

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

	Three Months Ended December 31,		Year Ended December 31,	
	2004	2003	2004	2003
<b>Revenues:</b>				
Transaction revenues with related parties				
Fully electronic transactions	\$ 22,863	\$ 27,667	\$ 108,033	\$ 110,015
Voice-assisted brokerage transactions	5,676	4,546	22,125	19,505
Screen-assisted open outcry transactions	232	118	846	538
Total transaction revenues with related parties	28,771	32,331	131,004	130,058
Software Solutions fees from related parties	5,374	3,773	18,642	15,124
Software Solutions and licensing fees from unrelated parties	4,035	2,463	13,418	9,125
Interest income	1,075	656	3,445	2,308
Total revenues	<u>39,255</u>	<u>39,223</u>	<u>166,509</u>	<u>156,615</u>
<b>Expenses:</b>				
Compensation and employee benefits	11,089	8,241	40,671	36,114
Occupancy and equipment:				
Amortization of software development costs & other intangibles	4,577	3,482	16,235	12,902
Other occupancy and equipment	6,580	6,303	25,202	23,733
Professional and consulting fees	1,183	592	4,644	3,519
Communications and client networks	1,595	1,690	6,487	6,714
Marketing	358	339	1,442	1,454
Administrative fees to related parties	3,624	2,695	13,228	10,442
Other	2,416	1,390	7,880	5,647
Total operating expenses	<u>31,422</u>	<u>24,732</u>	<u>115,789</u>	<u>100,525</u>
Pre-tax operating income	7,833	14,491	50,720	56,090
Income tax provision	2,871	5,659	19,638	17,982
Net operating income	<u>4,962</u>	<u>8,832</u>	<u>31,082</u>	<u>38,108</u>
<b>Non-operating loss:</b>				
Charitable contribution Re: 9/11, net of tax	-	-	(207)	(420)
Amortization of business partner and non-employee securities, net of tax	(84)	(275)	(525)	(1,592)
Litigation costs, net of tax	(592)	-	(592)	-
Asset impairment charges, net of tax	(3,908)	-	(3,908)	-
Total non-operating loss	<u>(4,584)</u>	<u>(275)</u>	<u>(5,232)</u>	<u>(2,012)</u>
GAAP net income	<u>\$ 378</u>	<u>\$ 8,557</u>	<u>\$ 25,850</u>	<u>\$ 36,096</u>
<b>Per share data:</b>				
Basic pre-tax operating income per share	\$ 0.15	\$ 0.26	\$ 0.92	\$ 1.01
Basic tax provision per share	(0.05)	(0.10)	(0.36)	(0.32)
Basic net operating income per share	0.09	0.16	0.57	0.69
Basic non-operating income (loss) per share	(0.09)	(0.00)	(0.10)	(0.04)
Basic GAAP earnings per share	<u>\$ 0.01</u>	<u>\$ 0.15</u>	<u>\$ 0.47</u>	<u>\$ 0.65</u>
Diluted pre-tax operating income per share	\$ 0.14	\$ 0.25	\$ 0.90	\$ 0.98
Diluted tax provision per share	(0.05)	(0.10)	(0.35)	(0.31)
Diluted net operating income per share	\$ 0.09	\$ 0.15	\$ 0.55	\$ 0.66
Diluted non-operating income (loss) per share	(0.08)	(0.00)	(0.09)	(0.03)
Diluted GAAP earnings per share	<u>\$ 0.01</u>	<u>\$ 0.15</u>	<u>\$ 0.46</u>	<u>\$ 0.63</u>
Basic weighted average shares of common stock outstanding	<u>53,312</u>	<u>55,759</u>	<u>54,978</u>	<u>55,345</u>
Diluted weighted average shares of common stock outstanding	<u>54,224</u>	<u>58,908</u>	<u>56,318</u>	<u>57,499</u>
<b>Additional data:</b>				
Pre-tax operating margin	<u>20.0%</u>	<u>36.9%</u>	<u>30.5%</u>	<u>35.8%</u>