HOWARD LUTNICK:

Good morning and thank you for joining us today for our fourth 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 continues to outperform our industry in terms of revenue and earnings growth. Our revenues were up 7.6 percent to 322.5 million dollars in the fourth quarter of 2010. Pre-tax earnings were up 97.4 percent to 45.4 million dollars or 19 cents per fully diluted share. Our post-tax earnings were up by 168.1 percent to 39.8 million dollars or 17 cents per fully diluted share.

BGC's performance was strong across most of our products and geographies during the quarter. We generated double-digit top-line growth in Foreign Exchange, Equities and Other Asset Classes, and overall fully electronic trading.

BGC's post-tax profit margin expanded dramatically year over-year by 730 basis points to 12.3 percent.

Our pre-tax earnings per share were up 72.7 percent, while post-tax earnings per share increased by 142.9 percent. This is BGC's fifth consecutive quarter of significant and industry-leading earnings growth.

I am also pleased to announce that BGC's board has declared a quarterly dividend of 14 cents per share, an increase of 133.3 percent compared to last year. We expect to increase the dividend for the first quarter of 2011, and keep it consistent over the four quarters of the year.

I would now like to turn the call over to Shaun Lynn.

Shaun Lynn

Thanks Howard, and good day everyone.

Once again, the three key revenue drivers of BGC's growth are: our strength in fully electronic trading; our global front-office headcount and market share growth; and positive market dynamics across most of our product categories.

The earnings presentation and press release tables on our website show these key factors in greater detail.

Unless otherwise stated, the comparisons I will discuss are for the fourth quarter of 2010 versus a year earlier.

BGC's overall Rates revenues were up by 7.9 percent. We continue to benefit from the sizable levels of debt issuance by governments around the world. For example, according to Deal-

Logic, total global government debt issuance has increased by a compounded average of over 25 percent a year since 2006.

Sovereign debt issuance provides the raw material for our Rates and sovereign CDS desks, whether they broker cash or derivatives, via voice or electronic means. With the US Congressional Budget Office projecting that the U.S. Federal deficit will more than double over the next ten years, and with a similar outlook for the E.U by the European Commission, we expect these positive tailwinds to drive volumes for our business for the foreseeable future.

BGC's Foreign Exchange revenues increased by 24.7 percent. As our earnings presentation shows, this growth rate generally surpassed FX volume growth reported by our competitors and major central banks. Because of the ongoing rebound in global volumes and the strength of our fully electronic and hybrid product offerings, we are confident that we will continue to gain FX market share.

BGC's revenues from Equities and Other Asset Classes increased by 12.6 percent, driven mainly by the addition of Mint and growth from our energy and commodities desks. As shown in our earnings presentation, our growth in these businesses has greatly surpassed comparable industry metrics in 2010.

BGC's Credit revenues were flat year-on-year, but held up better than the overall industry, which saw lower corporate bond and credit derivative trading activity. For example, our metrics page shows that TRACE all bond volumes were down 5.9 percent in the quarter.

Our strong relative performance in Credit was largely due to significant growth from our voice and electronic sovereign CDS brokerage and our overall fully electronic credit businesses.

Across all asset classes, over 75 of our 200 plus different product desks now offer our customers fully electronic trading, either through streaming prices with BGC Trader or auctions using Volume Match.

We are particularly happy with our strong results from BGC's recently-launched suite of fully electronic Interest Rate Derivatives products, including Euro interest rate swaps. In late August, we were the first to launch what is now over a dozen such products on BGC Trader and/or Volume Match. From August 2010 through January 31st of this year, BGC brokered more than 1900 transactions with a notional volume of over 340 billion dollars in fully electronic interest rate derivatives, a large majority of which were Euro swaps.

Additionally, January's average daily notional volume was over 90 percent higher than in the fourth quarter – and these figures do not include the launches this past week of interest rate swaps for Australian Dollars and British Pounds.

Given our continued investment of over [120] million dollars a year in technology, our extensive experience in converting products to fully electronic trading, and our clients' trust in our ability to create premier e-broking products, we are confident our success in global electronic interest rate swaps will continue.

BGC's total revenues related to fully electronic trading increased by 16.1 percent to 32.2 million dollars, representing

10 percent of overall company revenues in the fourth quarter of 2010. This was our best quarter for e-broking revenue in both absolute and relative terms since the eSpeed merger. In comparison, revenues related to fully electronic trading were 27.7 million dollars or 9.2 percent of total revenues a year earlier.

Our overall growth from e-broking came from multiple desks globally, and was driven primarily by U.S. Treasuries, sovereign credit default swaps, interest rate derivatives, and corporate bonds.

As we have demonstrated for the last three quarters, our current e-broking business delivers higher margins and greater profits. As we continue to convert our current voice revenues to fully electronic we expect to see additional profit margin expansion.

Front-office headcount and productivity is the third key driver of our revenue growth. As of December 31, 2010, BGC's front-office headcount was up by 9.8 percent to 1,705 brokers and salespeople. Average quarterly revenue per broker/salesperson was approximately 180 thousand dollars versus 188 thousand dollars a year earlier. Looking forward to the first quarter we expect our average quarterly revenue per broker/salesperson to exceed 200 thousand dollars.

Our headcount declined slightly versus the third quarter due to the normal year-end review process.

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

GRAHAM SADLER

Thank you Shaun and good morning everyone.

Unless otherwise stated, all the comparisons I am making compare the fourth quarter of 2010 to the fourth quarter of 2009.

BGC generated revenues of 322.5 million dollars, up 7.6 percent compared with 299.8 million dollars. Brokerage revenues were 297.7 million dollars, up 8.9 percent versus 273.5 million dollars.

Turning to our geographic revenues: Europe, Middle East, and Africa increased by 7.1 percent, the Americas were up by 10.5 percent, and Asia-Pacific revenues increased by 4.5 percent.

Europe represented 56.8 percent of revenues, the Americas 27.5 percent, and Asia 15.7 percent. A year earlier, Europe represented 57.1 percent of revenues, the Americas 26.8 percent, and Asia 16.1 percent.

In terms of monthly revenues – October 2010 was up approximately 5 percent to 115 million dollars; November was up approximately 14 percent to 115 million dollars, and December was up approximately 6 percent to 93 million dollars.

For the fourth quarter of 2010, BGC's Rates revenues increased to 135.9 million dollars compared to 125.9 million dollars;

Foreign Exchange rose to 48 million dollars compared with 38.5 million dollars;

Equities and Other Asset Classes increased to 43.5 million dollars versus 38.7 million dollars; and

Credit was 70.3 million dollars versus 70.4 million dollars.

Rates represented 42.1 percent of revenues, compared to 42 percent;

Credit represented 21.8 percent, versus 23.5 percent;

Foreign Exchange represented 14.9 percent, increasing from 12.8 percent; and

Equities and Other represented 13.5 percent, increasing from 12.9 percent.

Turning to expenses: Total expenses were 277.1 million dollars, roughly flat versus 276.8 million dollars last year, but lower by approximately 640 basis points as a percentage of revenue.

Compensation and employee benefits were 173.5 million dollars, representing 53.8 percent of revenues. This compares with 184.3 million dollars or 61.5 percent of revenues in the year-earlier period – an improvement of approximately 770 basis points.

This margin expansion was driven primarily by our ongoing partnership enhancement program and the positive compensation-related impact of our growing fully electronic revenues. We expect our full year 2011 compensation ratio to be around the full year 2010 level of 56.2 percent. However, in any given quarter it could vary due to such factors as the mix of brokerage revenues by geography and product as well as headcount growth.

Non-compensation expenses were 103.6 million dollars or 32.1 percent of revenues. This compares with 92.5 million dollars or 30.8 percent of revenues. The increase in non-comp expenses was driven primarily by a number of line items associated with the opening of 5 additional offices and hiring 152 new brokers over the past year. We expect non-comp expenses to be below this absolute level in the first quarter of 2011, and to decline as a percentage of revenues.

BGC's pre-tax distributable earnings were 45.4 million dollars or 19 cents per fully diluted share, compared with 23 million dollars or 11 cents. Our pre-tax distributable earnings margin was 14.1 percent versus 7.7 percent – an improvement of about 640 basis points.

BGC produced post-tax distributable earnings of 39.8 million dollars or 17 cents per fully diluted share, compared with 14.8 million dollars or 7 cents.

Our effective tax rate for distributable earnings was 10.9 percent in the fourth quarter of 2010 compared with 29.4 percent a year earlier. Our tax rate for the quarter came in lower than the 15 percent we had guided because we were able to benefit from a number of tax credits in the fourth quarter. This added a penny to our post-tax earnings per share.

For the full year 2010, our tax rate was 14 percent versus 27.3 percent in 2009. The lower rate was driven primarily by 45.7 million dollars in non-cash, non-dilutive, and non-economic GAAP charges relating to granting exchangeability and/or redemption of limited partnership units and founding partner units in the first quarter of 2010. These non-cash items are deductible for tax purposes, but do not impact distributable earnings and are non-dilutive.

We expect our tax rate to be approximately 15 percent for full year 2011 and the foreseeable future.

Our post-tax distributable earnings margin was 12.3 percent compared with 5 percent – or about 730 basis points better.

We believe that our partnership structure, business model, and technological capabilities provide us the scale to further expand our margins going forward.

Consistent with FASB guidance on anti-dilution, our post-tax earnings per share calculation for the fourth quarter of 2010 included the 21.7 million shares underlying the Convertible Senior Notes, but excluded the associated post-tax interest charge of 2.8 million dollars. Therefore, our fully diluted weighted average share count was 256.0 million for the fourth quarter of 2010, compared to 217.7 million in the fourth quarter of 2009 (which was prior to our issuance of the Notes).

As of December 31, 2010, the Company's fully diluted share count for distributable earnings was 256.5 million, including the shares underlying the Notes.

Regarding the Balance Sheet - As of December 31, 2010, the Company's cash position, which we define as cash and cash equivalents and cash segregated under regulatory requirements, was 366.5 million dollars; notes payable and collateralized borrowings were 189.3 million dollars; book value per common share was 2 dollars and 47 cents; and total capital, which we define as "redeemable partnership interest", Cantor's "non-controlling interest in subsidiaries", and "total stockholders' equity", was 425.0 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 common share was 2 dollars and 44 cents; and total capital was 437.9 million dollars.

The decline in cash from year-end 2009 was due primarily to a reduction of payables, the timing of cash used in our ordinary securities clearance process, and the repurchases and redemptions of shares or partnership units, net of proceeds from the issuance of Class A common stock as part of our controlled equity offering. Between January 1, 2010 and December 31, 2010 BGC Partners repurchased or redeemed approximately 13.3 million shares and units for approximately 79.4 million dollars.

With respect to our dividend:

BGC's common dividend is based on post-tax distributable earnings, which, due mainly to non-cash, non-dilutive, and non-economic GAAP charges, were higher in 2010 than earnings and profits under GAAP and U.S. Federal tax principles. In addition, The Company's net income for both GAAP and distributable earnings includes income earned by foreign affiliates, corporate subsidiaries, and other entities not taxable under U.S. Federal tax principles.

Therefore, for tax purposes, we expect that approximately 18 percent of our common dividend paid for full year 2010 will be treated as a nontaxable return of capital for common stockholders. The remainder will be treated as a qualified dividend. Based upon an annualized dividend of 56 cents per share and yesterday's closing stock price of 8 dollars and 77 cents per share, BGC's dividend yield is 6.4 percent. For a New York City resident in the 35 percent Federal tax bracket and the 12.9 percent state and local tax bracket, the taxable equivalent yield would be 9.1 percent when compared to a dividend or interest payment that is fully taxable at ordinary rates, and 6.7 percent when compared to a fully taxable qualified dividend.

We expect to increase the percentage of our dividend that is a non-taxable return of capital in 2011.

We provide more detail in the section of today's financial results press release called "nontaxable return of capital". The earnings presentation on our website also includes a taxable equivalent yield analysis of our dividend.

With that, I am happy to turn the call back over to Howard.

HOWARD LUTNICK:

Thank you, Graham.

Our January 2011 revenues were up by 4 percent to approximately 123 million dollars over 20 days versus 118 million dollars over 19 days a year earlier. We generated approximately 55 million dollars for the nine trading days from February 1st through 11th.

We therefore expect to generate revenues of between 355 and 370 million dollars in the first quarter of 2011, compared with 348.9 million dollars in last year's first quarter.

We expect post-tax distributable earnings to be between 48 and 54 million dollars, an increase of 26 to 40 percent compared to 38.1 million dollars last year. Please remember when calculating our post-tax earnings per share to add the 2.8 million dollars in post-tax interest expense and include the shares associated with our convertible notes.

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 fourth quarter and full-year 2010 financial results press release was issued this morning. 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 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 mainly to our quarterly results on a Distributable Earnings basis. Please see today’s press release for full-year results or for GAAP results. Please also see the sections of today’s press release entitled “Distributable Earnings,” “Distributable Earnings Results

Compared with GAAP Results", 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 remind you that the information 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 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 BGC' 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 and risk factors set forth in our public filings which we incorporate today by reference.

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