

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

	Three Months Ended December 31,		Year Ended December 31,	
	2003	2002	2003	2002
Revenues	\$ 39,223	\$ 32,777	\$ 156,615	\$ 126,405
Business interruption insurance proceeds from parent [a]	-	-	-	12,833
GAAP revenues	<u>\$ 39,223</u>	<u>\$ 32,777</u>	<u>\$ 156,615</u>	<u>\$ 139,238</u>
Operating expenses	\$ 24,732	\$ 23,441	\$ 100,525	\$ 94,484
Amortization of business partner and non-employee securities [b]	452	705	2,167	2,059
Loss on unconsolidated investments [c]	-	950	-	950
Provision for September 11 Events [d]	-	(1,200)	-	(1,200)
Charitable contribution Re: 9/11 [e]	-	-	687	500
GAAP expenses	<u>\$ 25,184</u>	<u>\$ 23,896</u>	<u>\$ 103,379</u>	<u>\$ 96,793</u>
Pre-tax operating income	\$ 14,491	\$ 9,336	\$ 56,090	\$ 31,921
Sum of reconciling items = [a] - [b] - [c] - [d] - [e]	(452)	(455)	(2,854)	10,524
GAAP income before income tax provision	<u>\$ 14,039</u>	<u>\$ 8,881</u>	<u>\$ 53,236</u>	<u>\$ 42,445</u>
Income tax provision	\$ 5,659	\$ 128	\$ 17,982	\$ 479
Income tax benefit on non-operating loss [f]	(177)	-	(842)	-
GAAP income tax provision	<u>\$ 5,482</u>	<u>\$ 128</u>	<u>\$ 17,140</u>	<u>\$ 479</u>
Net operating income	\$ 8,832	\$ 9,208	\$ 38,108	\$ 31,442
Sum of reconciling items = [a] + [b] + [c] + [d] + [e] + [f]	(275)	(455)	(2,012)	10,524
GAAP net income	<u>\$ 8,557</u>	<u>\$ 8,753</u>	<u>\$ 36,096</u>	<u>\$ 41,966</u>