

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
Revenues:				
Transaction revenues with related parties				
Fully electronic transactions	\$ 25,489	\$ 32,300	\$ 85,170	\$ 82,348
Voice-assisted brokerage transactions	5,233	5,153	16,449	14,959
Screen-assisted open outcry transactions	225	128	614	420
Total transaction revenues with related parties	<u>30,947</u>	<u>37,581</u>	<u>102,233</u>	<u>97,727</u>
Software Solutions fees from related parties	4,681	3,821	13,268	11,351
Software Solutions and licensing fees from unrelated parties	3,278	2,321	9,383	6,662
Interest income	865	547	2,370	1,652
Total revenues	<u>39,771</u>	<u>44,270</u>	<u>127,254</u>	<u>117,392</u>
Expenses:				
Compensation and employee benefits	10,499	9,790	29,582	27,873
Occupancy and equipment				
Amortization of software development costs	2,553	1,981	7,204	5,491
Other occupancy and equipment	6,322	6,210	18,622	17,448
Professional and consulting fees	1,663	953	3,461	2,927
Communications and client networks	1,684	1,715	4,892	5,024
Marketing	319	373	1,084	1,115
Administrative fees to related parties	3,435	2,579	9,604	7,747
Other	3,402	3,019	9,918	8,168
Total operating expenses	<u>29,877</u>	<u>26,620</u>	<u>84,367</u>	<u>75,793</u>
Pre-tax operating income	9,894	17,650	42,887	41,599
Income tax provision	3,869	6,873	16,768	12,323
Net operating income	<u>6,025</u>	<u>10,777</u>	<u>26,119</u>	<u>29,276</u>
Non-operating loss:				
Charitable contribution Re: 9/11, net of tax	(207)	(420)	(207)	(420)
Amortization of business partner and non-employee securities, net of tax	(83)	(395)	(441)	(1,317)
Total non-operating loss	<u>(290)</u>	<u>(815)</u>	<u>(648)</u>	<u>(1,737)</u>
GAAP net income	<u>\$ 5,735</u>	<u>\$ 9,962</u>	<u>\$ 25,471</u>	<u>\$ 27,539</u>
Per share data:				
Basic pre-tax operating income per share	\$ 0.18	\$ 0.32	\$ 0.77	\$ 0.75
Basic tax provision per share	<u>\$ (0.07)</u>	<u>\$ (0.12)</u>	<u>\$ (0.30)</u>	<u>\$ (0.22)</u>
Basic net operating income per share	\$ 0.11	\$ 0.19	\$ 0.47	\$ 0.53
Basic non-operating loss per share	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.03)</u>
Basic GAAP earnings per share	<u>\$ 0.11</u>	<u>\$ 0.18</u>	<u>\$ 0.46</u>	<u>\$ 0.50</u>
Diluted pre-tax operating income per share	\$ 0.18	\$ 0.31	\$ 0.75	\$ 0.73
Diluted tax provision per share	<u>\$ (0.07)</u>	<u>\$ (0.12)</u>	<u>\$ (0.29)</u>	<u>\$ (0.22)</u>
Diluted net operating income per share	\$ 0.11	\$ 0.19	\$ 0.46	\$ 0.51
Diluted non-operating loss per share	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.03)</u>
Diluted GAAP earnings per share	<u>\$ 0.10</u>	<u>\$ 0.17</u>	<u>\$ 0.45</u>	<u>\$ 0.48</u>
Basic weighted average shares of common stock outstanding	<u>54,398</u>	<u>55,291</u>	<u>55,538</u>	<u>55,205</u>
Diluted weighted average shares of common stock outstanding	<u>55,289</u>	<u>57,730</u>	<u>57,065</u>	<u>57,171</u>
Additional data:				
Pre-tax operating margin	<u>24.9%</u>	<u>39.9%</u>	<u>33.7%</u>	<u>35.4%</u>