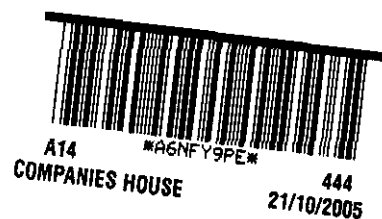


TOWER BRIDGE SECURITIES LIMITED
(formerly ITD Capital Markets Limited)

Report and Financial Statements

For the year ended 31 December 2004



TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

REPORT AND FINANCIAL STATEMENTS 2004

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TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

DIRECTORS' REPORT

The directors have pleasure in presenting their report and the audited financial statements for the year ended 31 December 2004.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

By special resolution dated 1 October 2004, the company's name was changed from ITD Capital Markets Limited to Tower Bridge Securities Limited.

The principal activity of the company throughout the year was that of broker in fixed income securities for institutions and funds.

The company is regulated by the Financial Services Authority ('FSA').

RESULTS AND DIVIDENDS

The company made a pre-tax loss of US\$78,000 in the year ended 31 December 2004 (2003 – loss of US\$6,000).

The directors do not recommend the payment of a dividend (2003 – US\$nil).

FUTURE DEVELOPMENTS

The directors expect that the present nature of the business and level of activity will be sustained.

DIRECTORS AND THEIR INTERESTS

The following directors held office throughout the year (except where otherwise shown)

Mr L Amaitis	
Mr S Curran	
Mr R Falkner	(resigned 30 September 2004)
Mr S Lynn	(appointed 1 October 2004)
Mr H W Lutnick	
Mr S Merkel	
Mr R Scott	(appointed 14 October 2004)

The directors had no disclosable interests in the shares of the company or any other group company at the beginning of the year, at the date of their appointment during the year or at the year end.

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors of the company and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



R M Snelling
Company Secretary
31 March 2005

TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWER BRIDGE SECURITIES LIMITED (formerly ITD CAPITAL MARKETS LIMITED)

We have audited the financial statements of Tower Bridge Securities Limited (formerly ITD Capital Markets Limited) for the year ended 31 December 2004 which comprise the profit and loss account, the balance sheet, the reconciliation of movement in shareholders' funds and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

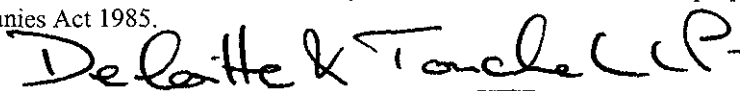
Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London
31 March 2005

TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2004

	Note	2004 US\$'000	2003 US\$'000
TURNOVER	2	-	10
Cost of sales		(30)	(8)
GROSS (LOSS)/PROFIT		(30)	2
Administrative expenses		17	(4)
OPERATING LOSS	3	(13)	(2)
Interest payable and similar charges	5	(65)	(4)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(78)	(6)
Tax credit on loss on ordinary activities	6	19	2
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED LOSS FOR THE FINANCIAL YEAR		(59)	(4)
Profit and loss account brought forward		(284)	(280)
Profit and loss account carried forward		(343)	(284)

All activities are derived from continuing operations for the current and prior year.

There are no recognised gains or losses for the current or prior years other than as stated above and therefore no separate statement of total recognised gains and losses has been presented.

TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

BALANCE SHEET
31 December 2004

	Note	2004 US\$'000	2003 US\$'000
CURRENT ASSETS			
Debtors	7	1,660	2,093
Cash at bank and in hand		42	480
		<u>1,702</u>	<u>2,573</u>
CREDITORS: amounts falling due within one year	8	<u>(1,045)</u>	<u>(1,857)</u>
NET CURRENT ASSETS AND TOTAL ASSETS LESS CURRENT LIABILITIES		657	716
		<u>657</u>	<u>716</u>
CAPITAL AND RESERVES			
Called up share capital	9	1,000	1,000
Profit and loss account		<u>(343)</u>	<u>(284)</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>657</u>	<u>716</u>

These financial statements were approved by the Board of Directors on 31 March 2005.

Signed on behalf of the Board of Directors



Sean Curran
Director

TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

For the year ended 31 December 2004

	2004 US\$'000	2003 US\$'000
Loss for the financial year	<u>(59)</u>	<u>(4)</u>
Net reduction in shareholders' funds	(59)	(4)
Opening shareholders' funds	<u>716</u>	<u>720</u>
Closing shareholders' funds	<u><u>657</u></u>	<u><u>716</u></u>

TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

NOTES TO THE ACCOUNTS

For the year ended 31 December 2004

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom company law and accounting standards. The principal accounting policies adopted are described below.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Functional currency

The accounts are prepared in US Dollars which the directors believe is the currency of the primary economic environment in which the company operates.

Foreign exchange

All monetary assets and liabilities denominated in currencies other than US Dollars are translated into US Dollars at the rates ruling at the balance sheet date. Transactions in currencies other than US Dollars are recorded at the average rates ruling during the month that the transaction occurred. Translation differences are taken to the profit and loss account.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Cash flow statement

The company has not prepared a cash flow statement in accordance with FRS 1 (Revised) - Cash Flow Statements. A consolidated cash flow statement is contained in the consolidated financial statements of the immediate parent company.

2. TURNOVER

The company's income is derived from its principal activity. Turnover represents the commission thus earned. It is presented net of any related commission expense.

The company's income is derived from business in the United Kingdom.

3. OPERATING LOSS

	2004 US\$'000	2003 US\$'000
The operating loss is stated after crediting:		
Foreign exchange profit	-	4

The auditors' remuneration for the current and prior year has been borne by BGC International (formerly Cantor Fitzgerald International).

TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

NOTES TO THE ACCOUNTS

For the year ended 31 December 2004

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2004 US\$'000	2003 US\$'000
Staff costs during the period amounted to:		
Wages and salaries	4,413	3,413
Social security costs	518	395
Employee benefits	23	12
Other pension costs	5	3
	<u>4,959</u>	<u>3,823</u>

All staff costs incurred during the year are recharged to the company's parent company, BGC International (formerly Cantor Fitzgerald International).

The average monthly number of persons (including directors) employed by the company during the current and previous year was:

	2004 No.	2003 No.
Direct operating	<u>16</u>	<u>22</u>

The directors were remunerated by BGC International (formerly Cantor Fitzgerald International) in both the current year and prior year. No recharge to the company was made for these costs (2003: US\$nil).

5. INTEREST PAYABLE

	2004 US\$'000	2003 US\$'000
Subordinated loan interest	62	-
Bank interest	3	4
	<u>65</u>	<u>4</u>

TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

NOTES TO THE ACCOUNTS

For the year ended 31 December 2004

6. TAX CREDIT ON LOSS ON ORDINARY ACTIVITIES

	2004	2003
	US\$'000	US\$'000
i. Analysis of tax charge on ordinary activities		
United Kingdom corporation tax at 30% (2003 – 30%) based on the loss for the year	-	-
Adjustment in respect of prior years	(4)	-
Group relief	23	2
	<u>19</u>	<u>2</u>
Tax credit on loss on ordinary activities	<u>19</u>	<u>2</u>

ii. Factors affecting tax charge for the year

The tax assessed for the year is higher than that resulting from applying the standard rate of corporation tax in the UK of 30% (2003 – 30%). The differences are explained below:

Loss on ordinary activities before tax	(78)	(6)
Tax at 30% thereon and tax credit on loss on ordinary activities	23	2
Effects of:		
Prior period adjustments	(4)	-
	<u>19</u>	<u>2</u>
Tax credit on loss on ordinary activities	<u>19</u>	<u>2</u>

7. DEBTORS

	2004	2003
	US\$'000	US\$'000
Prepayments	573	533
Other debtors	87	22
Amounts owed by parent company	1,000	1,538
	<u>1,660</u>	<u>2,093</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	US\$'000	US\$'000
Bank overdrafts	42	21
Other taxes and social security	148	259
Amounts owed to group undertakings	333	342
Accruals and deferred income	522	735
Subordinated loan	-	500
	<u>1,045</u>	<u>1,857</u>

TOWER BRIDGE SECURITIES LIMITED (formerly ITD Capital Markets Limited)

NOTES TO THE ACCOUNTS

For the year ended 31 December 2004

9. CALLED UP SHARE CAPITAL

	2004 £'000	2003 £'000
Authorised:		
5,000,000 ordinary shares of £1 each	5,000	5,000
	<u>2004</u>	<u>2003</u>
	US\$'000	US\$'000
Called up, allotted and fully paid:		
603,819 ordinary shares of £1 each	1,000	1,000
	<u>2004</u>	<u>2003</u>
	US\$'000	US\$'000

10. RELATED PARTY TRANSACTIONS

The company and its subsidiaries enter into securities transactions and service fee arrangements with various parties that are related by common ownership and control. As of 31 December 2004 the intercompany balances held with related parties comprised:

	2004		2003	
	Owed to US\$'000	Owed by US\$'000	Owed to US\$'000	Owed by US\$'000
Cantor Fitzgerald Europe	333	-	342	-
BGC International (formerly Cantor Fitzgerald International)	-	1,000	-	1,538
	<u>333</u>	<u>1,000</u>	<u>342</u>	<u>1,538</u>

11. REGISTERED OFFICE

The registered office of Tower Bridge Securities Limited (formerly ITD Capital Markets Limited) is One America Square, London, EC3N 2LS. The company is registered in England and Wales.

12. PARENT COMPANIES

The immediate parent company and the smallest group into which the company is consolidated is BGC International (formerly Cantor Fitzgerald International), a company incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of BGC International are publicly available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The ultimate parent, controlling company and largest group into which the company is consolidated is Cantor Fitzgerald L.P. an entity registered in the United States of America.