HOWARD LUTNICK:

Good morning and good afternoon to those who are with me in London today. Thank you for joining us for our second quarter conference call.

With me today are BGC's President, Shaun Lynn, our Chief Operating Officer, Sean Windeatt, and our Chief Financial Officer, Graham Sadler.

BGC Partners once again outpaced our peer group in terms of top- and bottom-line growth. Our revenues were up 14.4 percent to 336.3 million dollars in the second quarter of 2010. Pre-tax distributable earnings were up 44.7 percent to 46.5 million dollars or 20 cents per fully diluted share. Our post-tax distributable earnings were up by 63 percent to 38.9 million dollars or 17 cents per fully diluted share.

We had strong results across most of our products during the quarter. We again generated double-digit revenue increases in Rates, Foreign Exchange and Equities and Other Asset Classes. I am also pleased to report that our quarterly revenues related to fully electronic trading were up by 40 percent as compared to last year.

The combination of our unique structure, ongoing partnership enhancement program, continued strong top-line growth, and the increasing proportion of our revenues related to fully electronic trading contributed to our 345 basis point year-over-year profit margin expansion.

Our pre-tax distributable earnings per share increased by 33.3 percent, while our post-tax distributable earnings per share increased by 54.5 percent when compared to the second quarter of 2009.

I am also pleased to announce that our quarterly dividend to common stockholders increased by 55.6 percent year-over-year to 14 cents – which remains consistent with our first quarter dividend. It is the Company's intention to maintain this dividend for the remainder of the year.

With respect to the financial reform bill recently passed by Congress - Because the exact rules have not yet been promulgated, it's too early to speak about specific aspects of the bill. However, we believe that the net impact of the legislation will be positive for BGC.

I'd now like to turn the call over to Shaun Lynn.

Shaun Lynn

Thanks Howard, and hello to everyone.

I would like to highlight the continued growth of our brokerage revenues, and the key drivers behind that growth. These were: Generally favorable overall market volumes and volatility in BGC's product categories; BGC's growing strength in fully electronic trading; and our continued front-office headcount growth as we expand the Company's global footprint and global market share.

BGC's Rates revenues increased by 18.6 percent in the second quarter of 2010 compared to the year-earlier period. We continue to benefit from the sizable levels of debt issuance by governments around the world.

The earnings presentation and press release tables on our website show some of these key factors in greater detail, such as the 23.2 percent year-over-year increase in quarterly Federal Reserve US Treasury volumes. We outpaced this growth in Fed volumes with our 47.5 percent year-on-year increase in Fully Electronic Rates notional volumes, driven mainly by BGC's fully electronic Treasury business.

BGC's revenues from Equities and Other Asset Classes increased by 55.9 percent year-over-year, due in part to non-US increases in equity-related volumes and volatility. While overall cash equities volumes were lower year-on-year in the U.S., they grew by double-digits in Europe. Equity derivatives volumes were up by solid double-digits in the U.S. and Europe industry-wide. In addition, our energy and commodities businesses performed very well, albeit from a comparatively small level.

Our continued growth and market share gains globally highlights the increasingly diverse nature of our business, the widening of our product categories, and the breadth of our technology.

BGC's Foreign Exchange revenues increased by 54.6 percent versus last year, due to the ongoing rebound in global volumes and our continuing market share gains.

Volumes and revenues for BGC's fully electronic FX business, which includes both OTC spot and derivatives, more than tripled year-over-year, while FX volumes recently reported by CLS and several major central banks grew by double-digits. Once again, we outpaced strong overall industry volumes.

BGC's Credit revenues decreased by 15 percent year-on-year, reflecting an industry-wide softening in corporate bond and credit derivative activity compared to last year. For example, according to SIFMA, U.S. corporate bond issuance was down 37 percent year-over-year.

However, based on the Credit results reported so far, we continue to outperform our peers. In addition, we once again showed strength in parts of our Credit business – for instance, revenues from our sovereign CDS desks and our fully electronic credit business both more than doubled year-over-year.

We continue to invest in hybrid and fully electronic technology broadly across our product categories. For example, over the past year, we more than doubled the number of desks that have BGC Trader and more than tripled the number with Volume Match. Now, almost 50 of our approximately 180 desks offer e-broking, and we expect this number to continue to rise.

This is largely why BGC's second quarter fully electronic volumes were up 52.6 percent and quarterly revenues related to fully electronic trading increased by 40 percent year-on-year to 31.6 million dollars. E-broking represented 9.4 percent of total revenues, compared with 22.5 million dollars or 7.7 percent of total revenues last year.

This was our best quarterly top-line performance in fully electronic trading since the eSpeed merger, both in absolute terms and as a proportion of revenues. Our growth from e-broking was broad based across Rates, Credit, and FX, and was generated by multiple desks in Europe, the Americas, and Asia. As we continue to benefit from the tailwind of massive global government debt issuance, and as we roll out BGC Trader and Volume Match to more of our desks, we expect our strong fully electronic trading performance to continue.

As we have said, e-broking growth leads to higher margins and greater profits over time even if overall company revenues remained consistent. We delivered these improvements this quarter, and we expect to see continued margin expansion as we grow fully electronic trading.

The third driver of our revenue growth is front-office headcount. As of June 30, 2010, our front-office headcount was up by 11.6 percent year-on-year to 1,612 brokers and salespeople. Average quarterly revenue per broker/salesperson was approximately 204 thousand dollars, down slightly from a year ago when it was 210 thousand dollars. This decline of under 3 percent when headcount was up by almost 12 percent bodes well for our future productivity.

As we have previously said, BGC's revenue producers generally achieve higher productivity levels in their second year with the Company. We expect the productivity of our newer brokers throughout the company to improve, especially those in our newest offices in Brazil, Russia, and China.

With that, I would now like to turn the call over to Graham.

GRAHAM SADLER

Thank you Shaun and good morning everyone.

For the second quarter of 2010, BGC generated revenues of 336.3 million dollars, up 14.4 percent compared with 294 million dollars in the second quarter of 2009. Brokerage revenues were 313.5 million dollars, up 15.8 percent versus 270.7 million dollars for the prior year period.

BGC's revenues from the Americas were up by 59.2

percent in the second quarter of 2010, Asia-Pacific revenues increased by 34.8 percent, and Europe, Middle East, and Africa decreased by 5.5 percent, all compared with the second quarter of 2009.

Growth for the Americas was broad-based, driven by our continued investment in a number of asset classes, the addition of BGC Liquidez in Brazil, improved front office productivity as our newer brokers leverage our technology to ramp up production, and growth in fully electronic revenue. In Asia, the increase was driven primarily by improved broker productivity, as our headcount there remained flat year-on-year. The decline in Europe was due in part to the strengthening of the dollar relative to the Euro and the British pound, and lower industry-wide activity in certain parts of our European business.

Europe represented 53.1 percent of revenues, the Americas 31.4 percent, and Asia 15.5 percent. In the year-earlier quarter, Europe represented 64.3 percent of revenues, the Americas 22.6 percent, and Asia 13.1 percent.

These changes highlight our global diversification and the strengthening of our Americas business.

Turning to our monthly revenue figures – BGC's April 2010 revenues were up approximately 17 percent year over year to 112 million dollars; up by approximately 25 percent to 119 million in May, and up by approximately 2 percent to 105 million in June. As many of you know, across the industry June volumes were generally lower than those in May.

Comparing the second quarter of 2010 to the second quarter of 2009:

Rates revenues increased to 139.3 million dollars compared to 117.5 million dollars;

Equities and Other Asset Classes increased to 50.3 million dollars versus 32.2 million dollars;

Foreign Exchange revenues rose to 46.8 million dollars compared with 30.3 million dollars; and

Credit revenues declined to 77.1 million dollars versus 90.8 million dollars;

Comparing the second quarter of 2010 to the second quarter of 2009 as a percentage of revenues:

Rates represented 41.4 percent, compared to 40 percent;

Credit represented 22.9 percent, versus 30.9 percent;

Equities and Other represented 14.9 percent, increasing from 11 percent and

Foreign Exchange represented 13.9 percent, increasing from 10.3 percent.

Moving on to expenses: Total expenses were up year-over-year to 289.8 million dollars in the second quarter of 2010 versus 261.9 million dollars last year, but lower by 290 basis points as a percentage of revenue.

Compensation and employee benefits were 184.3 million dollars and represented 54.8 percent of revenues in the second quarter of 2010. This compares with 178.2 million dollars or 60.6 percent of revenues in the year-earlier period – an improvement of 580 basis points.

This improvement was driven by our partnership enhancement program and the compensation-related impact of our fully electronic revenues. We expect, however, that our compensation ratio may increase somewhat in the third quarter, due in part to seasonally lower third quarter revenues.

We believe that our partnership enhancement program, growth of e-broking revenues, and the overall increase in our top-line will enable us to keep our comp ratio well under 60 percent for the foreseeable future.

For the second quarter of 2010, non-compensation expenses were 105.5 million dollars or 31.4 percent of revenues. This compares with 83.7 million dollars or 28.5 percent of revenues in the second quarter of 2009. Our non-comp expenses were up in part due to expenses related to our increased broker headcount and the addition of four new offices. We expect non-comp expenses to decline in the third quarter.

In the second quarter of 2010, BGC's pre-tax distributable earnings were 46.5 million dollars or 20 cents per fully diluted share, up 44.7 percent compared with 32.1 million dollars or 15 cents per fully diluted share in the second quarter of 2009. The Company's pre-tax distributable earnings margin was 13.8 percent in the second quarter of 2010 versus 10.9 percent in the prior year period – a 290 basis point improvement.

BGC produced post-tax distributable earnings of 38.9 million dollars or 17 cents per fully diluted share in the second quarter of 2010, up by 63 percent compared with 23.8 million dollars or 11 cents per fully diluted share in the second quarter of 2009.

Our post-tax distributable earnings margin was 11.6 percent in the second quarter of 2010 versus 8.1 percent in the prior year period – an almost 350 basis point improvement.

We believe that our structure and business model will enable us to grow our margins as we grow our revenues going forward.

Our effective tax rate for distributable earnings was 15.2 percent in the second quarter of 2010 compared with 26.5 percent in the prior year period.

During the second quarter the Company continued its partnership enhancement program.

As part of this program, the Company agreed to grant exchangeability to approximately 6.8 million units during the second quarter. To my knowledge, of those partners granted exchangeability who expressed an interest in selling, the vast majority have already done so. Under GAAP, the Company was required to take a second quarter charge of 23.7 million dollars relating to these grants of exchangeability.

We exclude certain charges related to grants of exchangeability from distributable earnings – such as for those that do not reduce our cash position, are non-dilutive, and such amounts that would not otherwise have amortized through distributable earnings. These excluded charges have no economic impact on the Company, other than lowering our tax rate.

We expect our tax rate to remain around 15 percent for 2010 -- and the foreseeable future.

Because GAAP does not allow for the inclusion of antidilutive instruments when calculating earnings per share, our GAAP fully diluted weighted average share count was 226.5 million for the three months ended June 30, 2010.

However, for calculating earnings per share for distributable earnings, we include the 21.5 million shares underlying the Convertible Senior Notes, because their inclusion would be dilutive, and we exclude the lesser interest charge of the Notes. Therefore, our fully diluted weighted average share count for distributable earnings was 248.0 million for the second quarter of 2010, compared to 211.1 million in the second quarter of 2009.

As of June 30, 2010, the Company's fully diluted share count for distributable earnings was 245.4 million, including the shares underlying the Convertible Senior Notes.

Regarding the Balance Sheet - As of June 30, 2010, the Company’s cash position, which we define as cash and cash equivalents, cash segregated under regulatory requirements, and reverse repurchase agreements, was 344.0 million dollars; notes payable and collateralized borrowings were 164.7 million dollars; book value per share was 2 dollars and 25 cents; and total capital, which we define as “redeemable partnership interest”, “non-controlling interest in subsidiaries”, and “total stockholders' equity”, was 411.4 million dollars.

In comparison, as of December 31, 2009 the Company’s cash position was 471.5 million dollars; notes payable and collateralized borrowings were 167.6 million dollars; book value per share was 2 dollars and 44 cents; and total capital was 437.9 million dollars.

Between January 1, 2010 and July 31, 2010 BGC repurchased or redeemed approximately 11.2 million shares and units for approximately 66.2 million dollars.

The decline in cash from year-end 2009 was due primarily to these repurchases and redemptions of shares and units, the payment of year-end bonuses, and the settlement of payables.

Now I'll turn the call back over to Howard, who will provide our outlook for the third quarter.

HOWARD LUTNICK:

Thank you, Graham.

In 2009, BGC generated total revenues of approximately 98 million dollars in July, 82 million dollars in August, and 111 million dollars in September.

Our July 2010 revenues were flat year-over-year at approximately 98 million dollars, which reflects 21 trading days this year versus 22 last year, as well as growing through the 9 percent increase in the dollar as compared to the Euro and the 7 percent increase in the dollar versus the British Pound year-over-year.

We expect to generate revenues of between 295 and 315 million dollars in the third quarter of 2010. This would represent an increase of approximately 1 to 8 percent over the 291.2 million dollars we generated during last year's third quarter.

We anticipate pre-tax distributable earnings to increase by 30 to 47 percent and to be in the range of 39 to 44 million dollars. This compares very favorably to the 30 million dollars we earned last year. We expect post-tax distributable earnings to be between 33 and 37 million dollars, an increase of approximately 56 to 75 percent compared to the 21.1 million dollars we earned in last year's third quarter.

Operator, we would now like to open the call for questions.

[Q&A]

After Q&A - Howard Lutnick:

Thank you all for joining us today and we look forward to speaking to you again next quarter. Have a great day.

JASON MCGRUDER

Good morning. Before we begin, I want to make sure that you know that our third quarter 2010 financial results press release was issued earlier today. It can be found at either the "News Center" or "Investor Relations" sections of our web site at www.bgcpartners.com. During this call we will also be referring to a PowerPoint presentation that summarizes our results and which includes other useful information. This can be also found in the "Investor Relations" section of our site.

Throughout today's call we will be referring to our results only on a Distributable Earnings basis. Please see the sections of yesterday's financial results release entitled "Distributable Earnings" and "Reconciliation of GAAP Income to Distributable Earnings" for a definition of this term and how, when and why management uses it. Unless otherwise stated, whenever we refer to income statement items such as revenues, expenses, pre-tax earnings, or post-tax earnings, we are doing so on a distributable earnings basis.

I also refer you to the statement titled "Discussion of Forward Looking Statements" contained in our press release. I remind you that the information in the release and on this call contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward looking statements include statements about the outlook and prospects for BGC Partners and for its industry as well as statements about our future financial and operating performance.

Such statements are based upon current expectations that involve risks and uncertainties. Actual results, performance or achievements could differ materially from those contemplated, expressed or implied because of a number of risks and uncertainties that include, but are not limited to, the risks and uncertainties identified in the earnings release and BGC Partners' filings with the U.S. Securities and Exchange Commission. We believe that all forward-looking statements are based upon reasonable assumptions when made.

However, we caution that it is impossible to predict actual results or outcomes or the effects of risks, uncertainties or other factors on anticipated results or outcomes and that accordingly you should not place undue reliance on these statements. Forward-looking statements speak only as of the date when made and we undertake no obligation to update these statements in light of subsequent events or developments.

Please refer to the complete disclaimer with respect to forward looking statements set forth in yesterday's earnings release and the risk factors set forth in our public filings which we incorporate by reference.

I would now like to turn the call over to our host, Howard Lutnick, Chairman and CEO of BGC Partners, Inc.