

**eSpeed, Inc. and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF OPERATIONS IN ACCORDANCE WITH GAAP (unaudited)**  
(In thousands, except per share data)

|  | Three Months Ended<br>June 30, |                 | Six Months Ended<br>June 30, |                  |
|--|--------------------------------|-----------------|------------------------------|------------------|
|  | <u>2005</u>                    | <u>2004</u>     | <u>2005</u>                  | <u>2004</u>      |
| <b>Revenues:</b>   |                                |                 |                              |                  |
| Transaction revenues with related parties                        |                                |                 |                              |                  |
| Fully electronic transactions                                    | \$ 18,804                      | \$ 29,154       | \$ 39,241                    | \$ 59,681        |
| Voice-assisted brokerage transactions                            | 6,444                          | 5,190           | 12,938                       | 11,216           |
| Screen-assisted open outcry transactions                         | 403                            | 158             | 810                          | 389              |
| Total transaction revenues with related parties                  | <u>25,651</u>                  | <u>34,502</u>   | <u>52,989</u>                | <u>71,286</u>    |
| Software Solutions fees from related parties                     | 6,657                          | 4,475           | 12,761                       | 8,587            |
| Software Solutions and licensing fees from unrelated parties     | 3,765                          | 3,107           | 7,942                        | 6,105            |
| Interest income  | 1,382                          | 761             | 2,667                        | 1,505            |
| Total revenues   | <u>37,455</u>                  | <u>42,845</u>   | <u>76,359</u>                | <u>87,483</u>    |
| <b>Expenses:</b>   |                                |                 |                              |                  |
| Compensation and employee benefits                               | 12,890                         | 9,768           | 25,941                       | 19,083           |
| Amortization of software development costs and other intangibles | 4,504                          | 3,820           | 9,170                        | 7,549            |
| Other occupancy and equipment                                    | 7,536                          | 6,073           | 14,945                       | 12,300           |
| Professional and consulting fees                                 | 2,129                          | 865             | 5,070                        | 1,798            |
| Communications and client networks                               | 1,882                          | 1,595           | 3,638                        | 3,208            |
| Marketing  | 369                            | 379             | 862                          | 765              |
| Administrative fees to related parties                           | 3,422                          | 3,212           | 7,299                        | 6,169            |
| Amortization of business partner and non-employee securities     | 143                            | 142             | 260                          | 586              |
| Acquisition related costs  | 4,124                          | -               | 4,124                        | -                |
| Other  | 2,863                          | 2,145           | 5,354                        | 3,618            |
| Total operating expenses   | <u>39,862</u>                  | <u>27,999</u>   | <u>76,663</u>                | <u>55,076</u>    |
| Income (loss) before income tax provision (benefit)              | (2,407)                        | 14,846          | (304)                        | 32,407           |
| Income tax provision (benefit)                                   | (949)                          | 5,805           | (185)                        | 12,671           |
| Net income (loss)  | <u>\$ (1,458)</u>              | <u>\$ 9,041</u> | <u>\$ (119)</u>              | <u>\$ 19,736</u> |
| <b>Per share data:</b>   |                                |                 |                              |                  |
| Basic earnings (loss) per share                                  | <u>\$ (0.03)</u>               | <u>\$ 0.16</u>  | <u>\$ (0.00)</u>             | <u>\$ 0.35</u>   |
| Diluted earnings (loss) per share                                | <u>\$ (0.03)</u>               | <u>\$ 0.16</u>  | <u>\$ (0.00)</u>             | <u>\$ 0.34</u>   |
| Basic weighted average shares of common stock outstanding        | <u>51,281</u>                  | <u>56,153</u>   | <u>52,205</u>                | <u>56,114</u>    |
| Diluted weighted average shares of common stock outstanding      | <u>51,281</u>                  | <u>57,958</u>   | <u>52,205</u>                | <u>58,161</u>    |