OPPENHEIMER

Press Release

January 30, 2008

OPY on the NYSE

Fourth Quarter 2007 Earnings and Dividend Declaration

Expressed in thousands of U.S. dollars, except per share amounts	Three Months ended December 31, 2007	Three Months ended December 31, 2006	Year ended December 31, 2007	Year ended December 31, 2006
Unaudited				
REVENUE	$258,358	$218,286	$914,397	$800,823
EXPENSES	$214,053	$196,316	$787,003	$720,373
PROFIT BEFORE TAXES	$44,305	$21,970	$127,394	$80,450
NET PROFIT	$26,537	$10,550	$75,367	$44,577
PROFIT PER SHARE:				
- BASIC	$2.00	$0.82	$5.70	$3.50
- DILUTED	$1.94	$0.80	$5.57	$2.76
WEIGHTED BASIC AVERAGE NUMBER OF CLASS A NON-VOTING AND CLASS B SHARES OUTSTANDING	13,298,336	12,866,552	13,223,442	12,749,712
BOOK VALUE PER SHARE	$33.21	$27.76		
TOTAL CLASS A NON-VOTING AND CLASS B SHARES OUTSTANDING	13,366,276	12,934,362		

Oppenheimer Holdings Inc. reported net profit for the three months ended December 31, 2007 of $26.5 million or $2.00 per share, an increase of 152% when compared to $10.6 million or $0.82 per share in the same period of 2006. Revenue for the three months ended December 31, 2007 was $258.4 million, an increase of 18% compared to revenue of $218.3 million in the same period of 2006, primarily reflecting strong equity markets, a significant increase in annual performance fees for managed hedge funds and strong investment banking revenue. Expenses increased by 9% in the three months ended December 31, 2007 compared to the same period of 2006, primarily reflecting increased compensation and related costs. The fourth quarter of 2007 was the strongest quarter in the Company's history in terms of both revenue and net profit.

Net profit for the year ended December 31, 2007 was $75.4 million or $5.70 per share, an increase of 69% when compared to $44.6 million or $3.50 per share in the same period of 2006 and a record for the Company. Revenue for the year ended December 31, 2007 was $914.4 million compared to $800.8 million for the same period in 2006, an increase of 14%. Expenses increased by 9% in the year ended December 31, 2007 compared to the same period of 2006, with increases in compensation and related expenses, clearing and exchange fees and communications and technology offset by lower interest expense. The Company's pre-tax results for the year ended December 31, 2007 include a gain of approximately $2.5 million arising from the early extinguishment of its zero coupon note, issued in January 2003 in connection with an acquisition. The pre-tax results for the year ended December 31, 2006 included a gain (most of which was generated in the first quarter of 2006) of approximately $13.7 million from the conversion of its three New York Stock Exchange memberships to NYSE Group common shares in March 2006 and the sale, in May 2006, of approximately two thirds of its investment in NYSE Group, as well as a net gain of $4.1 million ($3.6 million of which was recognized in the third quarter of 2006), on the extinguishment of its variable rate exchangeable debentures ("Debentures"). The Company redeemed $140.8 million of the Debentures on July 31, 2006 and the remaining $20.0 million on October 23, 2006. The decrease in the effective tax rate for the year ended December 31, 2007 was the result of favorable resolutions of tax matters during 2007.

Against a background of a deteriorating U.S. dollar, oil prices reaching $100 per barrel, and an unparalleled debt crisis based on record defaults in sub prime mortgages, the U.S. economy and the stock market held up remarkably well during most of the 4th quarter. Popular averages reached new all-time highs in October and steadily eroded to leave them up modestly for the full year of 2007. While U.S Treasuries rallied against an uncertain credit market, most corporate and structured issuers prices deteriorated significantly as their spreads off of treasuries widened substantially. Volatility increased in the fourth quarter of 2007 but volumes remained high and certain sectors such as technology, oil and gas and consumer durables remained at their highest levels of the year. The impact of defaults and foreclosures in the sub-prime mortgage market and the inability of the credit markets to assess the creditworthiness of various issuers of commercial paper and asset-backed securities are likely to lead to continued turmoil in capital markets and with home prices declining amid rising unemployment, the probabilities of a recession have dramatically increased.

Oppenheimer's business continued to thrive despite this economic backdrop with increases in commissions, fee-based revenues, income derived from investment activity and a record level of performance fees from general partner participations in alternative investments owned by clients. At December 31, 2007, shareholders' equity was approximately $444 million and book value per share was $33.21 compared to shareholders' equity of approximately $359 million and book value per share of $27.76 at December 31, 2006, an increase of 20%. Assets under fee-based management increased by 13% to $17.5 billion at December 31, 2007 compared to $15.5 billion at December 31, 2006, reflecting organic growth and increased market value.

As previously reported, the Company acquired a major part of CIBC World Markets' U.S. Capital Markets Businesses on January 14, 2008, including U.S. Investment Banking, Corporate Syndicate, Institutional Sales and Trading, Equity Research, Options Trading, Convertible Bond Trading, Loan Syndication, High Yield Origination and Trading as well as related Israeli investment banking and equities business. The results for the year ended December 31, 2007 do not include any results of the Capital Markets Businesses acquired on January 14, 2008.

As previously reported, the Company is not involved in the sub-prime mortgage business, and does not have any exposure to that business as a result of its recent acquisition.

The Company's expenses increased by approximately 9% both for the three months and year ended December 31, 2007 compared to the same periods in 2006 primarily due to increased compensation and related costs. Compensation expense tracks the trend in transactional revenue and includes the impact of the expensing share-based compensation since January 1, 2006. Interest expense decreased in both the three months and year ended December 31, 2007 compared to the comparable periods in 2006 due lower interest rates and the impact of debt reduction undertaken by the Company in 2006 and the second quarter of 2007. As previously reported, in the third quarter of 2006, the Company retired its Debentures ($160.8 million) which had been issued in January 2003 in connection with an acquisition. The Company issued a senior secured credit note in the amount of $125 million at a variable interest rate based on the London Interbank Offering Rate (LIBOR) with a seven-year term to a syndicate led by Morgan Stanley Senior Funding Inc., as agent in July 2006. The Company made two prepayments in 2007 totaling $40 million such that the outstanding debt at December 31, 2007 is $83.3 million.

The basic weighted average number of Class A non-voting and Class B shares outstanding for the three months ended December 31, 2007 was 13,298,336 compared to 12,866,552 outstanding for the three months ended December 31, 2006, a net increase of 3.4% due primarily to the exercise of employee stock options. During the fourth quarter of 2007, the Company did not purchase any Class A Shares pursuant to its Normal Course Issuer Bid (which commenced on August 14, 2007, and terminates on August 13, 2008). The diluted weighted average number of Class A non-voting and Class B shares outstanding for the three months ended December 31, 2007 was 13,646,546 compared to 13,191,501 outstanding for the three months ended December 31, 2006, a net increase of 3.4% due to the exercise of employee stock options and the vesting of restricted shares in 2007

Dividend

Today, the Company announced a regular quarterly cash dividend of U.S. $0.11 per Class A and Class B Share payable on February 29, 2008 to shareholders of record on February 15, 2008.

This press release includes certain “forward-looking statements” relating to anticipated future performance. For a discussion of the factors that could cause future performance to be different than anticipated, reference is made to Oppenheimer’s Annual Report on Form 10-K for the year ended December 31, 2006.

Oppenheimer, through its principal subsidiaries, Oppenheimer & Co. Inc. (a U.S. broker-dealer) and Oppenheimer Asset Management Inc., offers a wide range of investment banking, securities, investment management and wealth management services from 86 offices in 21 states and through local broker-dealers in 3 foreign jurisdictions. Oppenheimer employs over 3,500 people, approximately 1,250 of whom are financial advisers. Oppenheimer offers trust and estate services through Oppenheimer Trust Company. Evanston Financial Corporation is engaged in mortgage brokerage and servicing. In addition, through its subsidiary, Freedom Investments, Inc. and the BUYandHOLD division of Freedom, Oppenheimer offers online discount brokerage and dollar-based investing services.

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