains and charges that management believes do not best reflect the ordinary operating results of Newmark.

Adjustments Made to Calculate Pre-Tax Adjusted Earnings

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

- The impact of any unrealized non-cash mark-to-market gains or losses on “other income (loss)” related to the variable share forward agreement with respect to Newmark’s expected receipt of the Nasdaq payments in 2019 and 2020;
- Non-cash asset impairment charges, if any;
- Allocations of net income to limited partnership units;
- Non-cash charges related to the amortization of intangibles with respect to acquisitions;
- Non-cash charges relating to grants of exchangeability to limited partnership units.

Virtually all of the Company’s key executives and producers have partnership or equity stakes in the Company and receive deferred equity or limited partnership units as part of their compensation. A significant percentage of Newmark’s fully diluted shares are owned by the Company’s executives, partners and employees. The Company issues limited partnership units and grants exchangeability to unit holders to provide liquidity to Newmark’s employees, to align the interests of the Company’s 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.

When the Company issues limited partnership units, the shares of common stock into which the units can be ultimately exchanged are included in Newmark’s fully diluted share count for Adjusted Earnings at the beginning of the subsequent quarter after the date of grant. Newmark includes such shares in the Company’s fully diluted share count when the unit is granted because the unit holder is expected to be paid a pro-rata distribution based on Newmark’s calculation of Adjusted Earnings per fully diluted share and because the holder could be granted the ability to exchange their units into shares of common stock in the future. Non-cash 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 non-cash 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 during the annual period, as described further below under “Adjustments Made to Calculate Post-Tax Adjusted Earnings.”

Adjusted Earnings also excludes non-cash GAAP gains attributable to originated mortgage servicing rights (which Newmark refer to as “OMSRs”) and non-cash GAAP amortization of mortgage servicing rights (which the Company refers to as “MSRs”). Under GAAP, the Company recognizes OMSRs gains equal to the fair value of servicing rights retained on mortgage loans originated and sold. Subsequent to the initial recognition at fair value, MSRs are carried at the lower of amortized cost or fair value and amortized in proportion to the net servicing revenue expected to be earned. However, it is expected that any cash received with respect to these servicing rights, net of associated expenses, will increase Adjusted Earnings (and Adjusted EBITDA) in future periods.

ADJUSTED EARNINGS DEFINED (CONTINUED)

Additionally, Adjusted Earnings calculations exclude certain unusual, one-time or non-recurring items, if any. These items are excluded from Adjusted Earnings because the Company views excluding such items as a better reflection of the ongoing, ordinary operations of Newmark. Newmark's definition of Adjusted Earnings also excludes certain gains and charges with respect to acquisitions, dispositions, or resolutions of litigation. Management believes that excluding such gains and charges also best reflects the ongoing operating performance of Newmark.

Adjustments Made to Calculate Post-Tax Adjusted Earnings

Because Adjusted Earnings are calculated on a pre-tax basis, Newmark also intends to report post-tax Adjusted Earnings to fully diluted stockholders. Newmark defines post-tax Adjusted Earnings to fully diluted stockholders as pre-tax Adjusted Earnings reduced by the non-GAAP tax provision described below.

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, Newmark estimates its full fiscal year GAAP income (loss) from operations before income taxes and noncontrolling interests in subsidiaries and the expected inclusions and deductions for income tax purposes, including expected grants of exchangeability to limited partnership units during the annual period. The resulting annualized tax rate is applied to Newmark's quarterly GAAP income (loss) from operations before income taxes and noncontrolling interests in subsidiaries. At the end of the annual period, the Company updates its estimate to reflect the actual tax amounts owed for the period.

To determine the non-GAAP tax provision, Newmark first adjusts pre-tax Adjusted Earnings by recognizing any, and only, amounts for which a tax deduction applies under applicable law. The amounts include non-cash charges with respect to grants of exchangeability, certain charges related to employee loan forgiveness, certain net operating loss carryforwards when taken for statutory purposes, and certain charges related to tax goodwill amortization. These adjustments may also reflect timing and measurement differences, including treatment of employee loans, changes in the value of units between the dates of grants of exchangeability and the date of actual unit exchange, 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 previously described adjustments, the result is the Company's taxable income for Newmark's pre-tax Adjusted Earnings, to which the Company then applies the statutory tax rates. This amount is the Company's non-GAAP tax provision. Newmark views the effective tax rate on pre-tax Adjusted Earnings as equal to the amount of Newmark's non-GAAP tax provision divided by the amount of pre-tax Adjusted Earnings.

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

Management uses post-tax Adjusted Earnings in part to help it evaluate, among other things, the overall performance of the 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.

Newmark 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 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., Newmark is expected to operate 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 Company would expect to pay if 100 percent of earnings were taxed at global corporate rates.

ADJUSTED EARNINGS DEFINED (CONTINUED)

Calculations of Pre-Tax and Post-Tax Adjusted Earnings per Share

Newmark's 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 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 Adjusted Earnings excludes certain shares expected to be issued in future periods but not yet eligible to receive dividends and/or distributions. Each quarter, the dividend payable to Newmark's common 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 fully diluted share. Newmark 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 pre-tax Adjusted Earnings using the fully diluted share count. The declaration, payment, timing and amount of any future dividends payable by the Company will be at the discretion of its board of directors using the fully diluted share count.

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 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 Newmark'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 Adjusted Earnings measures and the GAAP measures of financial performance should be considered together.

Newmark anticipates providing forward-looking guidance for GAAP revenues and for certain Adjusted Earnings measures from time to time. However, the Company does not anticipate providing an outlook for GAAP results other than revenue. 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 results to non-GAAP results with sufficient precision unless Newmark 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, 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 including with respect to the Nasdaq Forward. 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.

ADJUSTED EBITDA DEFINED

Adjusted EBITDA and Adjusted EBITDA Before Allocations to Units Defined

Newmark provides a non-GAAP financial performance measure, "Adjusted EBITDA," which the Company defines as "Net income (loss) for fully diluted shares" derived in accordance with GAAP and adjusted for the addition of the following items:

- Provision (benefit) for income taxes;
- Net income (loss) attributable to noncontrolling interest;
- Employee loan amortization and reserves on employee loans;
- Interest expense;
- Fixed asset depreciation and intangible asset amortization;
- Non-cash charges relating to grants of exchangeability to limited partnership units;
- Other non-cash charges related to equity-based compensation;
- Other non-cash income (loss); and
- Net non-cash GAAP gains related to OMSRs and MSRs amortization.

The Company also discloses "Adjusted EBITDA before allocations to units," which is Adjusted EBITDA excluding GAAP charges with respect to allocations of net income to limited partnership units. Such allocations represent the pro-rata portion of pre-tax earnings available to such unit holders. These units are included in the fully-diluted share count, and are exchangeable on a one-to-one basis, subject to certain adjustments, into shares of Newmark's Class A common stock. As these units are exchanged into shares of the Company's Class A common stock, unit holders will become entitled to cash dividends paid on the shares of the Class A common stock rather than cash distributions in respect of the units. The Company views such allocations as economically equivalent 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 be excluded by investors when analyzing Newmark's results on a fully-diluted basis with respect to Adjusted EBITDA.

For all periods beginning with the third quarter of 2018, the Company will simplify its definition of "Adjusted EBITDA" so that it excludes GAAP charges with respect to allocations of net income to limited partnership units. Therefore, the term "Adjusted EBITDA" will be consistent with what the Company has historically referred to as "Adjusted EBITDA before allocations to units".

The Company's management believes that these Adjusted EBITDA measures are useful in evaluating Newmark's operating performance, because the calculations of these measures generally eliminate 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. Newmark believes that these Adjusted EBITDA measures are useful to investors to assist them in achieving a more complete picture of the Company's financial condition and results of operations.

Because these Adjusted EBITDA measures are not recognized measurements under GAAP, investors should use these measures in addition to "Net income (loss) for fully diluted shares" when analyzing Newmark's operating performance. Because not all companies use identical Adjusted EBITDA calculations, the Company's presentation of these Adjusted EBITDA measures may not be comparable to similarly-titled measures of other companies. Furthermore, these Adjusted EBITDA measures are not intended to be measures of free cash flow or GAAP cash flow from operations, because these Adjusted EBITDA measures do not consider certain cash requirements, such as tax and debt service payments.

See the reconciliation table "Reconciliation of GAAP Income (Loss) to Adjusted EBITDA" elsewhere in this document for additional information on this topic.

PROPOSED SPIN-OFF

Proposed Spin-Off of Newmark

BGC has advised Newmark that it currently expects to pursue a distribution to its stockholders of all of the Class A common shares and Class B common shares of Newmark that BGC then owns (the "spin-off") in a manner that is intended to qualify as generally tax-free for U.S. federal income tax purposes. As currently contemplated, shares of Class A common stock of Newmark held by BGC would be distributed to the holders of shares of Class A common stock of BGC, and shares of Class B common stock of Newmark held by BGC would be distributed to the holders of shares of Class B common stock of BGC.

Had the spin-off occurred immediately following the close of the second quarter of 2018, the ratio of Newmark common shares to be distributed in respect of each BGC common share would have been approximately 0.4647. However, the exact ratio of Newmark common shares to be distributed in respect of each BGC common share in the spin-off will depend on, among other things, the number of BGC common shares outstanding and the number of Newmark common shares (including Newmark common shares underlying units of Newmark Partners, L.P.) owned by BGC as of the record date of the spin-off. The spin-off is subject to a number of conditions, and BGC may determine not to proceed with the spin-off if the BGC board of directors determines, in its sole discretion, that the spin-off is not in the best interest of BGC and its stockholders. Accordingly, the spin-off may not occur on any expected timeframe, or at all.

Please see the section titled "Item 13—Certain Relationships and Related Transactions, and Director Independence—Separation and Distribution Agreement—The Distribution" and "Item 13—Certain Relationships and Related Transactions, and Director Independence—Separation and Distribution Agreement— BGC Partners Contribution of Newmark OpCo Units Prior to the Distribution" in Newmark's amended 2017 annual report on Form 10-K/A for additional information regarding the proposed distribution.

DIVIDEND POLICY & ASC 606

Newmark Dividend Policy

Newmark's board of directors has authorized a dividend policy that reflects its intention to pay a quarterly dividend, starting with the first quarter of 2018. Any dividends to Newmark's common stockholders will be calculated based on its expected post-tax Adjusted Earnings per fully diluted share, as a measure of net income for the year. See Newmark's 10-Q for a definition of "post-tax Adjusted Earnings" per fully diluted share.

Newmark currently expects that, in any year, its aggregate quarterly dividends will be equal to or less than its estimate at the end of the first quarter of such year of 25% of its post-tax Adjusted Earnings per fully diluted share to its common stockholders for such year. The declaration, payment, timing and amount of any future dividends payable by Newmark will be at the discretion of its board of directors; provided that any dividend to its common stockholders that would result in the dividends for a year exceeding 25% of its post-tax Adjusted Earnings per fully diluted share for such year shall require the consent of the holder of a majority of the Newmark Holdings exchangeable limited partnership interests, which is currently Cantor.

For the first quarter of 2018, Newmark's board of directors declared a dividend of 9 cents per share based on management's current expectation of its post-tax Adjusted Earning per fully diluted share for the year, and has indicated that it expects such dividend to remain consistent for the full year. To the extent that 25% of Newmark's post-tax Adjusted Earnings per fully diluted share for the year exceeds this dividend on an annualized basis (i.e. an expected aggregate of $0.36 for four quarters), Newmark does not expect that its board of directors will increase the amount of the quarterly dividend payment during the year, or make downward adjustments in the event of a shortfall, although no assurance can be given that adjustments will not be made during the year. Newmark has indicated that it expects to announce the annual expected dividend rate in the first quarter of each year.

Impact of Adopting Revenue Recognition Guidance

On January 1, 2018, we adopted ASC 606, which provides accounting guidance on the recognition of revenues from contracts with customers and impacts the presentation of certain revenues and expenses in our Condensed Consolidated Statements of Operations. Newmark elected to adopt ASC 606 using a modified retrospective approach with regard to contracts that were not completed as of December 31, 2017, and prospectively from January 1, 2018 onward. Accordingly, our financial information have not been revised for historical comparable periods and are presented under the accounting standards in effect during those periods. Due to the adoption of ASC 606, for all periods from the first quarter of 2018 onward, Newmark did not and will not record revenues or earnings related to "Leasing and other commissions" with respect to contingent revenue expected to be received in future periods as of December 31, 2017, in relation to contracts signed prior to January 1, 2018, for which services have already been completed. Instead, the Company recorded this contingent revenue and related commission payments on the balance sheet on January 1, 2018, with a corresponding pre-tax improvement of approximately $22.7 million and Newmark recognized an increase of $16.5 million and $2.3 million to beginning retained earnings and non-controlling interest, respectively, as a cumulative effect of adoption of an accounting change. Over time, the Company expects to receive $23 million of cash related to these "Leasing and other commissions" receivables, primarily over the course of 2018 and 2019. This cash, however, will not be recorded as GAAP net income. Additionally, prior to the adoption of ASC 606, Newmark presented certain management services expenses incurred on behalf of customers, subject to reimbursement, on a net basis. Under ASC 606, Newmark concluded that it controls the services provided by a third party on behalf of customers and, therefore, acts as a principal under those contracts and will present the related expenses on a gross basis in our Condensed Consolidated Statements of Operations, with no impact on net income available to common stockholders.

ASC 606 does not apply to revenue associated with financial instruments, including loans and securities that are accounted for under other U.S. GAAP guidance, and as a result, did not have an impact on the elements of our Condensed Consolidated Statements of Operations most closely associated with financial instruments, including Commissions, Gains from mortgage banking activities/originations, net and Servicing fees.

There was no significant impact as a result of applying ASC 606 to our results of operations for the three months ended March 31, 2018, except as it relates to the recognition and presentation of Management services, servicing fees and other revenues that contained future contingencies and certain Operating, Administrative and Other expenses subject to reimbursement.

Refer to Newmark's Quarterly Reports on Form 10-Q for further information.

RECONCILIATION OF GAAP INCOME (LOSS) TO ADJUSTED EBITDA (IN THOUSANDS)(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
GAAP Net income (loss) available to common stockholders	**$ 739**	**$ 55,145**	**$ 20,736**	**$ 91,856**
Add back:				
Provision (benefit) for income taxes	10,822	1,422	17,755	1,407
Net income (loss) attributable to noncontrolling interest in subsidiaries	3,555	12	16,045	308
OMSR Revenue	(24,695)	(42,597)	(45,792)	(71,907)
MSR Amortization	15,726	19,040	33,550	32,916
Other Depreciation and Amortization	4,475	4,178	9,163	8,541
Depreciation and amortization	**20,201**	**23,218**	**42,713**	**41,457**
Grant of Exchangeability to limited partnership units (1)	60,334	17,644	82,083	23,681
Other non-cash and equity based compensation and amortization (2)	7,572	8,040	5,188	16,054
Non-Recurring (Gains) / Losses	275	814	444	2,016
Other non-cash, non-dilutive, non-economic items (3)	2,808	1,221	2,638	2,553
Interest expense (4)	12,915	7	27,735	13
Adjusted EBITDA	**$ 94,526**	**$ 64,926**	**$ 169,545**	**$ 107,438**
Allocations of net income	4,692	6,206	8,752	10,818
Adjusted EBITDA before allocations to units	**$ 99,218**	**$ 71,132**	**$ 178,297**	**$ 118,256**

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

(2) Includes other equity based amortization and employee loans amortization and reserves.

(3) Includes the impact of any unrealized non-cash mark-to-market gains or losses on “other income (loss)” related to the variable share forward agreement with respect to Newmark’s expected receipt of the Nasdaq payments in 2019 and 2020. Also includes certain other non-cash expenses.

(4) The Interest expense add back for Adjusted EBITDA excludes operating interest on Warehouse notes payable of $4.4 million and $9.5 million, for the Three Months Ended June 30, 2018 and 2017 and $8.1 million and $11.4 million for the Six Months Ended June 30, 2018 and 2017, respectively.

Note: For all periods beginning with the third quarter of 2018, the Company will simplify its definition of “Adjusted EBITDA” so that it excludes GAAP charges with respect to allocations of net income to limited partnership units. Therefore, the term “Adjusted EBITDA” will be consistent with what the Company has historically referred to as “Adjusted EBITDA before allocations to units”.

TTM RECONCILIATION OF GAAP INCOME (LOSS) TO ADJUSTED EBITDA (IN THOUSANDS)(UNAUDITED)

	TTM Ended June 30, 2018	TTM Ended June 30, 2017
GAAP Net income (loss) available to common stockholders	**$ 73,372**	**$ 207,683**
Add back:		
Provision (benefit) for income taxes	73,826	4,542
Net income (loss) attributable to noncontrolling interest in subsidiaries	16,342	(317)
OMSR Revenue	(94,856)	(147,384)
MSR Amortization	73,152	60,188
Other Depreciation and Amortization	23,919	16,027
Depreciation and amortization	**97,071**	**76,215**
Grant of Exchangeability to limited partnership units (1)	147,837	53,101
Other non-cash equity based compensation and amortization (2)	56,036	47,083
Non-Recurring (Gains) / Losses	5,357	(14,315)
Other non-cash, non-dilutive, non-economic items (3)	4,834	2,553
Interest expense (4)	30,606	15
Adjusted EBITDA	**$ 410,426**	**$ 229,176**
Allocations of net income	23,155	30,282
Adjusted EBITDA before allocations to units	**$ 433,581**	**$ 259,457**

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

(2) Includes other equity based amortization and employee loans amortization and reserves.

(3) Includes the impact of any unrealized non-cash mark-to-market gains or losses on “other income (loss)” related to the variable share forward agreement with respect to Newmark’s expected receipt of the Nasdaq payments in 2019 and 2020. Also includes certain other non-cash expenses.

(4) The Interest expense add back for Adjusted EBITDA excludes operating interest on Warehouse notes payable.

Note: For all periods beginning with the third quarter of 2018, the Company will simplify its definition of “Adjusted EBITDA” so that it excludes GAAP charges with respect to allocations of net income to limited partnership units. Therefore, the term “Adjusted EBITDA” will be consistent with what the Company has historically referred to as “Adjusted EBITDA before allocations to units”.

NEWMARK

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Net income (loss) available to common stockholders	$ 739	$ 55,145	$ 20,736	$ 91,856
Provision (benefit) for income taxes	10,822	1,422	17,755	1,407
Net income (loss) attributable to noncontrolling interest in subsidiaries	3,555	12	16,045	308
Pre-tax adjustments:				
OMSR Revenue	(24,695)	(42,597)	(45,793)	(71,907)
MSR amortization	15,726	19,040	33,551	32,916
Grant of exchangeability to limited partnership units	60,334	17,644	82,083	23,681
Intangible Asset Amortization	1,257	1,350	2,770	2,697
Non recurring (Gains) / Losses	275	814	443	2,016
Other non-cash, non-dilutive, non-economic items (1)	2,808	-	2,808	-
Allocation of Net Income	4,692	6,206	8,752	10,818
Total pre-tax adjustments	60,397	2,457	84,614	221
Pre-tax Adjusted Earnings	**$ 75,513**	**$ 59,036**	**$ 139,150**	**$ 93,792**
GAAP Net income (loss) available to common stockholders	$ 739	$ 55,145	$ 20,736	$ 91,856
Allocation of net income (loss) to noncontrolling interest in subsidiaries	3,311	-	14,998	-
Total pre-tax adjustments (from above)	60,397	2,457	84,614	221
Income tax adjustment to reflect adjusted earnings taxes	832	(9,205)	(699)	(15,476)
Post-tax Adjusted Earnings	**$ 65,279**	**$ 48,397**	**$ 119,649**	**$ 76,601**
Per Share Data				
GAAP fully diluted earnings per share	$ 0.00	N/A	$ 0.13	N/A
Less: Allocations of net income to limited partnership units and FPUs, net of tax	(0.01)	N/A	(0.06)	N/A
Nasdaq Forward Contract Preferred Discount	0.00	N/A	0.00	N/A
Total pre-tax adjustments (from above)	0.23	0.01	0.33	0.00
Income tax adjustment to reflect adjusted earnings taxes	0.00	(0.04)	(0.00)	(0.07)
Post-tax adjusted earnings per share	$ 0.25	$ 0.21	$ 0.47	$ 0.34
Pre-tax adjusted earnings per share	$ 0.29	$ 0.26	$ 0.55	$ 0.41
Fully diluted weighted-average shares of common stock outstanding	258,703	228,390	252,805	226,794

(1) Includes the impact of any unrealized non-cash mark-to-market gains or losses on “other income (loss)” related to the variable share forward (“Nasdaq Forward”) agreement with respect to Newmark’s expected receipt of the Nasdaq payments in 2019 and 2020.

NEWMARK

TTM RECONCILIATION OF GAAP INCOME (LOSS) TO ADJUSTED EARNINGS (IN THOUSANDS) (UNAUDITED)

	TTM Ended June 30, 2018	TTM Ended June 30, 2017
Net income (loss) available to common stockholders	$ 73,372	$ 207,683
Provision (benefit) for income taxes	73,826	4,542
Net income (loss) attributable to noncontrolling interest in subsidiaries	16,342	(317)
Pre-tax adjustments:		
Reserves on employee loan	26,055	18,142
OMSR Revenue	(94,856)	(147,384)
MSR amortization	73,152	60,188
Grant of exchangeability to limited partnership units	147,837	53,101
Intangible Asset Amortization	11,118	4,758
Non recurring (Gains) / Losses	5,357	(14,315)
Other non-cash, non-dilutive, non-economic items (1)	12,808	-
Allocation of Net Income	23,155	30,282
Total pre-tax adjustments	204,627	4,772
Pre-tax Adjusted Earnings	**$ 368,167**	**$ 216,680**
GAAP Net income (loss) available to common stockholders	$ 73,372	$ 207,683
Allocation of net income (loss) to noncontrolling interest in subsidiaries	14,998	-
Total pre-tax adjustments (from above)	204,627	4,772
Income tax adjustment to reflect adjusted earnings taxes	14,150	(35,443)
Post-tax Adjusted Earnings	**$ 307,146**	**$ 177,012**

(1) Includes the impact of any unrealized non-cash mark-to-market gains or losses on “other income (loss)” related to the variable share forward (“Nasdaq Forward”) agreement with respect to Newmark’s expected receipt of the Nasdaq payments in 2019 and 2020.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017 (1)	2018	2017 (1)
Common stock outstanding	155,157	N/A	155,447	N/A
Limited partnership units	-	N/A	67,033	N/A
Cantor units	-	N/A	23,758	N/A
Founding partner units	-	N/A	5,714	N/A
RSUs	146	N/A	213	N/A
Other	635	N/A	639	N/A
Fully diluted weighted-average share count for GAAP	**155,938**	**-**	**252,804**	**-**
Adjusted Earnings Adjustments:				
Common stock outstanding	-	N/A	-	N/A
Limited partnership units	73,354	N/A	-	N/A
Cantor units	23,714	N/A	-	N/A
Founding partner units	5,696	N/A	-	N/A
RSUs	-	N/A	-	N/A
Other	-	N/A	-	N/A
Fully diluted weighted-average share count for Adjusted Earnings	**258,702**	**228,390**	**252,804**	**226,794**

Note:

(1) This methodology divides the relevant historical weighted average share counts of BGC Partners by 2.2 and adds the 23.0 million shares of NMRK Class A common stock issued in the IPO as though they were issued and outstanding for the entire relevant period. BGC's fully diluted weighted average share count for the three and six months ended June 30, 2017 was 451.9 and 448.3 million, respectively.

Newmark’s post-tax Adjusted Earnings per share for the three and six months ended June 30, 2018 and 2017 under this methodology is $0.25 and $0.47, and $0.21 and $0.34, respectively.

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