

eSpeed, Inc. and Subsidiaries
RECONCILIATION of NON-GAAP FINANCIAL MEASURES TO GAAP (unaudited)
(in thousands)

	Three Months Ended March 31,	
	2005	2004
Revenues	\$ 38,904	\$ 44,638
GAAP revenues	<u>\$ 38,904</u>	<u>\$ 44,638</u>
Operating expenses	\$ 34,702	\$ 26,633
Amortization of business partner and non-employee securities [a]	117	444
Litigation costs [b]	1,982	-
GAAP expenses	<u>\$ 36,801</u>	<u>\$ 27,077</u>
Pre-tax operating income	\$ 4,202	\$ 18,005
Sum of reconciling items = - [a] - [b]	<u>(2,099)</u>	<u>(444)</u>
GAAP income before income tax provision	<u>\$ 2,103</u>	<u>\$ 17,561</u>
Income tax provision	\$ 1,526	\$ 7,039
Income tax benefit on non-operating loss [c]	<u>(762)</u>	<u>(173)</u>
GAAP income tax provision	<u>\$ 764</u>	<u>\$ 6,866</u>
Net operating income	\$ 2,676	\$ 10,966
Sum of reconciling items = - [a] - [b] - [c]	<u>(1,337)</u>	<u>(271)</u>
GAAP net income	<u>\$ 1,339</u>	<u>\$ 10,695</u>