

Oppenheimer Holdings Inc.

Investor Presentation



This presentation and other written or oral statements made from time to time by representatives of Oppenheimer Holdings Inc. (the “company”) may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may relate to such matters as anticipated financial performance, future revenues or earnings, business prospects, new products or services, anticipated market performance and similar matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the company’s current beliefs, expectations and assumptions regarding the future of the company’s business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of the company’s control. The company cautions that a variety of factors could cause the company’s actual results to differ materially from the anticipated results or other expectations expressed in the company’s forwarding-looking statements. These risks and uncertainties include, but are not limited to, those risk factors discussed in Part I, “Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2017 filed with the SEC on March 2, 2018 (the “2017 10-K”). In addition, important factors that could cause actual results to differ materially from those in the forward-looking statements include those factors discussed in Part II, “Item 7. Management’s Discussion & Analysis of Financial Condition and Results of Operations – Factors Affecting ‘Forward-Looking Statements’” of the 2017 10-K. Any forward-looking statements herein are qualified in their entirety by reference to all such factors discussed in the 2017 10-K and the company’s other SEC filings. There can be no assurance that the company has correctly or completely identified and assessed all of the factors affecting the company’s business. Therefore, you should not rely on any of these forward-looking statements. Any forward-looking statement made by the company in this presentation is based only on information currently available to the company and speaks only as of the date on which it is made. The company does not undertake any obligation to publicly update or revise any forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

1. Company Overview
2. Business Segments
3. Financial Overview



1. Company Overview



Business Overview



A Preeminent Wealth Manager and Investment Bank

Oppenheimer is a leading investment bank and full-service investment firm that provides financial services and advice to high net worth investors, individuals, businesses and institutions.

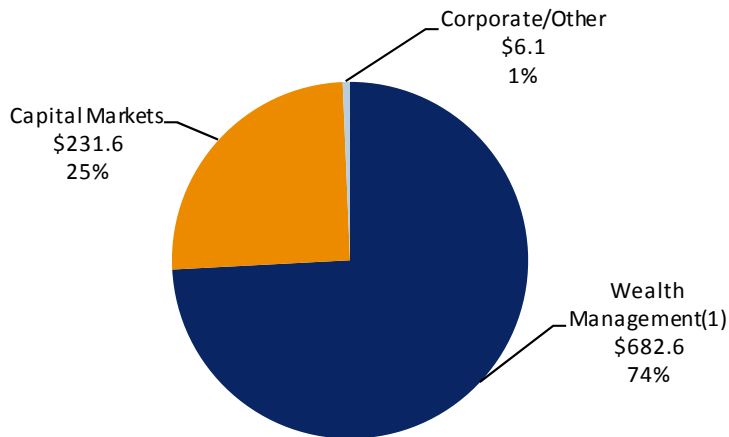
Wealth Management

Private client services and asset management solutions tailored to individuals' unique financial objectives

Capital Markets

Investment banking services and capital markets products for institutions and corporations

Business Mix – 2017 Revenue (\$920.3mm)



(1) Wealth Management represents the Private Client and Asset Management business segments.

Oppenheimer Snapshot (as of 12/31/17)

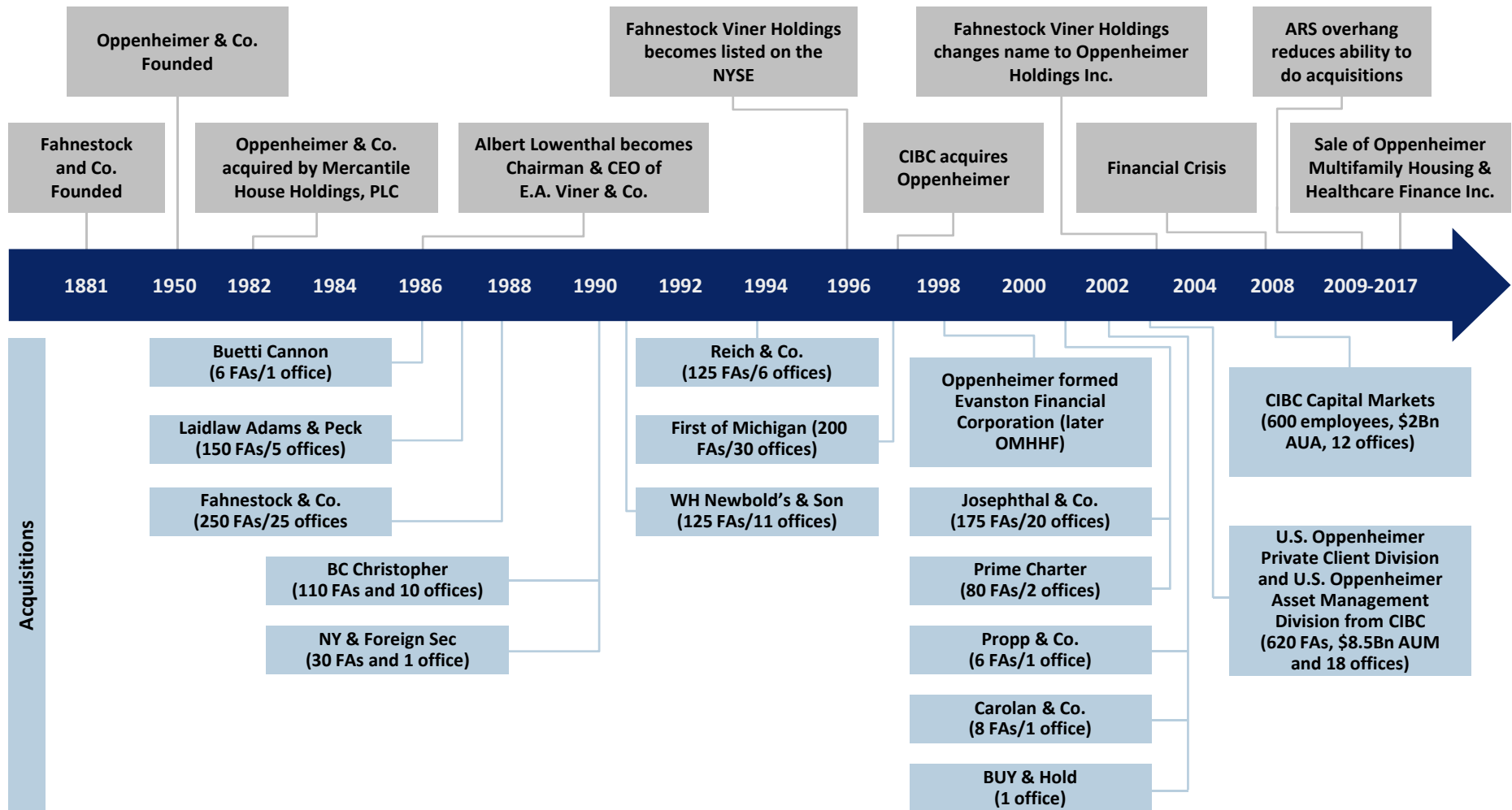
Listed NYSE Ticker:	OPY
Shareholders' Equity (\$mm):	\$523.9
Market Cap (\$mm) – 3/26/18:	\$345.0
Book Value per Share:	\$39.55
Tangible Book Value per Share:	\$26.74
Share Price – 3/26/18:	\$26.20
2017 Revenue (\$mm):	\$920.3
Employees:	2,992
# of FAs:	1,107
Client Assets under Administration (\$bn):	\$86.9
Assets Under Management (\$bn):	\$28.3

History



Distinguished Heritage: Long History of Successful Acquisitions

The Company has successfully built its business upon accretive acquisitions and aims to continue in that tradition

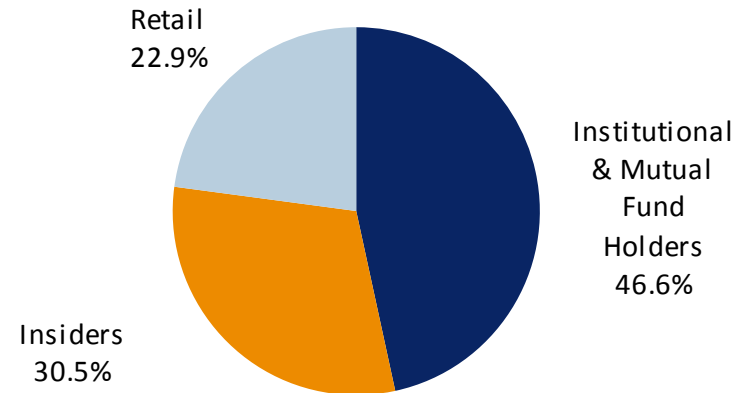


Significant Insider Ownership Committed to Firm's Long Term Success

Institutional (46.6%)⁽¹⁾

- Top 10 institutional holders (~31.7%) of Class A non-voting common stock:
 - Hotchkis & Wiley Capital Management LLC (~ 7.52%)
 - Dimensional Fund Advisors LP (~ 4.49%)
 - BlackRock Fund Advisors (~ 4.08%)
 - Burgundy Asset Management Ltd. (~ 3.56%)
 - The Vanguard Group, Inc. (~ 2.66%)
 - Private Capital Management, Inc. (~ 2.62%)
 - Greenwich Wealth Management LLC (~ 2.35%)
 - Millennium Management LLC (~1.65%)
 - SSgA Funds Management, Inc. (~ 1.47%)
 - AJO LP (~ 1.30%)

Class A Stock – Ownership⁽¹⁾



Insiders^{(1),(2)}

- Albert Lowenthal, Chairman/CEO holds:
 - Class A – 24.2% of non-voting common stock
 - Class B – 96.4% of voting common stock

Corporate Buybacks

- For the period from 2015 - 2017, the Company bought back a total of 1.13 million shares for \$19.6 million
 - Average price of \$17.31 per share (Book Value of \$39.55 at 12/31/17)

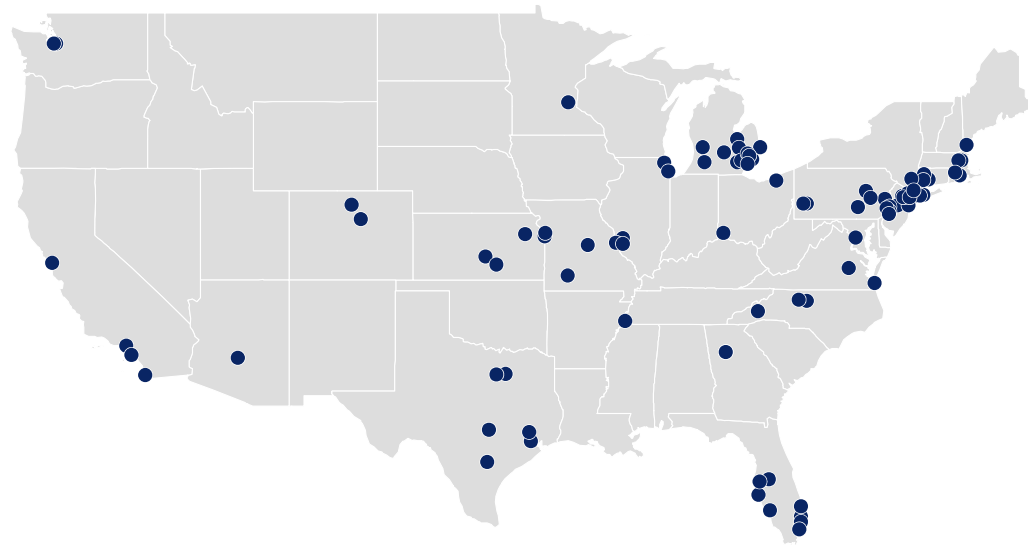
(1) Holdings are as of 12/31/17 per forms filed as of 3/15/18.

(2) Proxy Statement on Schedule 14A as of 3/23/18.

Global Footprint

Strong Presence in the US and Internationally

- 92 offices in the U.S.
- 5 international offices
 - 1,107 financial advisors
 - 185+ institutional sales professionals
 - 30+ senior research analysts



	US	London	Hong Kong	Tel Aviv	Geneva	St. Helier
Wealth Management	✓					
Institutional Equities	✓	✓	✓	✓	✓	
Fixed Income	✓	✓	✓	✓		✓
Investment Banking	✓	✓		✓		
Research	✓	✓		✓		



- London, UK
- Geneva, Switzerland
- St. Helier, Isle of Jersey

- Tel Aviv, Israel

- Hong Kong



2. Business Segments



Leading Wealth Management Platform

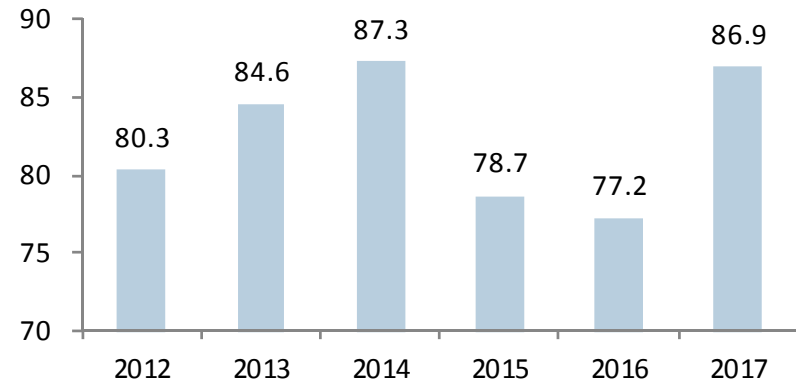


Well recognized brand and one of the few independent, non-bank broker-dealers with full service capabilities

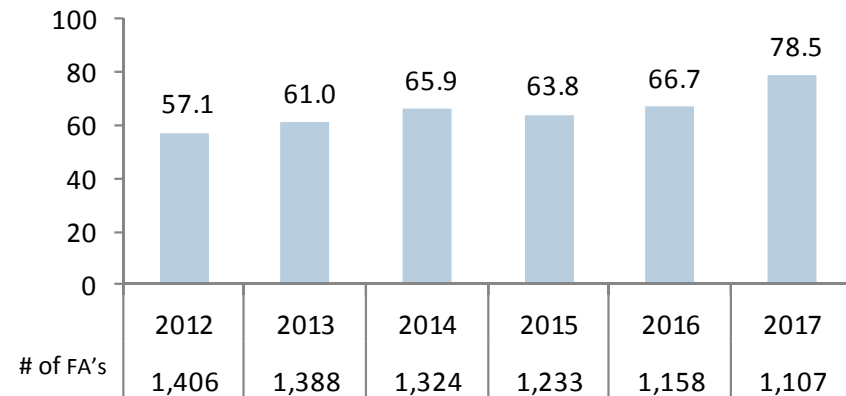
Wealth Management Services

- Retail services:
 - Full-Service Brokerage
 - Financial Planning
 - Retirement Services
 - Research
 - Corporate & Executive Services
 - Trust Services
 - Margin & Securities Lending
- Advisory Services:
 - Investment Policy Design & Implementation
 - Asset Allocation & Portfolio Construction
 - Research, Diligence & Manager Selection
 - Portfolio Monitoring & Reporting
- Alternative Asset Management:
 - Hedge & Fund-of-Funds
 - Private Equity
- Clients include:
 - High-net-worth individuals and families
 - Corporate executives and businesses
 - Endowments, charities and pension plans

Client Assets Under Administration (\$bn)



Client Assets per Financial Advisor (\$mm)

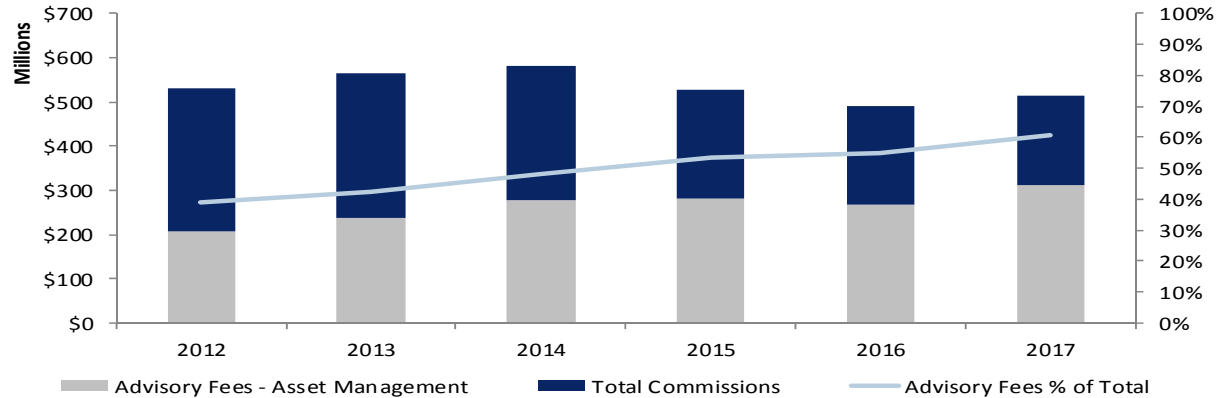


Wealth Management Metrics

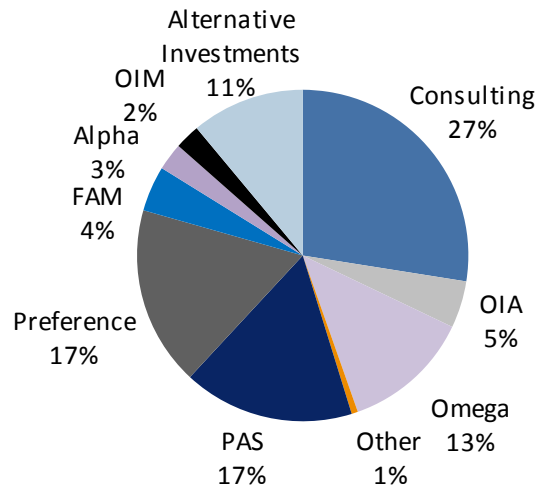


Increasing Shift to Fee Based Revenue

Advisory Fees as a Percentage of Wealth Management Advisory Fees and Commissions



4Q-17 Distribution of AUM (\$28.3bn)



OAM Program Descriptions

- **Alternative Investments:** offers accredited and/or qualified investors the opportunity to participate in range of non-traditional investment strategies
- **Consulting:** third-party managed fee-based programs
- **OIA (Oppenheimer Investment Advisers):** taxable and non-taxable fixed income portfolio management
- **Omega:** FA discretionary fee-based investment management program
- **PAS (Portfolio Advisory Services):** strategic asset allocation program utilizing mutual funds as investment vehicle
- **Preference:** fee-based non-discretionary advisory account
- **FAM (Fahnestock Asset Management):** discretionary and non-discretionary investment management services
- **Alpha:** commission-based investment advisory where selected FAs exercise investment discretion over client portfolios
- **OIM (Oppenheimer Investment Management):** provides fixed income solutions to institutional investors

Capital Markets Overview

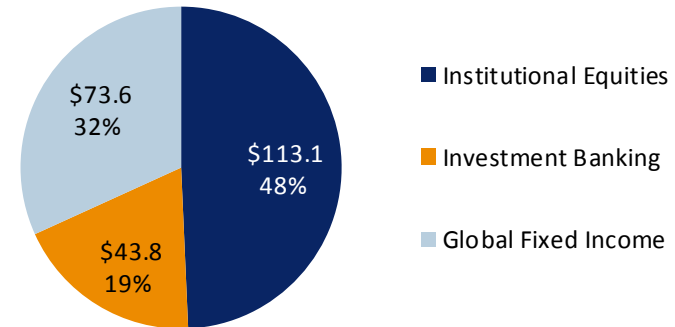


A leading capital markets business providing sophisticated investment banking, research and trading solutions

Summary

- Capital Markets segment includes:
 - Institutional Equities
 - Sales & Trading
 - Equity Research
 - Corporate Access
 - Investment Banking
 - Mergers & Acquisitions
 - Equity Capital Markets
 - Debt Capital Markets
 - Restructuring & Special Situations
 - Global Fixed Income
 - Taxable Fixed Income
 - Non-Taxable Fixed Income
 - Public Finance

Breakdown of Revenue 2017 (\$231.6mm)



Target Markets

- Emerging growth and middle-market businesses in the U.S., Europe, Israel and China
- Industry Focus:
 - Business Services
 - Consumer
 - Technology, Media & Communications
 - Healthcare
 - Transportation & Logistics
 - Energy



3. Financial Overview

2017 Summary Operating Results



(\$in thousands)	For the 12-Months Ended		
	12/31/2017	12/31/2016	% Change
REVENUE			
Commissions	\$ 336,620	\$ 377,317	-10.8%
Advisory fees	320,746	269,119	19.2%
Investment banking	78,215	81,011	-3.5%
Interest	48,498	47,649	1.8%
Principal transactions, net	23,273	20,481	13.6%
Other	112,986	62,202	81.6%
Total revenue	920,338	857,779	7.3%
EXPENSES			
Compensation and related expenses	602,138	584,710	3.0%
Non-Compensation related expenses	298,464	294,961	1.2%
Total Expenses	900,602	879,671	2.4%
Income (Loss) before income taxes from continuing operations	19,736	(21,892)	*
Income taxes	(2,134)	(12,262)	-82.6%
Net income (loss) from continuing operations	21,870	(9,630)	*
Net income from discontinued operations	1,130	10,121	-88.8%
Net income (loss)	23,000	491	*
Less net income attributable to non-controlling interest, net of tax	184	1,652	-88.9%
Net income (loss) attributable to Oppenheimer Holdings Inc.	\$ 22,816	\$ (1,161)	*

* Percentage not meaningful.

Capital Structure

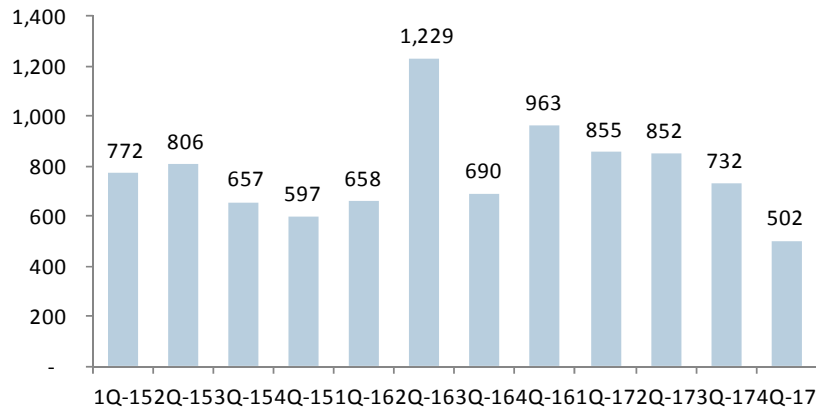


Conservative risk profile with strong balance sheet

Conservative Risk Profile

- Straight-forward balance sheet
- Strong capital base
- Regulatory Net Capital of \$142 million
- Regulatory Excess Net Capital of \$121.7 million
- Level 3 assets represent 4.6% of total assets (primarily ARS)

Value-at-Risk (VaR) (\$in thousands)



As of December 31, 2017 (\$in thousands)

Total Assets: \$2,438,517

Stockholders' Equity: \$523,911
Long-Term Debt: \$200,000

Total Capitalization: \$723,911

Ratios

Equity to Assets: 21.5%

Capitalization to Assets: 29.7%

Debt to Equity 38.2%

Gross Leverage Ratio⁽¹⁾: 4.7x

(1) Total Assets divided by Total Shareholders' Equity.

Interest Rate Sensitivity



Beginning to see the benefit in rising rate environment

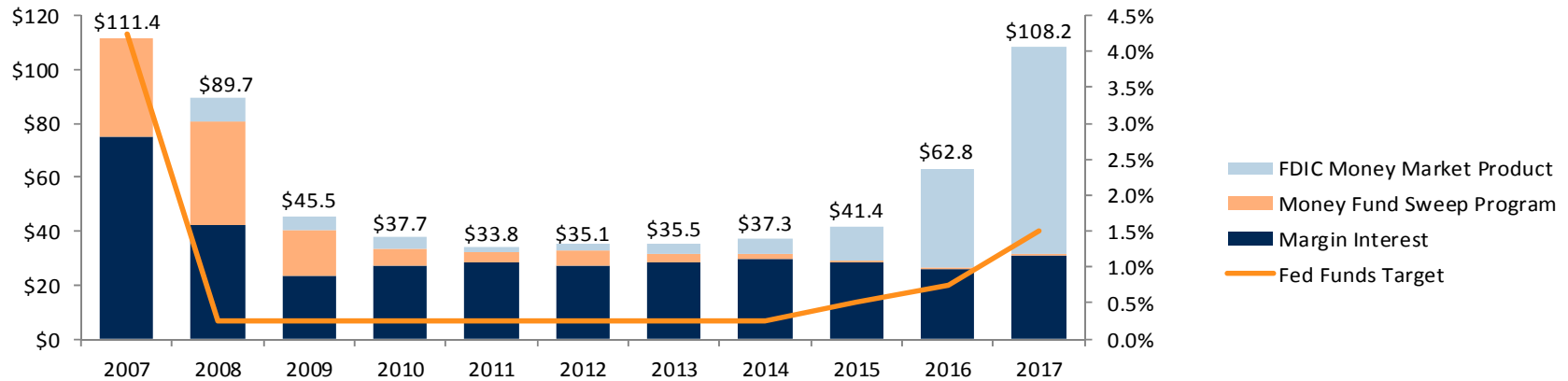
Interest and Fee Revenues (\$mm)

- Firm’s interest rate sensitive products:
 - Cash sweep balances
 - Margin lending
 - Spread lending (Securities Lending and Repos)
 - Firm investments (ARS)

- FDIC Insured Bank Deposit program had balance of \$6.7 billion at 12/31/17

- Average customer margin debits were \$829.8 million for 2017

Interest and Fee Revenues (\$mm)



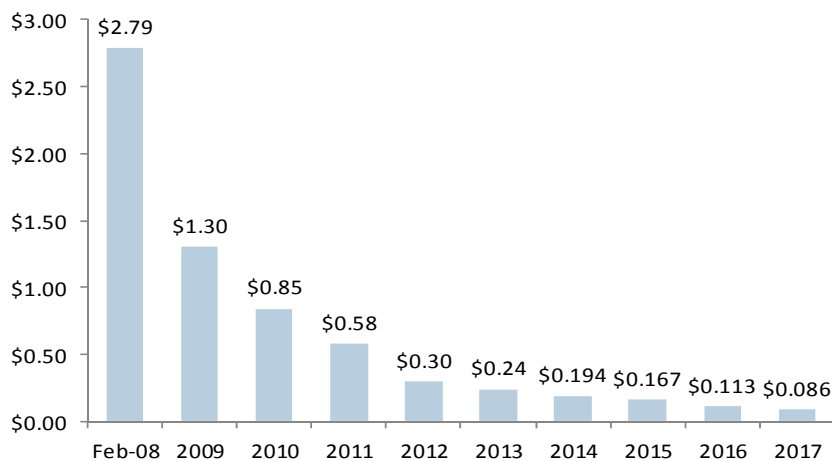
Auction Rate Securities



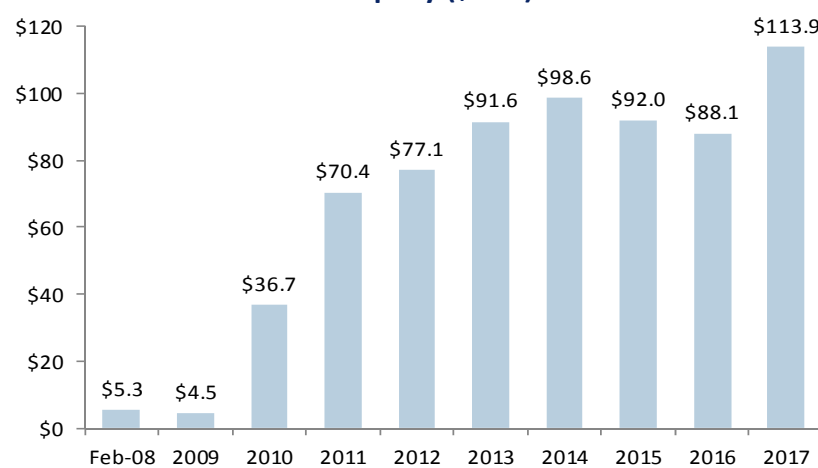
Client ARS exposure significantly reduced

ARS Holdings

Client (\$bn)



Company (\$mm)



- ARS failed in February 2008 with over \$330 billion outstanding in market
- Oppenheimer clients held \$2.8 billion in February 2008
- Settlements with New York Attorney General and Massachusetts Securities Division in February 2010
- ARS purchased from clients under regulatory settlements totals \$126.7 million through December 31, 2017
- ARS purchased from clients under legal settlements and awards totaled \$92.9 million through December 31, 2017
- Eligible investors for future buybacks under the settlements with the regulators held approximately \$25.3 million of ARS as of December 31, 2017
- Commitments to purchase under legal settlements and awards as of December 31, 2017 were \$11.0 million

*Since year-end, the ARS principal balance has been reduced by approximately \$25 million due to issuer redemptions and tender offers

