BGC PARTNERS, INC.

Q1 2014

EARNINGS PRESENTATION

DISCLAIMER

Discussion of Forward-Looking Statements by BGC Partners

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

Note Regarding Financial Tables and Metrics

Excel files with the Company's quarterly financial results and metrics from full year 2008 through first quarter 2014 are accessible in the various financial results press releases at the "Investor Relations" section of http://www.bgcpartners.com. They are also available directly at ir.bgcpartners.com/news-releases/news-releases.

Distributable Earnings

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

Adjusted EBITDA

See the sections of BGC's most recent financial results press release titled "Adjusted EBITDA Defined" and "Reconciliation of GAAP Income to Adjusted EBITDA (and Comparison to Pre-Tax Distributable Earnings)."

Other Items

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

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

GENERAL OVERVIEW

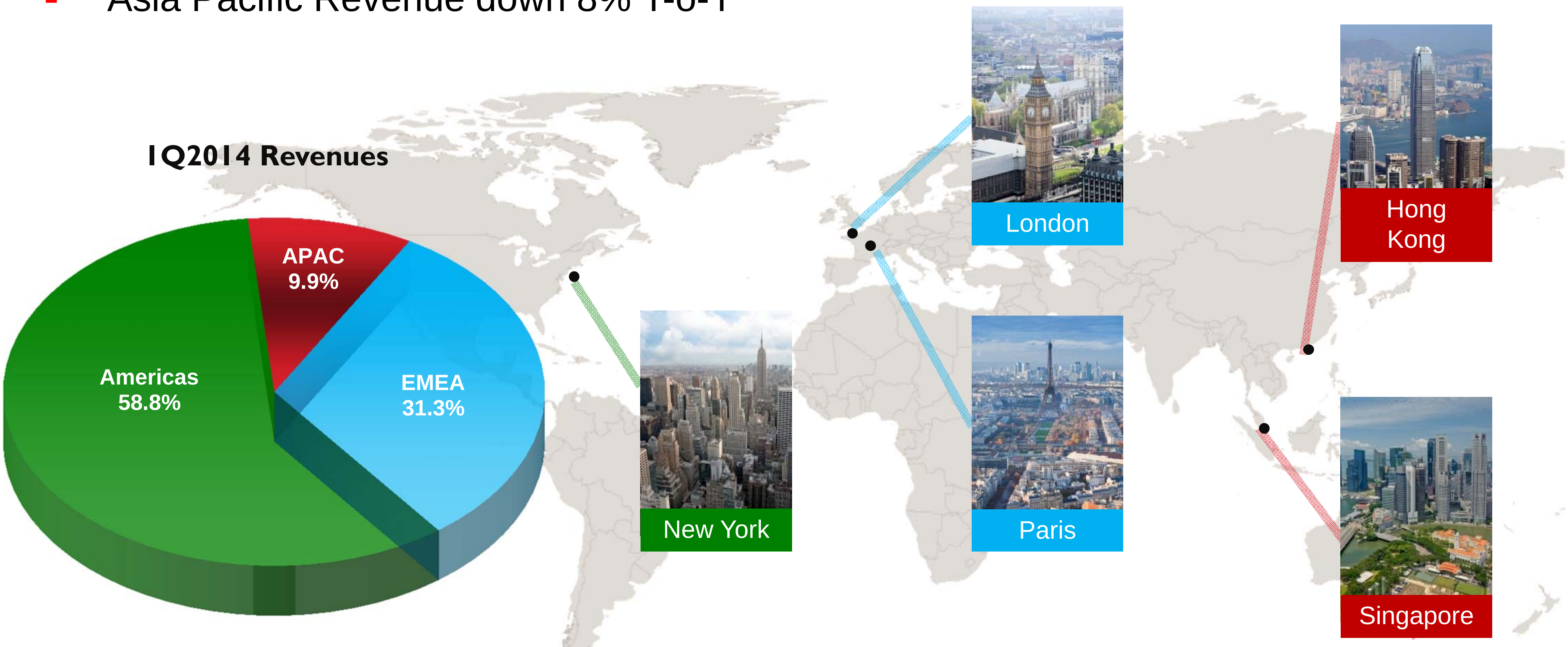
SELECT Q1 2014 RESULTS COMPARED TO Q1 2013

Highlights of Consolidated Results ($ millions, except per share data)	Q1 2014	Q1 2013	Change (%)
Revenues for distributable earnings	$445.9	$449.8	(0.9)
Pre-tax distributable earnings before non-controlling interest in subsidiaries and taxes	56.2	45.1	24.7
Pre-tax distributable earnings per share	0.17	0.14	21.4
Post-tax distributable earnings	47.2	38.5	22.7
Post-tax distributable earnings per share	0.15	0.12	25.0
Adjusted EBITDA	74.6	59.7	24.9
Effective tax rate	15.0%	14.5%	
Pre-tax earnings margin	12.6%	10.0%	
Post-tax earnings margin	10.6%	8.6%	

- eSpeed generated $24.8 million in revenues and $14.4 million in pre-tax profits in the first quarter 2013.
- BGC Partners' Board of Directors declared a quarterly cash dividend of $0.12 per share payable on June 2, 2014, with an ex-dividend date of May 14, 2014 to Class A and Class B common stockholders of record as of May 16, 2014.

Q1 2014 GLOBAL REVENUE BREAKDOWN

- Americas Revenue up 6% Y-o-Y (excluding eSpeed Americas Revenue up 18%)
- Europe, Middle East & Africa Revenue down 10% Y-o-Y
- Asia Pacific Revenue down 8% Y-o-Y

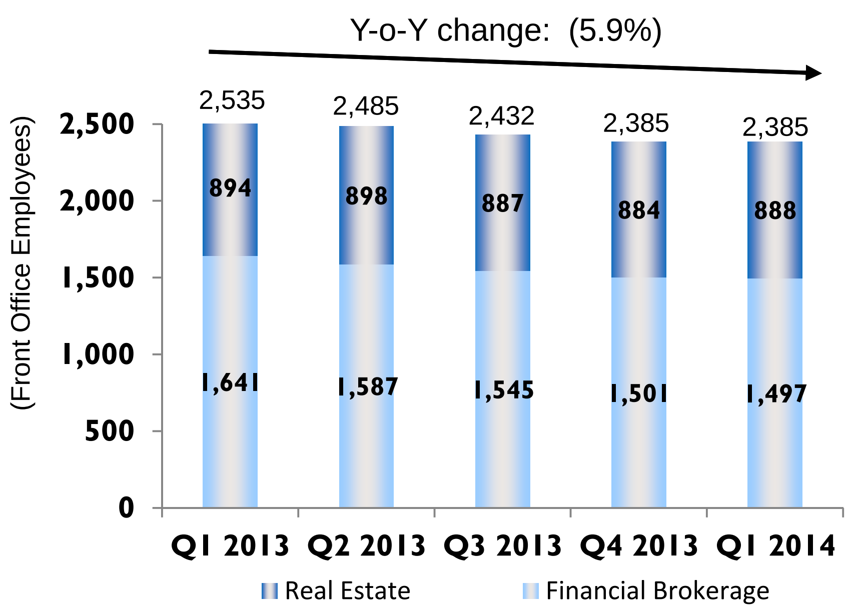


- IDBs typically seasonally strongest in 1st quarter, weakest in 4th quarter
- Real Estate typically seasonally strongest in 4th quarter, weakest in 1st quarter

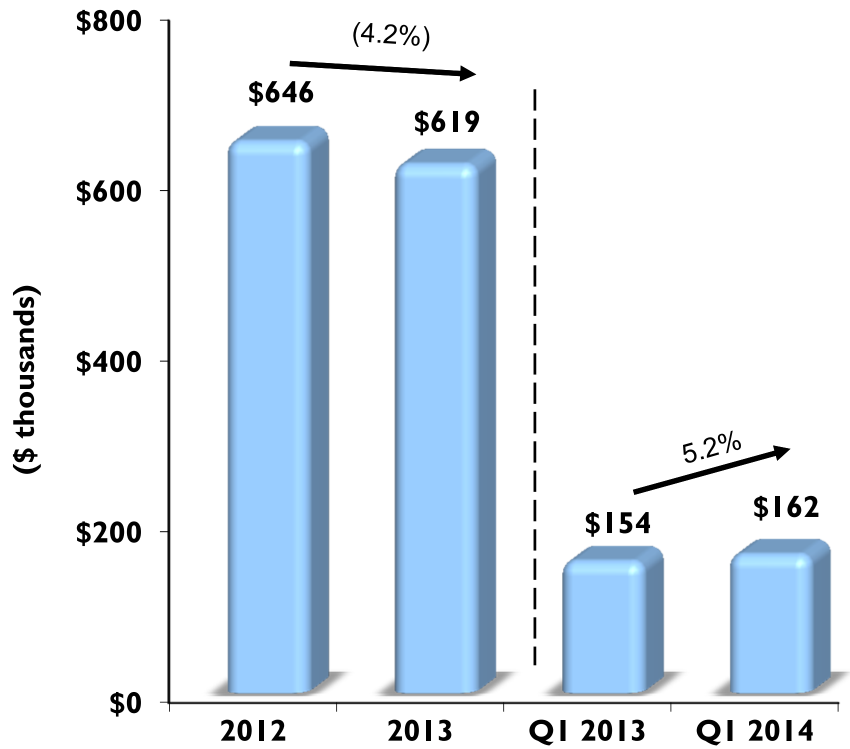
Note: percentages may not sum to 100% due to rounding.

BGC'S FRONT OFFICE OVERVIEW

Front Office Headcount



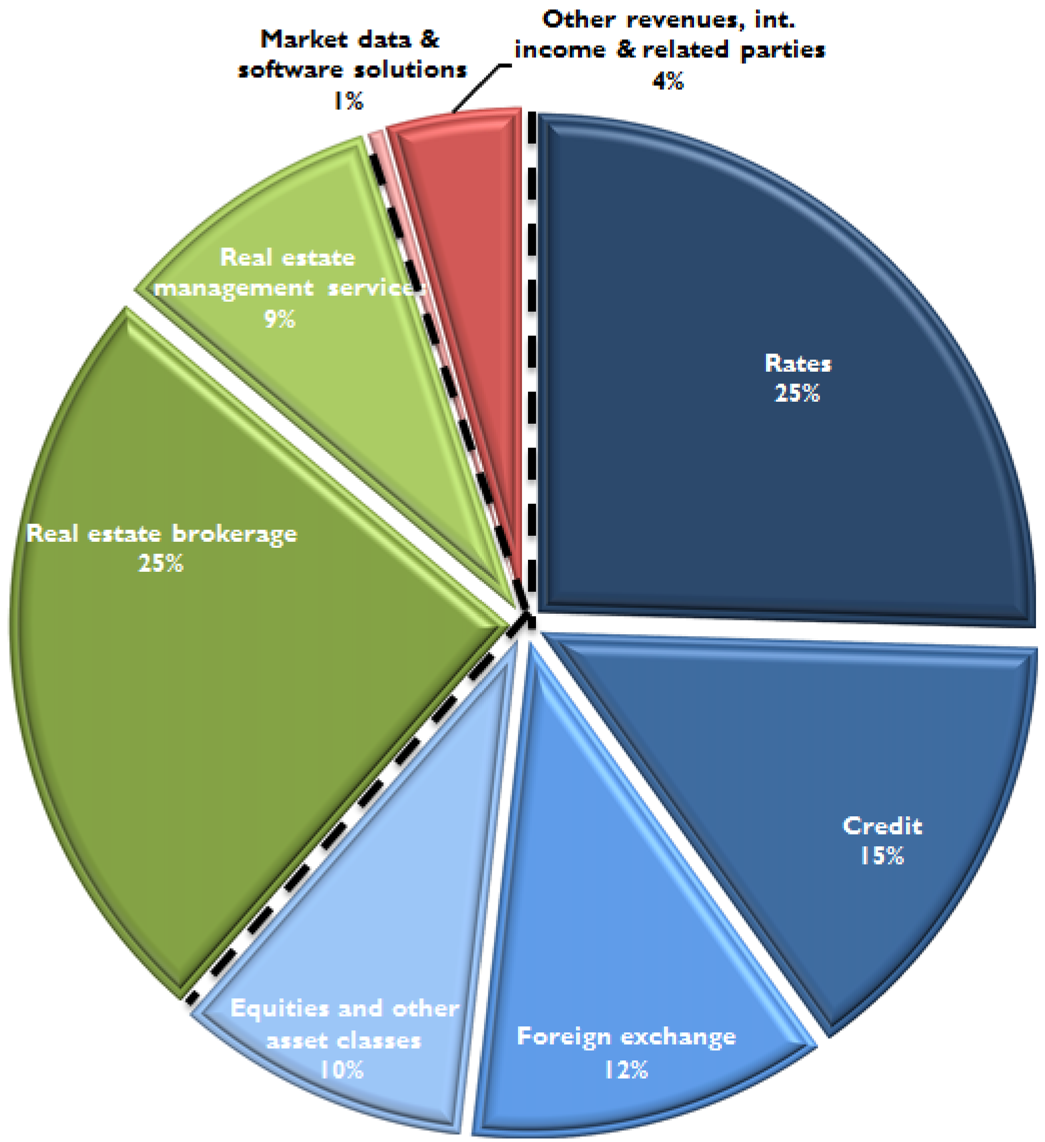
Front Office Productivity (in thousands)



- For Q1 2014 Real Estate Services front office average revenue per front office employee was up 47%, Financial Services average revenue per front office employee was down 3% year-over-year
- Excluding eSpeed revenues and headcount, Financial Services revenue per broker/salesperson was up approximately 4 percent year-over-year and up 11% for BGC as a whole

Note 1: Front office productivity is calculated as "total brokerage revenue," "market data and software sales revenue," "NASDAQ earn-out" and the portion of " fees from related party" line items related to fully electronic trading divided by average front office headcount for the relevant period.

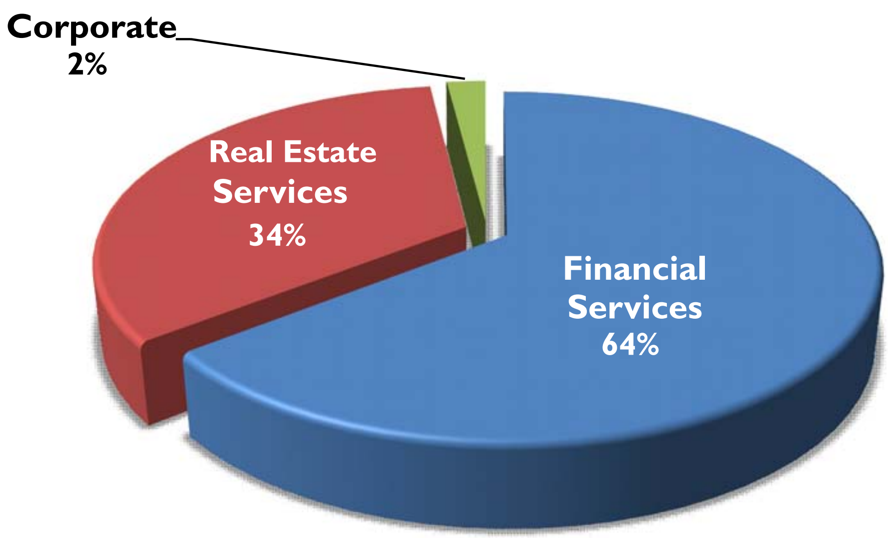
Q1 2014 PRODUCT DIVERSITY



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

Q1 2014 SEGMENT DATA (DISTRIBUTABLE EARNINGS BASIS)

Q1 2014 Revenues



Q1 2014 In USD millions	Revenues	Pre-tax Earnings	Pre-tax Margin
Financial	$287.1	$59.1	20.6%
Real Estate	$149.8	$15.2	10.1%
Corporate	$9.0	($18.0)	NMF

Q1 2013 In USD millions	Revenues	Pre-tax Earnings	Pre-tax Margin
Financial	$323.8	$64.1	19.8%
Real Estate	$114.2	$2.3	2.0%
Corporate	$11.7	($21.2)	NMF

- eSpeed generated $23.6 million of revenues and $14.4 million of pre-tax profit within Financial; and $1.2 million of revenues and no pre-tax profit within Corporate
- Excluding eSpeed and including NASDAQ earn-out, Financial Service revenues down 4.4% Y-o-Y
- Real Estate typically seasonally strongest in 4Q; IDBs typically seasonally strongest in 1Q

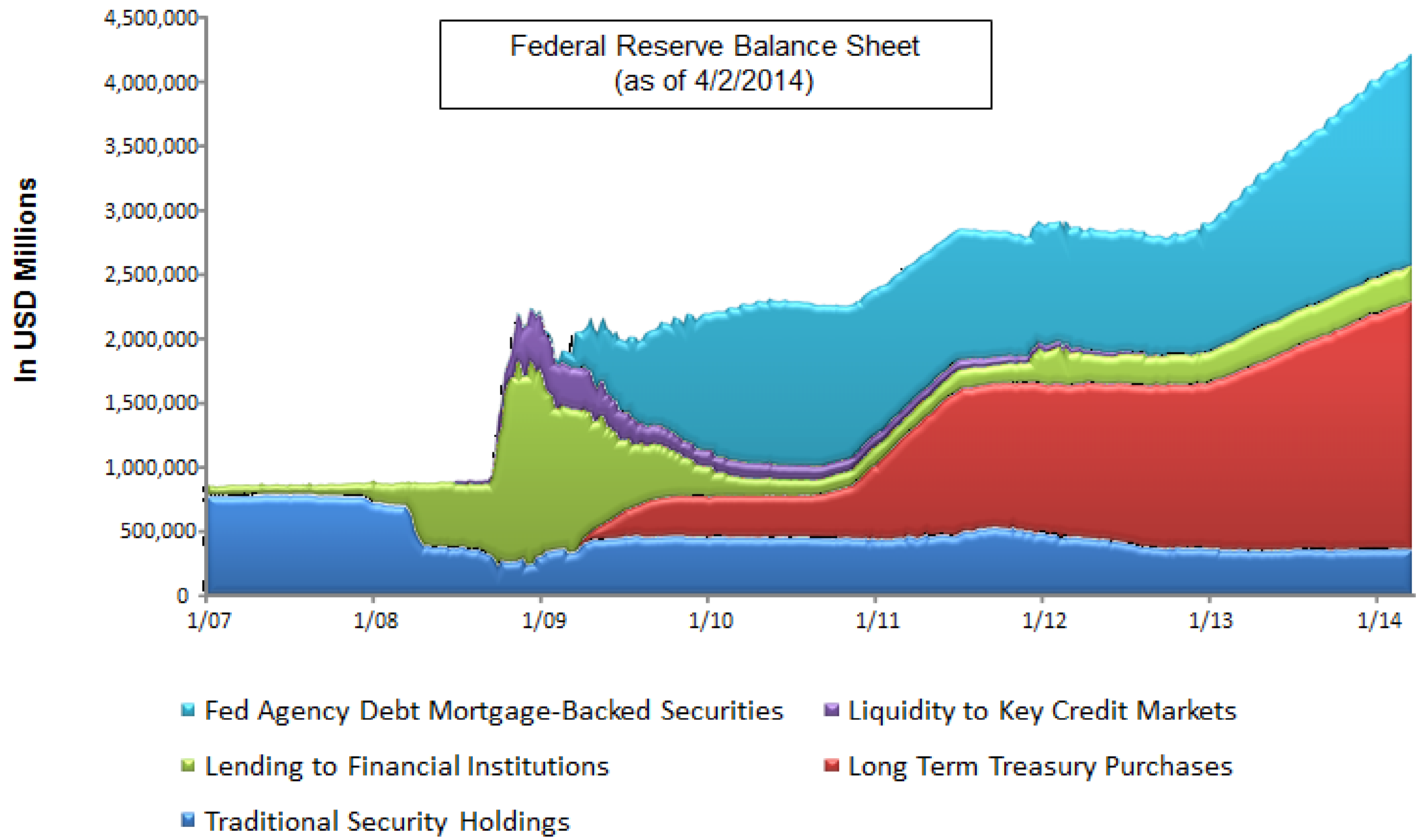
CURRENT MONETARY POLICY LIKELY TO REMAIN ACCOMMODATIVE

Global Monetary Policy

- Fed tapering its quantitative easing ("QE") program at a rate of $10 billion per FOMC meeting – 8 meetings scheduled in 2014
- ECB steady on policy; facing deflationary pressures and may cut rates and/or introduce QE measures
- Fed, ECB, BOJ and BoE to remain accommodative

Global Monetary Policy Effect On BGC Operations

- Current easy monetary policy expected to support continued recovery of U.S. Economy, including Real Estate
- Fed tapering and wind down of QE should eventually provide tailwinds to our Rates business in Financial Services
- Potential Euro Area deflation and ECB countermeasures could have negative effects on BGC's Rates business



Source: Federal Reserve Bank of Cleveland

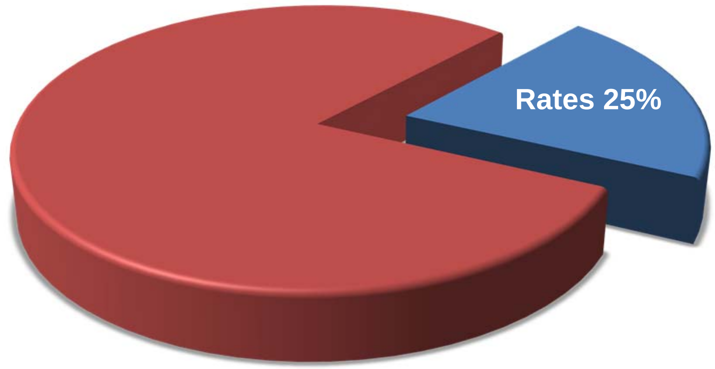
FINANCIAL SERVICES OVERVIEW

BUSINESS OVERVIEW: RATES

Example of Products

- Interest Rate Derivatives
- US Treasuries (off-the-run)
- Global Government Bonds
- Agencies
- Interest Rate Futures
- Dollar Derivatives
- Repurchase Agreements
- Non-Deliverable Swaps
- Interest Rate Swaps & Options

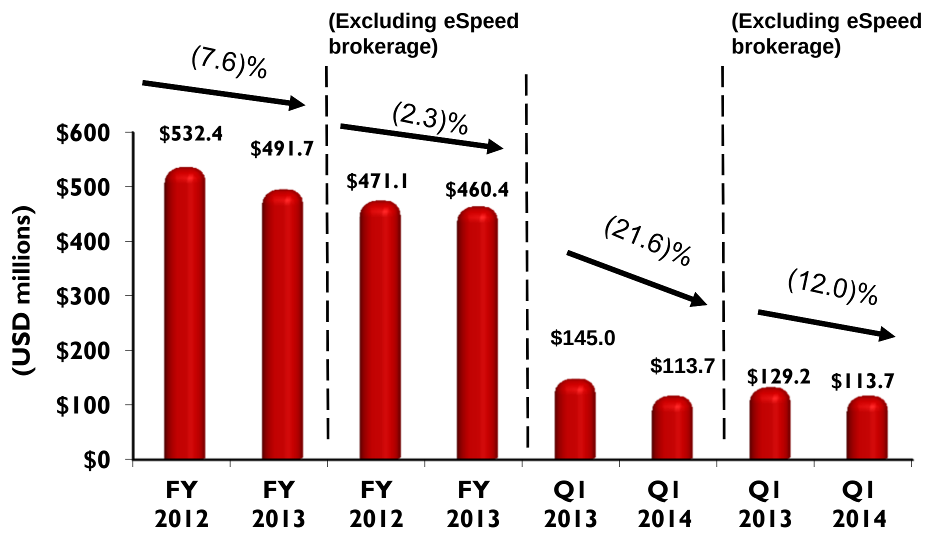
% of Q1 2014 Total Distributable Earnings Revenue



Drivers

- Global sovereign and corporate debt issuance cause long-term tailwinds in our Rates business
- Near-term headwinds due to continued QE efforts
- Low interest rates in most major economies continue to hold down volumes
- Interest rate volatility has remained below historical 10-year averages
- Industry volumes trending lower year-over-year

Rates Revenue Growth

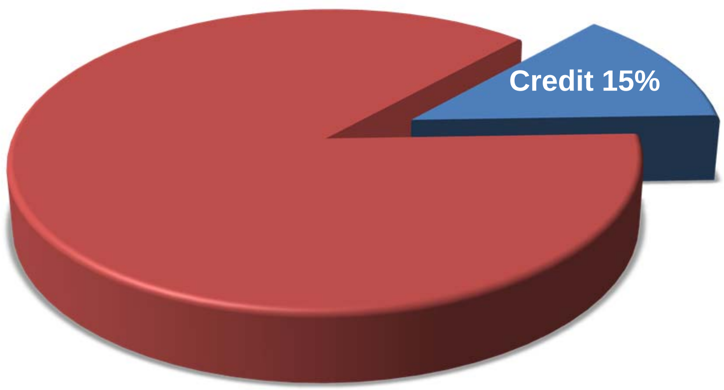


BUSINESS OVERVIEW: CREDIT

Example of Products

- Credit Derivatives
- Asset-Backed Securities
- Convertibles
- Corporate Bonds
- High-Yield Bonds
- Emerging Market Bonds

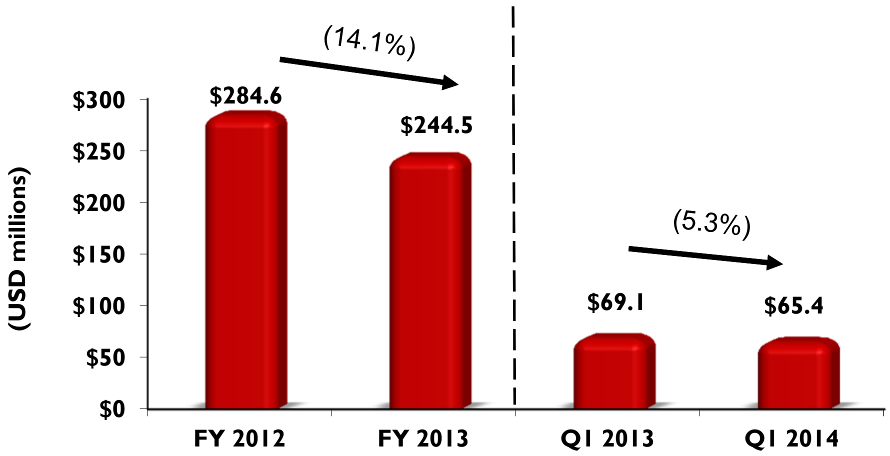
% of Q1 2014 Total Distributable Earnings Revenue



Drivers

- Regulatory uncertainty resulting in lower inter-dealer derivative volumes
- Large bank corporate bond trading activity impacted due in part to Basel III capital requirements and dealer deleveraging / "de-risking"

Credit Revenue Growth



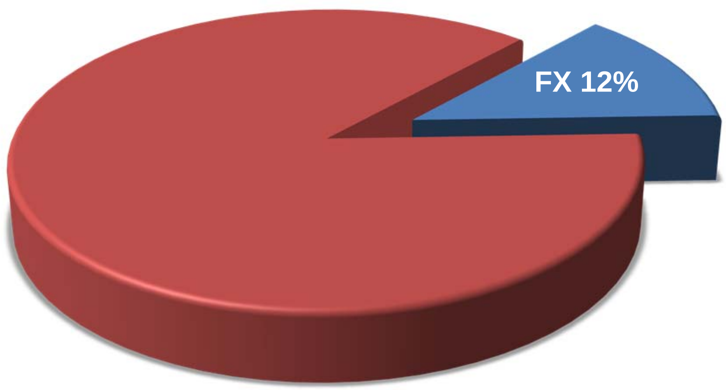
BUSINESS OVERVIEW: FOREIGN EXCHANGE

Example of Products

In virtually all currency pairs:

- Options
- Exotics
- Spot
- Forwards
- Non-deliverable forwards

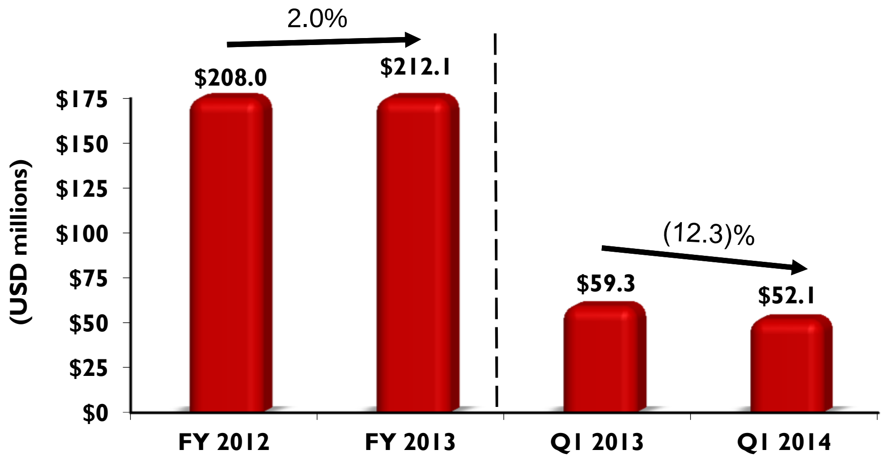
% of Q1 2014 Total Distributable Earnings Revenue



Drivers

- FX volumes tracked significant lower globally for most currency products during the quarter
- BGC Fully Electronic FX spot business outperformed overall industry
- Growth of the Fully Electronic FX business provided improved margins
- Challenging regulatory environment for the FX businesses of several banks

Foreign Exchange Revenue Growth

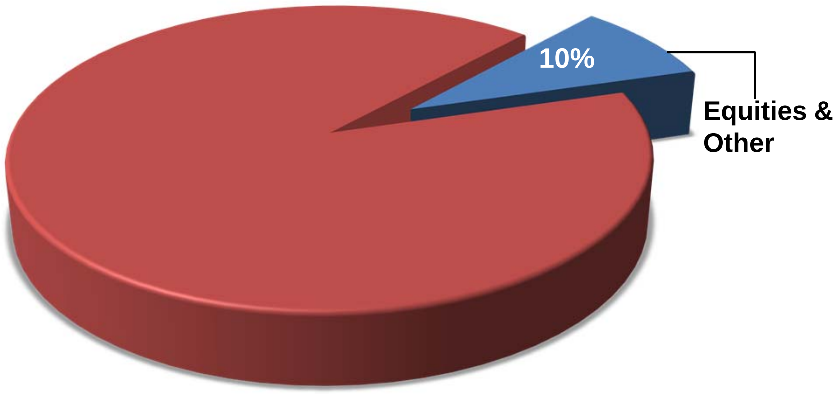


BUSINESS OVERVIEW: EQUITIES & OTHER ASSET CLASSES

Example of Products

- Equity Derivatives
- Cash Equities
- Index Futures
- Commodities
- Energy Derivatives
- Other Derivatives and Futures

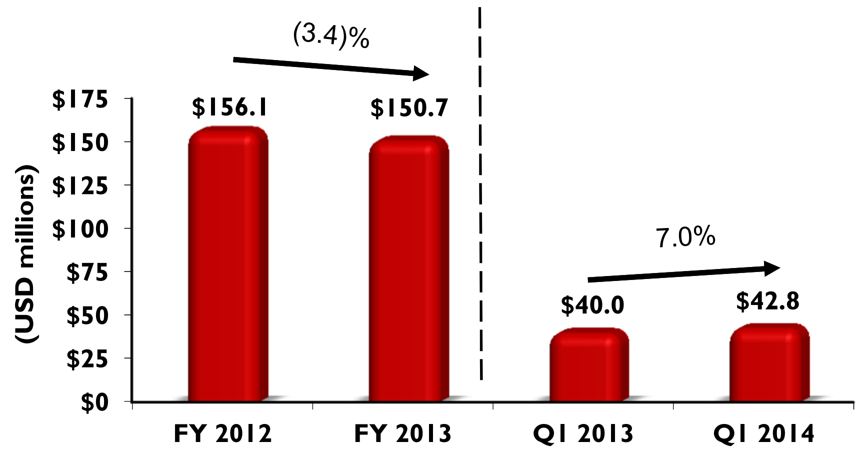
% of Q1 2014 Total Distributable Earnings Revenue



Drivers

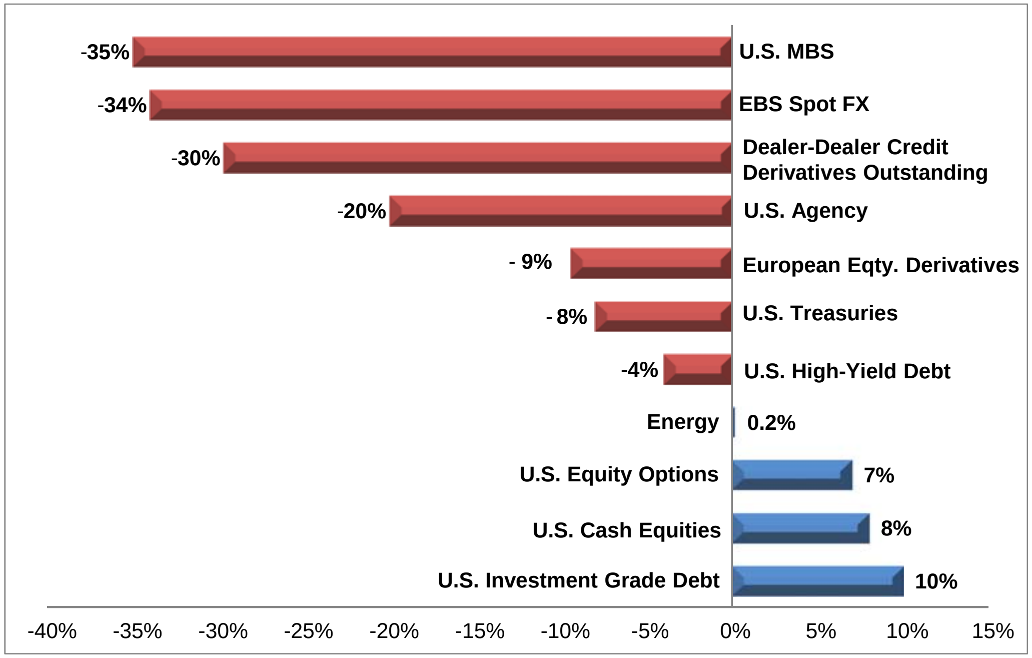
- U.S. and Euro cash equity volumes were up year-over-year
- Global equity derivative volumes were generally mixed from a year ago
- Equity volatility levels elevated year-over-year
- Industry-wide energy volumes relatively flat year-over-year
- 75% YoY growth in BGC's Energy & Commodities businesses

Equities & Other Asset Classes Revenue Growth

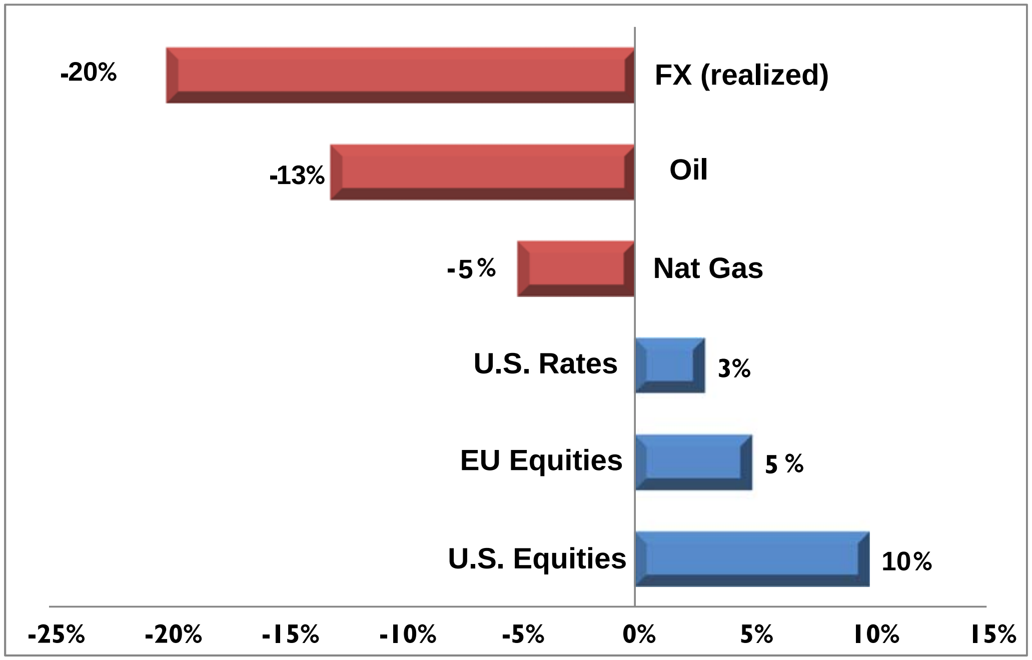


INDUSTRY VOLUMES AND VOLATILITY REMAINED CHALLENGING IN 1Q'14

Year-over-Year Change in Capital Markets Activity
(ADV, except credit derivatives outstanding)



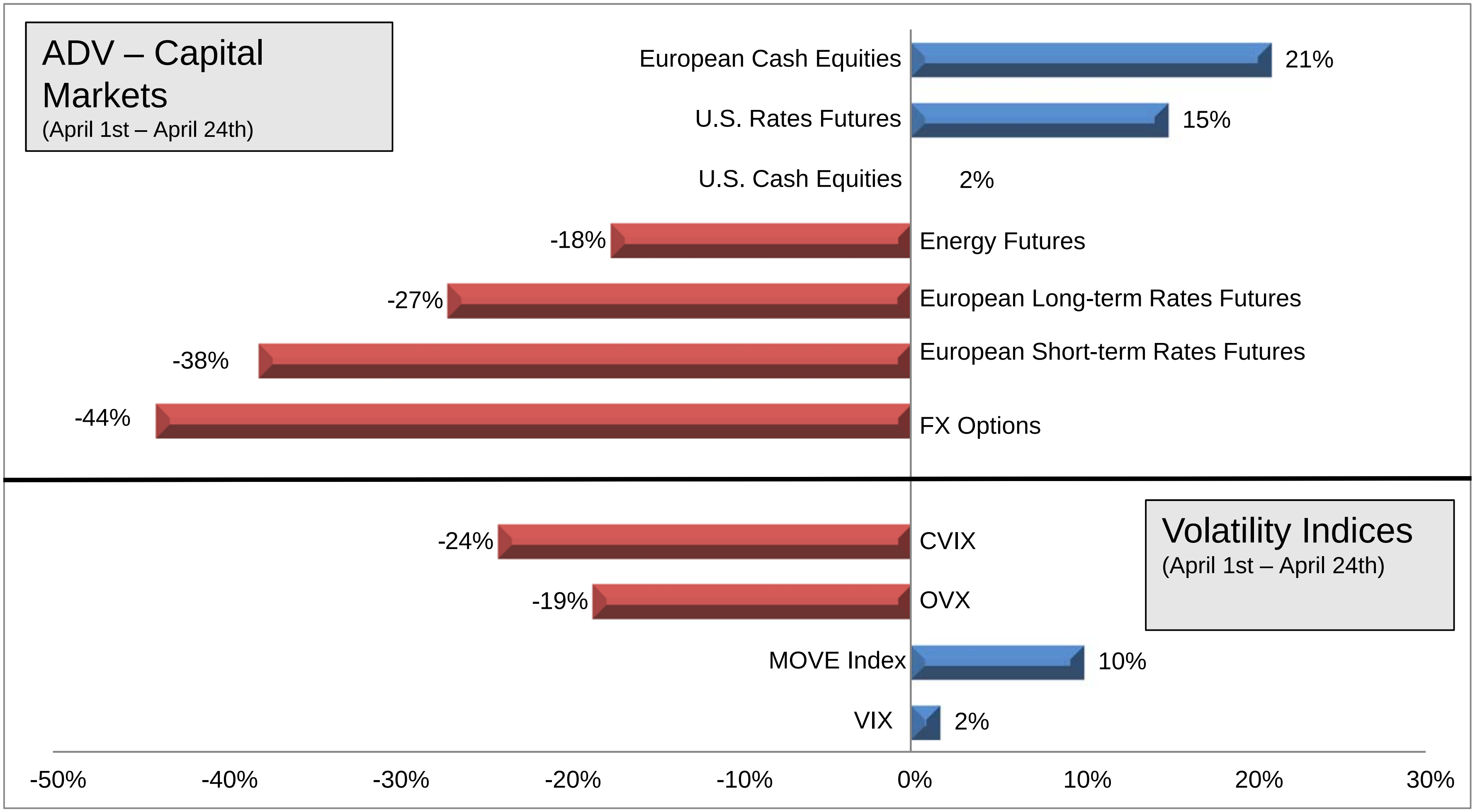
Year-over-Year Change in Avg. Daily Volatility



Source: Goldman Sachs Global Investment Research, Credit Suisse
Note: European Equity Derivatives is an aggregation of Eurex and Euronext volumes

- BGC's Financial Service revenues have historically been correlated with industry-wide volumes and volatility levels
- Generally, increased price volatility increases demand for hedging instruments, including for many of the cash and derivative products that BGC brokers
- With the exception of cash equities, trading volumes and volatility levels were generally down year-over-year and well below historical levels

2Q'14 TO-DATE VOLUMES REMAIN CHALLENGING ACROSS FINANCIAL SERVICES



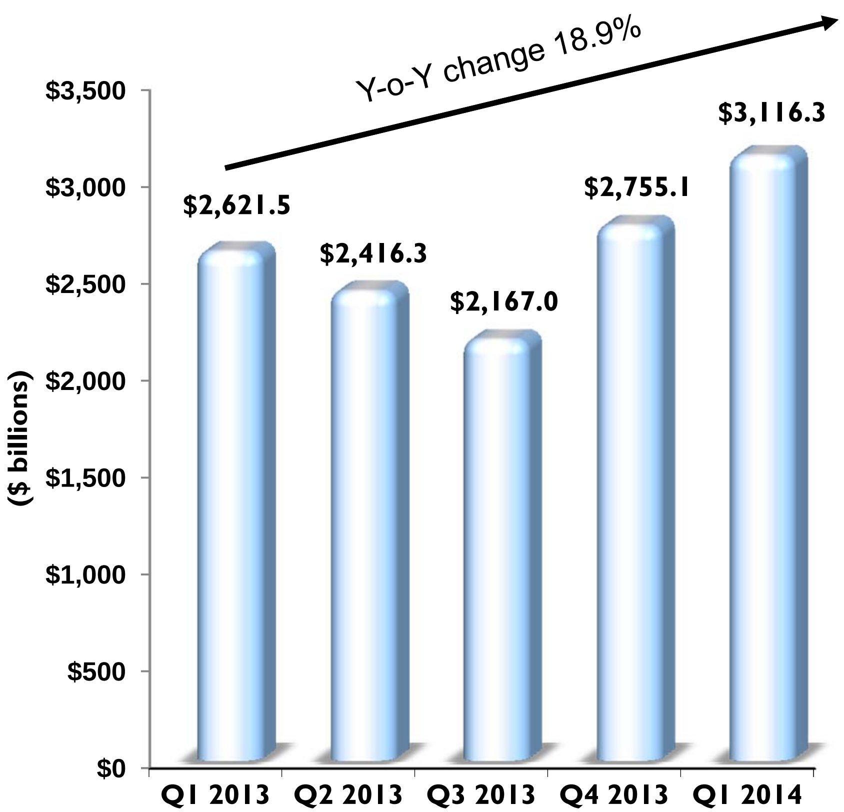
Source: Goldman Sachs Global Investment Research
Note: 2Q'14TD data is through April 24, 2014

1. U.S. Rates and FX Options data as reported by CME
2. European Rates as reported by Liffe
3. Energy Futures data as reported by CME and ICE

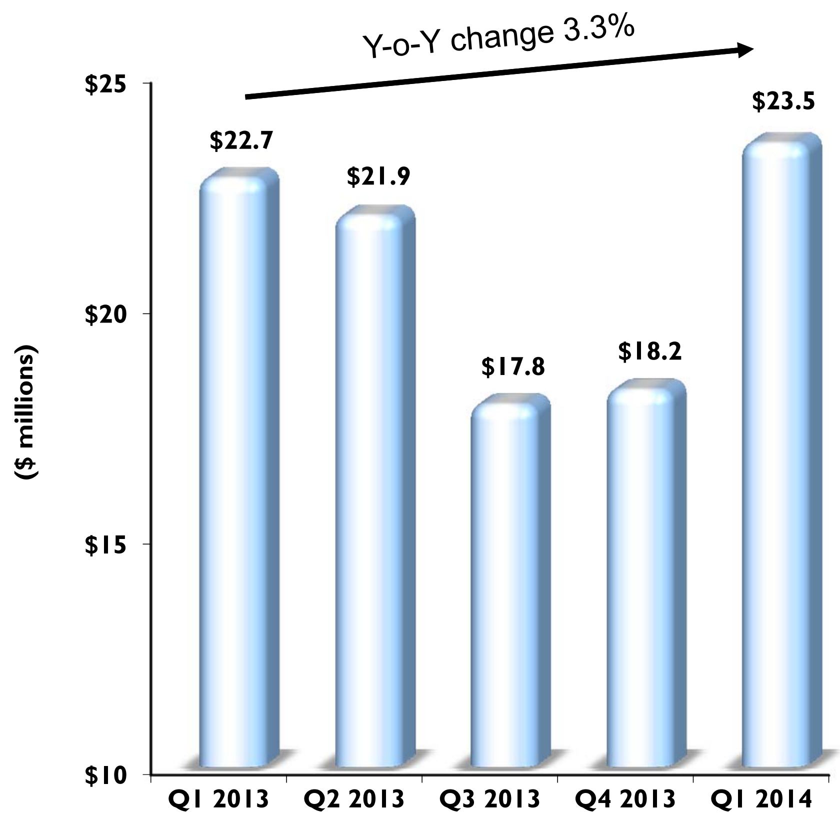
Definitions:
CVIX: The Deutsche Bank Currency Volatility Index, which measures the implied volatility of currency markets
VIX: The Chicago Board Options Exchange Volatility Index reflects a market estimate of future volatility
Move Index: The Merrill Lynch Volatility Estimate is a yield curve weighted index of the normalized implied volatility on 1-month Treasury options
OVX: CBOE Oil ETF Volatility Index Securities Futures, measures expected volatility of underlying oil ETF

BGC'S FULLY ELECTRONIC BROKERAGE METRICS

Fully Electronic Brokerage Notional Volumes (in billions)[1]



Retained Technology Revenues (in millions)[2]



- Percent of technology based revenue[2] (excluding eSpeed) in the Financial Services segment was 8.2% vs. 7.6% in Q1 2013

1. Fully electronic notional volumes and revenues have been normalized to exclude eSpeed activity

2. "Retained Technology" includes fees captured in both the "total brokerage revenues" and " fees from related party" line items related to fully electronic trading and Market Data and Software Solutions, all of which are reported within the Financial Services segment and exclude eSpeed.

TECH-BASED PRODUCTS HAVE MUCH HIGHER MARGINS

	Q1 2014				Q1 2013			
	Technology - Based	Voice / Hybrid	Corporate / Other	Total	Technology - Based	Voice / Hybrid	Corporate / Other	Total
Revenue	$24	$413	$9	$446	$46	$392	$12	$450
Pre-Tax DE	$12	$61	($18)	$56	$25	$41	($21)	$45
Pre-tax DE Margin	53%	15%	NMF	13%	54%	10%	NMF	10%

	FY2013				FY2012			
	Technology - Based	Voice / Hybrid	Corporate / Other	Total	Technology - Based	Voice / Hybrid	Corporate / Other	Total
Revenue	$127	$1,599	$42	$1,768	$168	$1,535	$47	$1,751
Pre-Tax DE	$65	$172	($55)	$182	$83	$175	($62)	$196
Pre-tax DE Margin	51%	11%	NMF	10%	49%	11%	NMF	11%

- Tech margins have remained stable despite Q2'13 sale of eSpeed, which had higher margins of ~60%

Revenue and Pre-Tax DE amounts denoted in USD millions

Note: For all periods, "Technology-Based" revenues include fully electronic trading in the "total brokerage revenues" GAAP income statement line item, the portion of "fees from related parties" line item related to fully electronic trading, all "market data" revenues , and all "software solutions" revenues. All of the aforementioned are reported within the Financial Services segment. "Voice/Hybrid" includes results from the "Real Estate Services" segment, "Voice/Hybrid" and "Other" from "Financial Services" segment, and also includes $9.4 million and $18.5 million from the NASDAQ OMX stock earn-out for 1Q14 and FY13, respectively. Prior periods include eSpeed which had pre-tax margins of ~60%.

Newmark Grubb
Knight Frank

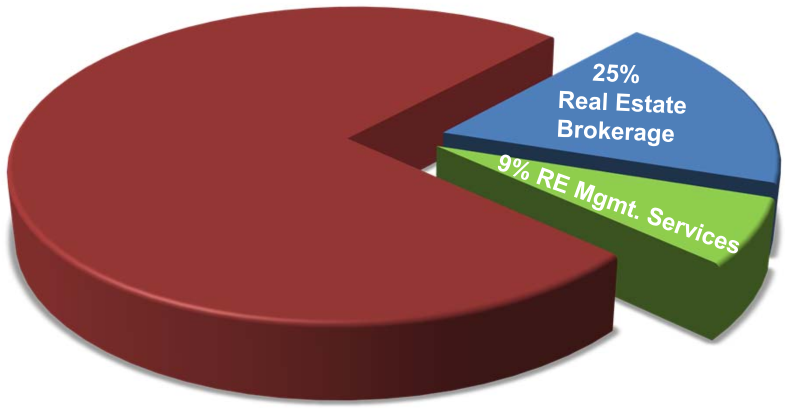
REAL ESTATE OVERVIEW

BUSINESS OVERVIEW: REAL ESTATE SERVICES

Example of Products

- Leasing Advisory
- Capital Markets (Includes: Sales, Debt & Equity Raising)
- Global Corporate Services
- Retail and Industrial Services
- Property & Facilities Management
- Consulting
- Program and Project Management
- Valuation

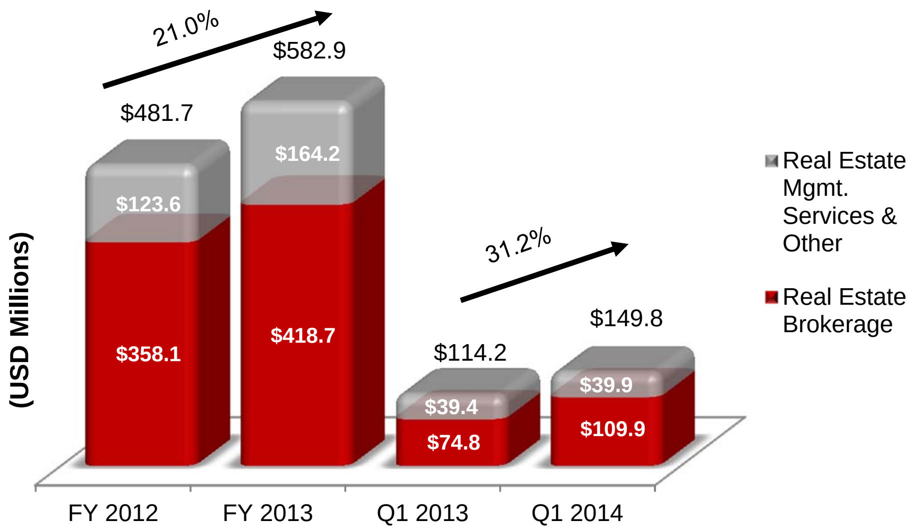
% of Q1 2014 Total Distributable Earnings Revenue



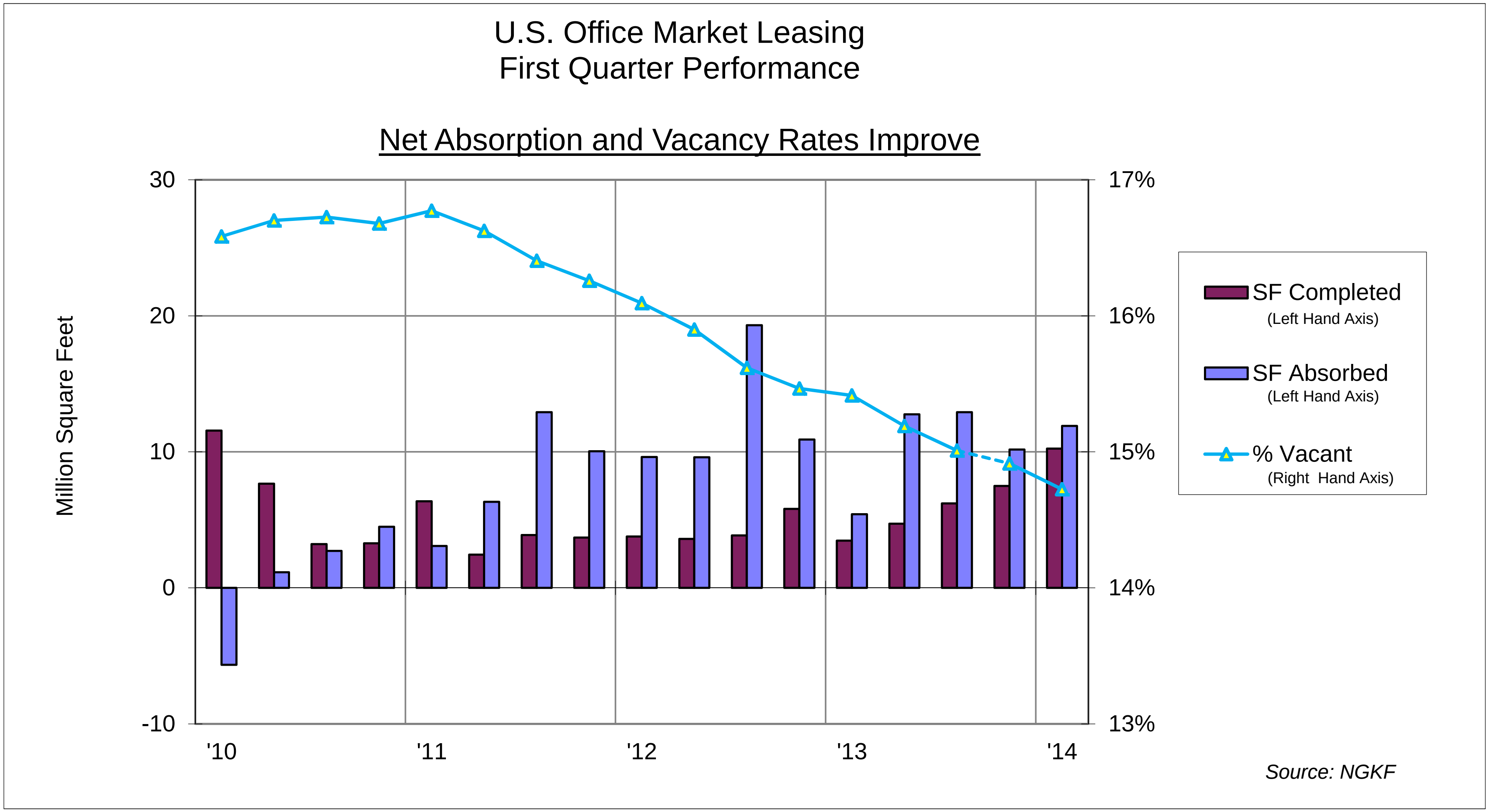
Drivers

- Prior period hires and acquisitions ramping up productivity
- Superior yields in low interest rate environment continue to make Real Estate an attractive investment class
- Strengthening U.S. economy and accommodative monetary policy aids the Real Estate recovery
- Brokerage revenues up 47% year-over-year

Real Estate Services Revenue



REAL ESTATE LEASING TRENDS CONTINUE TO GAIN MOMENTUM

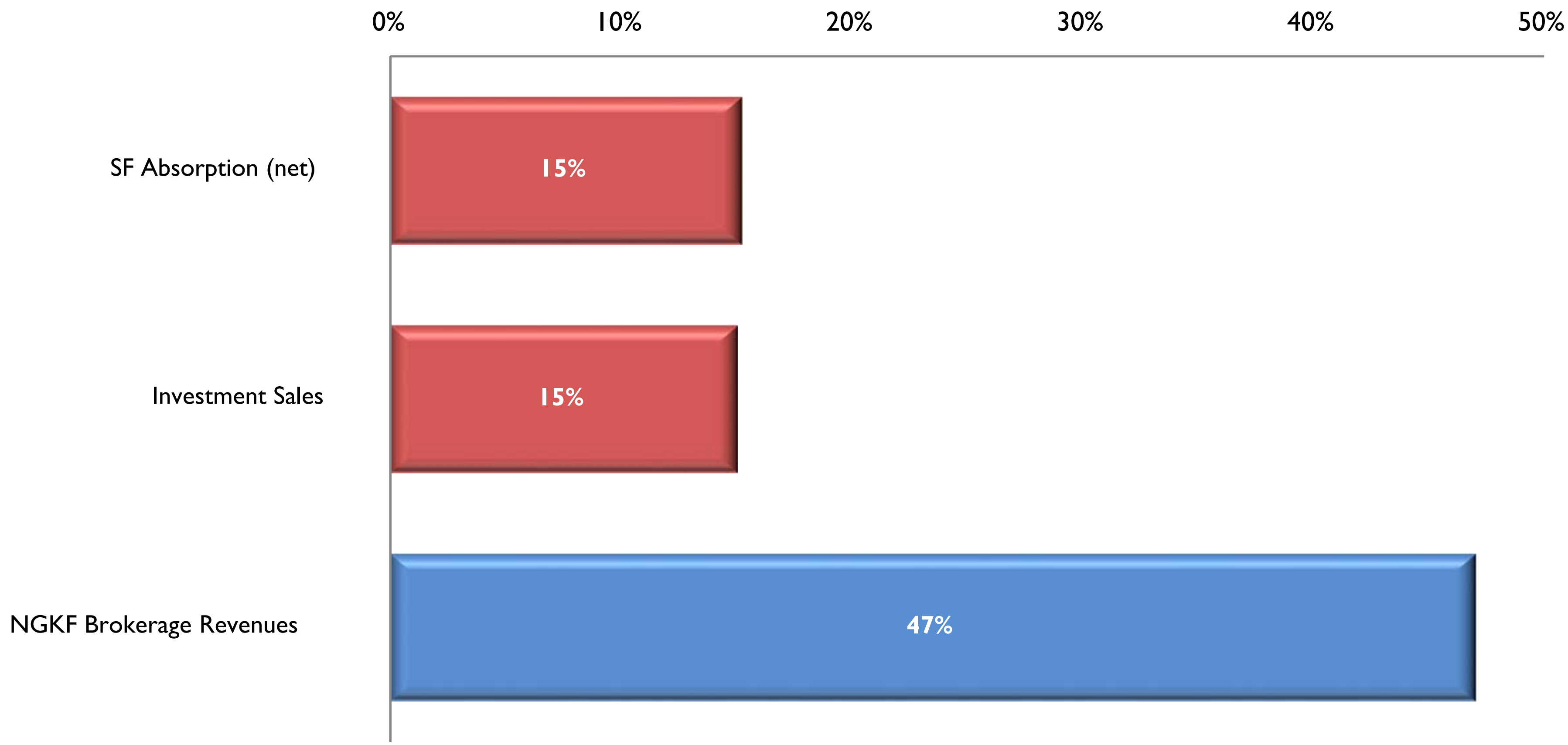


- 16th consecutive quarter of positive net absorption in U.S. Office market
- Desire for new commercial space remains strong in core markets such as New York City, Boston, Houston and Seattle
- Leasing fundamentals are healthy with positive absorption, declining vacancy and modest rental growth

Source: NGKF Research, Real Capital Analytics and CoStar

NGKF BROKERAGE REVENUE GROWTH OUTPACES INDUSTRY

Year-over-Year Change Across Commercial Real Estate Sector



- NGKF Capital Markets includes investment sales brokerage and broking of mortgages and other financing

Note: Investment sales data is based on Real Capital Analytics data for the first quarter of 2014 compared to the prior year period for office, industrial, hotel, apartment, and retail properties. Leasing activity is based on CoStar statistics for net absorption across office, retail and industrial for the 12-month period ending March 2014 compared with a year earlier.

OUTLOOK



SECOND QUARTER 2014 OUTLOOK COMPARED WITH SECOND QUARTER 2013 RESULTS

- BGC revenues for April, ***including*** NGKF, but ***excluding*** eSpeed are tracking down around 2 percent compared with a year earlier.

- The Company expects to generate distributable earnings revenues of between approximately $420 million and $440 million compared with $471.1 million. A year earlier this figure was approximately $447 million excluding eSpeed.

- BGC Partners expects pre-tax distributable earnings to be between approximately $47 million and $55 million versus $53.8 million. A year earlier this figure was approximately $40 million excluding eSpeed.

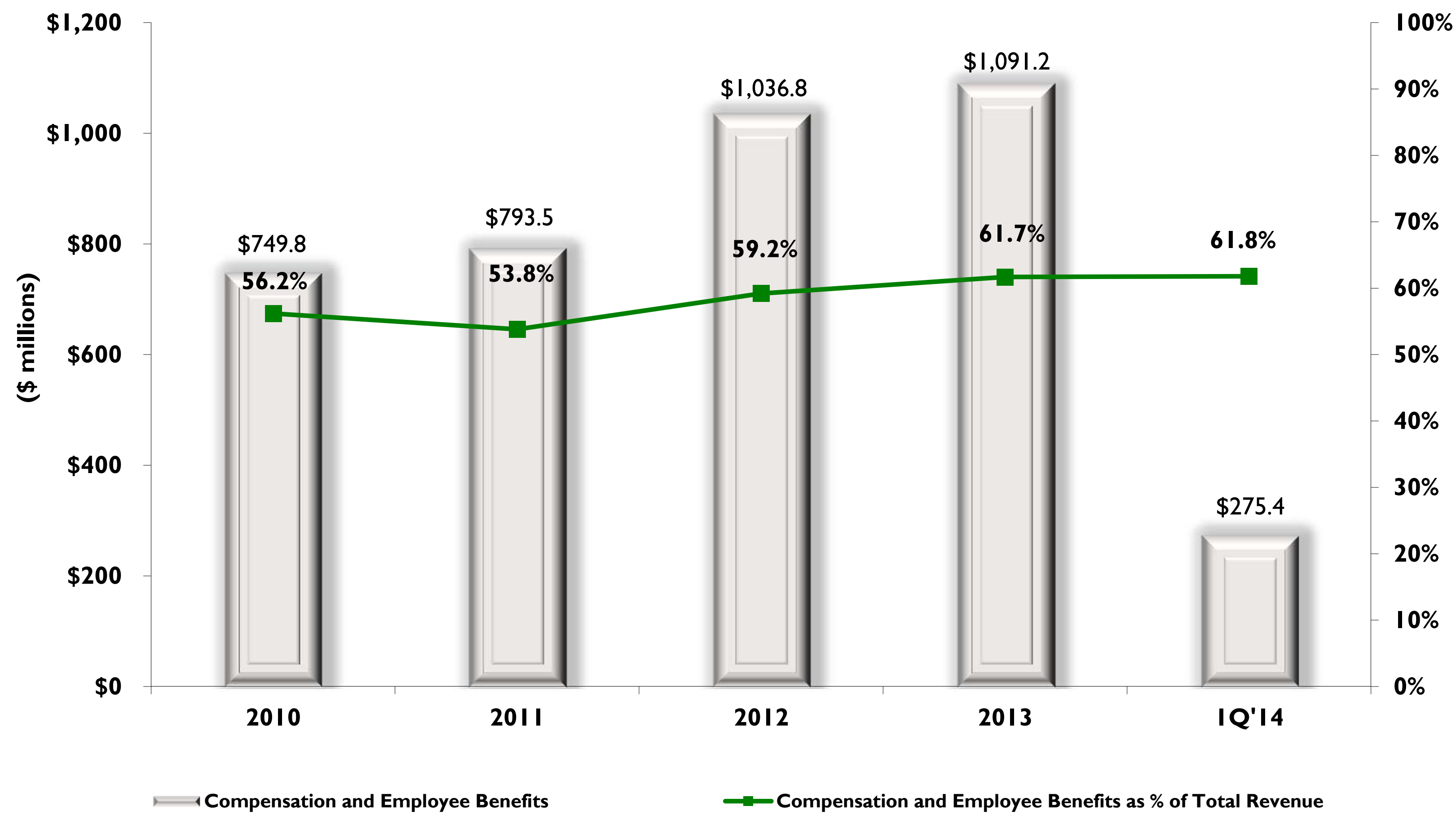
- BGC Partners anticipates its effective tax rate for distributable earnings to remain around15 percent.

- BGC intends to update its second quarter outlook around the end of June 2014.

APPENDIX

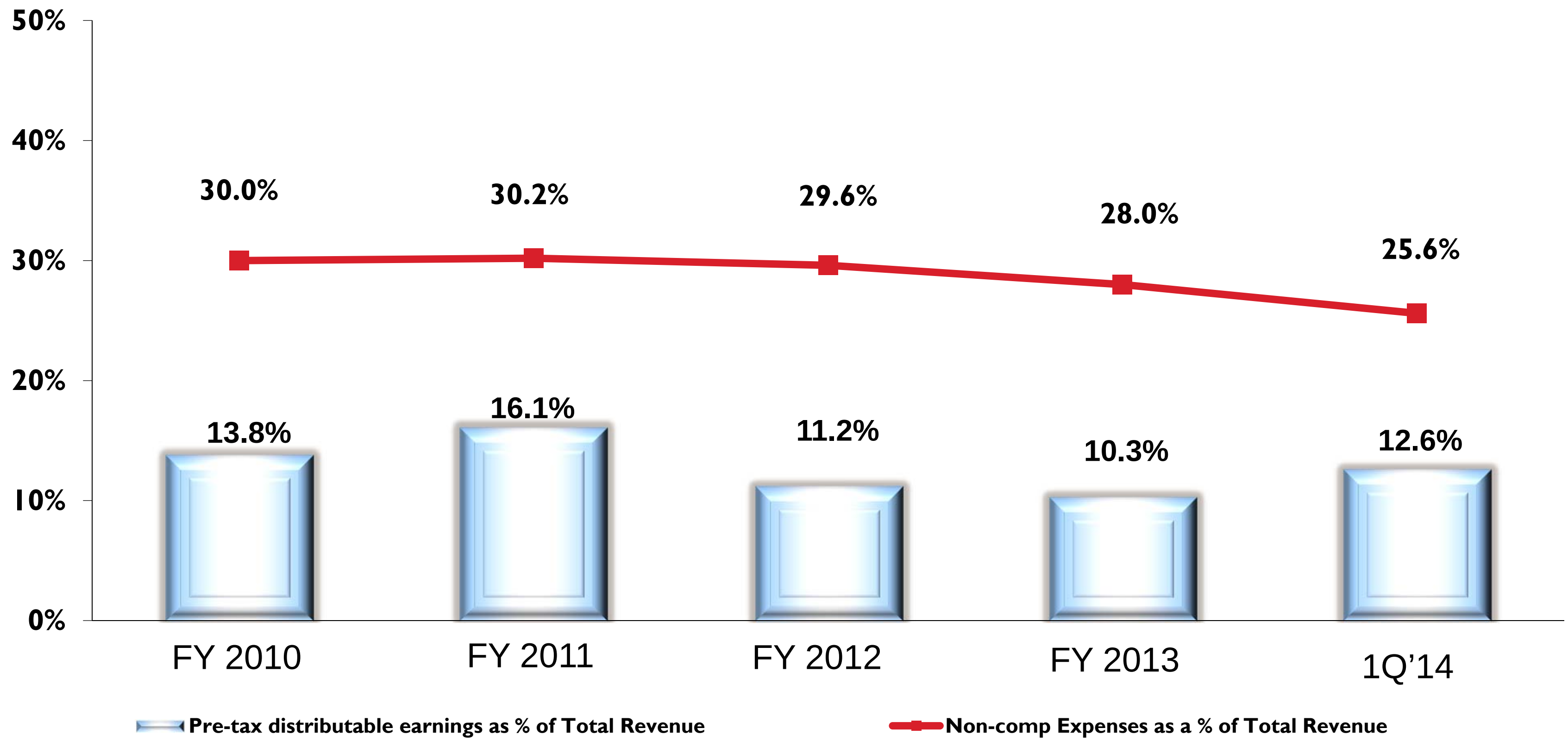


BGC PARTNERS COMPENSATION RATIO



- Q1 2014 BGC Partners Compensation Ratio was 61.8% vs. 61.7% in Q1 2013
- Commercial Real Estate brokers generally have a higher compensation ratio than IDBs with significant electronic trading revenues.

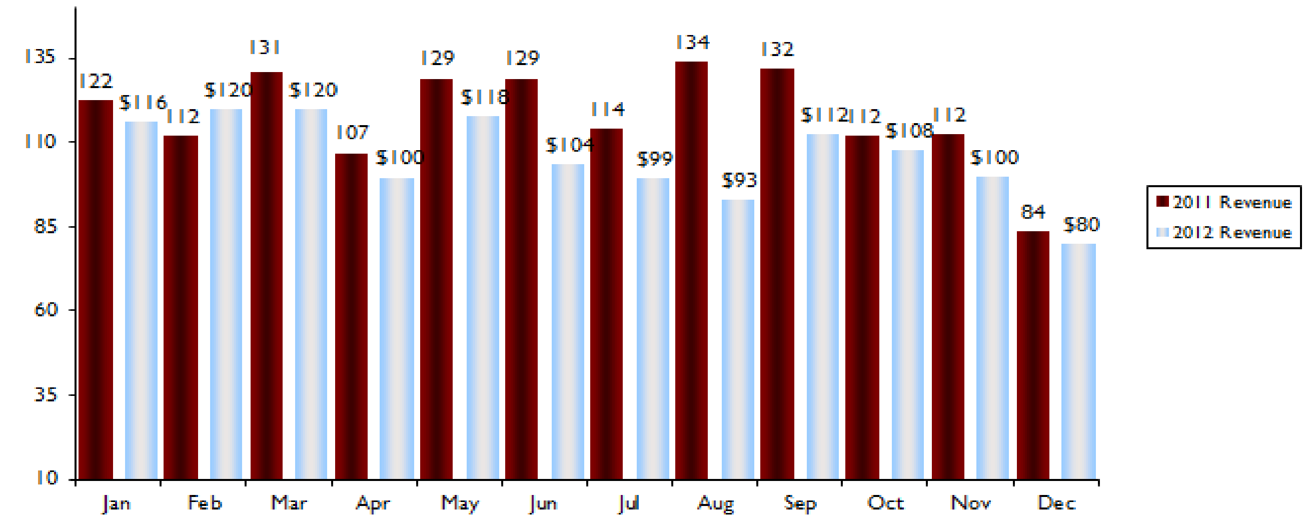
NON-COMPENSATION EXPENSES & PRE-TAX MARGIN

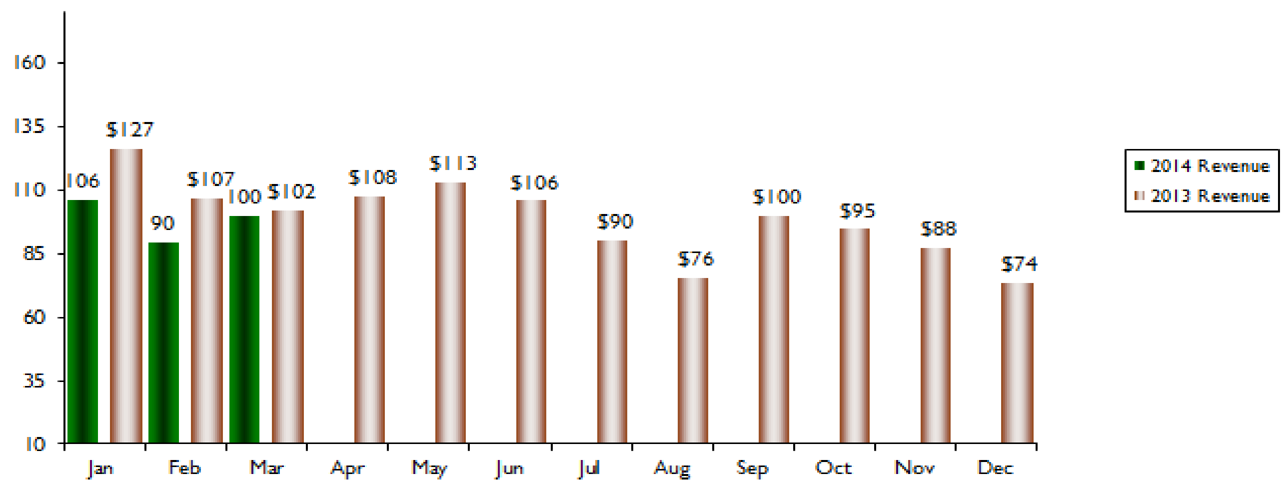


- Non-comp expenses were 25.6% of distributable earnings revenues in 1Q 2014 versus 28.3% in 1Q 2013
- Pre-tax distributable earnings margin was 12.6% in 1Q 2014 vs. 10.0% in 1Q 2013
- Post-tax distributable earnings margin was 10.6% in 1Q 2014 vs. 8.6% in 1Q 2013

MONTHLY REVENUE EXCLUDING REAL ESTATE SERVICES ($MM)

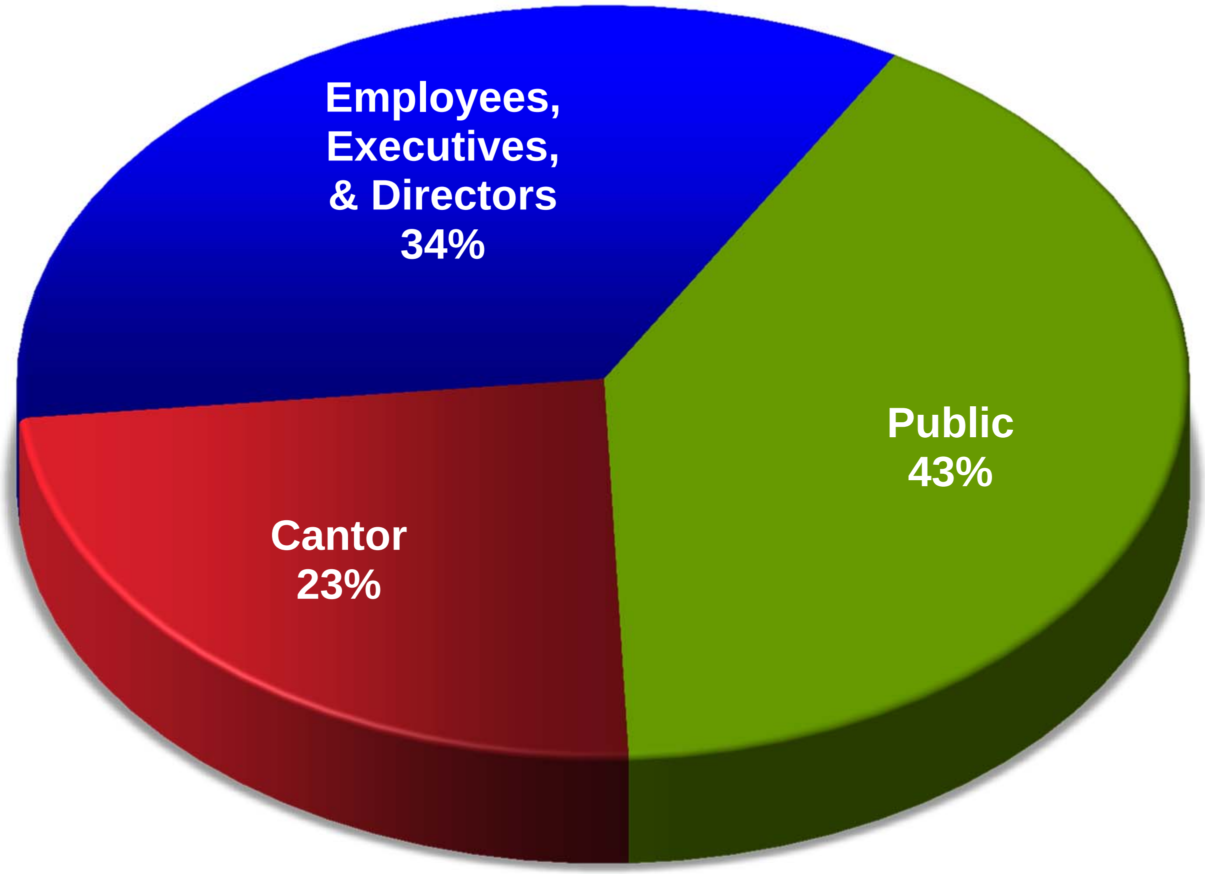
BGC Monthly Distributable Earnings Revenues ($MM)





Notes: Figures from before 3Q2013 include eSpeed revenues. Monthly revenue prior to 2011 is available in previous earnings presentations at www.ir.bgcpartners.com

BGC'S ECONOMIC OWNERSHIP AS OF 3/31/2014



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

AVERAGE EXCHANGE RATES

	Average			
	Q1 2014	Q1 2013	April 1 - April 28, 2014	April 1 - April 28, 2013
US Dollar	1	1	1	1
British Pound	1.655	1.554	1.673	1.529
Euro	1.370	1.321	1.380	1.301
Hong Kong Dollar	0.129	0.129	0.129	0.129
Singapore Dollar	0.788	0.808	0.797	0.808
Japanese Yen*	102.840	92.210	102.510	97.770

* Inverted

Source: Oanda.com

DISTRIBUTABLE EARNINGS

BGC Partners uses non-GAAP financial measures including "revenues for distributable earnings," "pre-tax distributable earnings" and "post-tax distributable earnings," which are supplemental measures of operating performance that are used by management to evaluate the financial performance of the Company and its subsidiaries. BGC Partners believes that distributable earnings best reflect the operating earnings generated by the Company on a consolidated basis and are the earnings which management considers available for distribution to BGC Partners, Inc. and its common stockholders, as well as to holders of BGC Holdings partnership units during any period.

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

Revenues for distributable earnings are defined as GAAP revenues excluding the impact of BGC Partners, Inc.'s non-cash earnings or losses related to its equity investments, such as in Aqua Securities, L.P. and ELX Futures, L.P., and its holding company general partner, ELX Futures Holdings LLC. Revenues for distributable earnings include the collection of receivables which would have been recognized for GAAP other than for the effect of acquisition accounting. Revenues for distributable earnings also exclude certain one-time or unusual gains that are recognized under GAAP, because the Company does not believe such gains are reflective of its ongoing, ordinary operations.

Pre-tax distributable earnings are defined as GAAP income (loss) from operations before income taxes excluding items that are primarily non-cash, non-dilutive, and non-economic, such as: Non-cash stock-based equity compensation charges for REUs granted or issued prior to the merger of BGC Partners, Inc. with and into eSpeed, as well as post-merger non-cash, non-dilutive equity-based compensation related to partnership unit exchange or conversion. Allocations of net income to founding/working partner and other limited partnership units, including REUs, RPUs, PSUs, LPUs, and PSIs. Non-cash asset impairment charges, if any.

Distributable earnings calculations also exclude charges related to purchases, cancellations or redemptions of partnership interests and certain unusual, one-time or non-recurring items, if any.

“Compensation and employee benefits” expense for distributable earnings will also include broker commission payouts relating to the aforementioned collection of receivables.

BGC’s definition of distributable earnings also excludes certain gains and charges with respect to acquisitions, dispositions, or resolutions of litigation. This exclusion pertains to the one-time gain related to the NASDAQ OMX transaction. Management believes that excluding these gains and charges best reflects the operating performance of BGC. However, because NASDAQ OMX is expected to pay BGC in an equal amount of stock on a regular basis for 15 years as part of the transaction, the payments associated with BGC’s receipt of such stock are expected to be included in the Company’s calculation of distributable earnings. To make quarter-to-quarter comparisons more meaningful, one-quarter of the annual contingent earn-out amount will be included in the Company’s calculation of distributable earnings each quarter as “other revenues.”

Since distributable earnings are calculated on a pre-tax basis, management intends to also report "post-tax distributable earnings" and "post-tax distributable earnings per fully diluted share": "Post-tax distributable earnings" are defined as pre-tax distributable earnings adjusted to assume that all pre-tax distributable earnings were taxed at the same effective rate."Post-tax distributable earnings per fully diluted share" are defined as post-tax distributable earnings divided by the weighted-average number of fully diluted shares for the period.

BGC’s distributable earnings per share calculations assume either that: The fully diluted share count includes the shares related to the dilutive instruments, such as the Convertible Senior Notes, but excludes the associated interest expense, net of tax, when the impact would be dilutive; or The fully diluted share count excludes the shares related to these instruments, but includes the associated interest expense, net of tax.

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

Certain employees who are holders of RSUs are granted pro-rata payments equivalent to the amount of dividends paid to common stockholders. Under GAAP, a portion of the dividend equivalents on RSUs is required to be taken as a compensation charge in the period paid. However, to the extent that they represent cash payments made from the prior period's distributable earnings, they do not dilute existing stockholders and are therefore excluded from the calculation of distributable earnings.

Distributable earnings is not meant to be an exact measure of cash generated by operations and available for distribution, nor should it be considered in isolation or as an alternative to cash flow from operations or GAAP net income (loss). The Company views distributable earnings as a metric that is not necessarily indicative of liquidity or the cash available to fund its operations.

Pre- and post-tax distributable earnings are not intended to replace the Company’s presentation of GAAP financial results. However, management believes that they help provide investors with a clearer understanding of BGC Partners’ financial performance and offer useful information to both management and investors regarding certain financial and business trends related to the Company’s financial condition and results of operations. Management believes that distributable earnings and the GAAP measures of financial performance should be considered together.

Management does not anticipate providing an outlook for GAAP “revenues,” “income (loss) from operations before income taxes,” “net income (loss) for fully diluted shares,” and “fully diluted earnings (loss) per share,” because the items previously identified as excluded from pre-tax distributable earnings and post-tax distributable earnings are difficult to forecast. Management will instead provide its outlook only as it relates to revenues for distributable earnings, pre-tax distributable earnings and post-tax distributable earnings.

For more information on this topic, please see the tables in this document entitled “Reconciliation of Revenues Under GAAP and Distributable Earnings,” and “Reconciliation of GAAP Income to Distributable Earnings” which provide a summary reconciliation between pre- and post-tax distributable earnings and the corresponding GAAP measures for the Company in the periods discussed in this document.

ADJUSTED EBITDA

BGC also provides an additional non-GAAP financial measure, “adjusted EBITDA,” which it defines as GAAP income from operations before income taxes, adjusted to add back interest expense as well as the following non-cash items:

- Employee loan amortization;
- Fixed asset depreciation and intangible asset amortization;
- Non-cash impairment charges;
- Charges relating to grants of exchangeability to limited partnership interests;
- Charges related to redemption of units;
- Charges related to issuance of restricted shares; and
- Non-cash earnings or losses related to BGC’s equity investments, such as in Aqua Securities, L.P. and ELX Futures, L.P., and its holding company general partner, ELX Futures Holdings LLC.

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

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

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

ADJUSTED EBITDA

BGC Partners, Inc

Reconciliation of GAAP Income to Adjusted EBITDA
(and Comparison to Pre-Tax Distributable Earnings)
(in thousands) (unaudited)

	Q1 2014	Q1 2013
GAAP Income from continuing operations before income taxes	$ 11,246	$ 13,697
Add back:		
Employee loan amortization	7,090	9,459
Interest expense	9,335	9,700
Fixed asset depreciation and intangible asset amortization	10,819	12,569
Impairment of fixed assets (1)	4,704	413
Exchangeability charges (2)	29,137	10,584
Losses on equity investments	2,275	3,288
Adjusted EBITDA	**$ 74,606**	**$ 59,710**
Pre-Tax distributable earnings	**$ 56,243**	**$ 45,119**

(1) Includes a $1.5 million charge related to lease impairment.
(2) Represents non-cash, non-economic, and non-dilutive charges relating to grants of exchangeability to limited partnership units

RECONCILIATION OF INCOME UNDER GAAP TO DISTRIBUTABLE EARNINGS

BGC Partners, Inc.
RECONCILIATION OF GAAP INCOME TO DISTRIBUTABLE EARNINGS

(in thousands, except per share data)

(unaudited)

	Q1 2014	Q1 2013
GAAP income before income taxes	$ 11,246	$ 13,697
Pre-tax adjustments:		
Dividend equivalents to RSUs	3	5
Non-cash losses related to equity investments, net	2,275	3,288
Real Estate purchased revenue, net of compensation and other expenses (a)	748	5,405
Allocations of net income and grant of exchangeability to limited partnership units and FPUs	31,323	18,022
NASDAQ OMX earn-out revenue (b)	11,612	-
Gains and charges with respect to acquisitions, dispositions and / or resolutions of litigation, charitable contributions and other non-cash, non-dilutive, non-economic items	(964)	4,702
Total pre-tax adjustments	44,997	31,421
Pre-tax distributable earnings	**$ 56,243**	**$ 45,119**
GAAP net income available to common stockholders	$ 8,008	$ 6,998
Allocation of net income to Cantor's noncontrolling interest in subsidiaries	1,933	3,519
Total pre-tax adjustments (from above)	44,997	31,421
Income tax adjustment to reflect effective tax rate	(7,692)	(3,447)
Post-tax distributable earnings	**$ 47,245**	**$ 38,492**
Pre-tax distributable earnings per share (c)	$ 0.17	$ 0.14
Post-tax distributable earnings per share (c)	$ 0.15	$ 0.12
Fully diluted weighted-average shares of common stock outstanding	362,087	357,488

Notes and Assumptions

(a) Represents revenues related to the collection of receivables, net of compensation, and non-cash charges on acquired receivables, which would have been recognized for GAAP other than for the effect of acquisition accounting.

(b) Distributable earnings for the first quarter of 2014 includes $11.6 million of adjustments associated with the NASDAQ OMX transaction. BGC had a loss of $2.2 million for GAAP and recognized $9.4 million for distributable earnings for the quarter ended March 31, 2014.

(c) On April 1, 2010, BGC Partners issued $150 million in 8.75 percent Convertible Senior Notes due 2015. On July 29, 2011, BGC Partners issued $160 million in 4.50 percent Convertible Senior Notes due 2016. The distributable earnings per share calculations for the quarters ended March 31, 2014 and 2013 include an additional 40.0 million and 39.7 million shares, respectively, underlying these Notes. The distributable earnings per share calculations exclude the interest expense, net of tax, associated with these Notes.

Note: Certain numbers may not add due to rounding.

BGC Partners, Inc.

RECONCILIATION OF REVENUES UNDER GAAP AND DISTRIBUTABLE EARNINGS

(in thousands)
(unaudited)

	Q1 2014	Q1 2013
GAAP Revenue	$ 440,291	$ 444,969
Adjustments:		
NASDAQ OMX Earn-out Revenue (1)	11,612	-
Other revenue with respect to acquisitions, dispositions, and resolutions of litigation	(8,973)	-
Non-cash losses related to equity investments	2,275	3,288
Real Estate purchased revenue	717	1,523
Distributable Earnings Revenue	$ 445,922	$ 449,780

(1) $2.2 million loss in Q1 2014 for GAAP and $9.4 million recognized for distributable earnings