

**eSpeed, Inc. and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF INCOME (unaudited)**  
(in thousands, except per share data)

	Three months ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
<b>Revenues:</b>				
Transaction revenues with related parties				
Fully electronic transactions	\$ 29,154	\$ 27,538	\$ 59,681	\$ 50,048
Voice-assisted brokerage transactions	5,190	4,645	11,216	9,806
Screen-assisted open outcry transactions	158	243	389	292
Total transaction revenues with related parties	34,502	32,426	71,286	60,146
Software Solutions fees from related parties	4,475	3,881	8,587	7,530
Software Solutions and licensing fees from unrelated parties	3,107	2,209	6,105	4,341
Interest income	761	563	1,505	1,105
Total revenues	42,845	39,079	87,483	73,122
<b>Expenses:</b>				
Compensation and employee benefits	9,768	9,239	19,083	18,083
Occupancy and equipment				
Amortization of software development costs	2,396	1,832	4,651	3,510
Other occupancy and equipment	6,073	5,739	12,300	11,238
Professional and consulting fees	865	863	1,798	1,974
Communications and client networks	1,595	1,714	3,208	3,309
Marketing	379	408	765	742
Administrative fees to related parties	3,212	2,590	6,169	5,168
Other	3,569	2,830	6,516	5,149
Total operating expenses	27,857	25,215	54,490	49,173
Pre-tax operating income	14,988	13,864	32,993	23,949
Income tax provision	5,860	5,545	12,899	5,450
Net operating income	9,128	8,319	20,094	18,499
<b>Non-operating loss:</b>				
Amortization of business partner and non-employee securities, net of tax	(87)	(217)	(358)	(922)
Total non-operating loss	(87)	(217)	(358)	(922)
GAAP net income	\$ 9,041	\$ 8,102	\$ 19,736	\$ 17,577
<b>Per share data:</b>				
Basic pre-tax operating income per share	\$ 0.27	\$ 0.25	\$ 0.59	\$ 0.43
Basic tax provision per share	\$ (0.10)	\$ (0.10)	\$ (0.23)	\$ (0.10)
Basic net operating income per share	\$ 0.16	\$ 0.15	\$ 0.36	\$ 0.34
Basic non-operating loss per share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.02)
Basic GAAP earnings per share	\$ 0.16	\$ 0.15	\$ 0.35	\$ 0.32
Diluted pre-tax operating income per share	\$ 0.26	\$ 0.25	\$ 0.57	\$ 0.42
Diluted tax provision per share	\$ (0.10)	\$ (0.10)	\$ (0.22)	\$ (0.10)
Diluted net operating income per share	\$ 0.16	\$ 0.15	\$ 0.35	\$ 0.33
Diluted non-operating loss per share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.02)
Diluted GAAP earnings per share	\$ 0.16	\$ 0.14	\$ 0.34	\$ 0.31
Basic weighted average shares of common stock outstanding	56,153	55,056	56,114	55,076
Diluted weighted average shares of common stock outstanding	57,958	56,447	58,161	56,819
<b>Additional data:</b>				
Pre-tax operating margin	35.0%	35.5%	37.7%	32.8%