OPPENHEIMER

Press Release

Oppenheimer Holdings Inc.

NYSE – OPY
TSX – OPY.NV

July 27, 2006

Expressed in thousands of U.S. dollars, except share and per share amounts	Three Months ended June 30,		Six Months ended June 30,	
(unaudited)	2006	2005	2006	2005
Revenue	$193,024	$165,929	$394,074	$323,175
Expenses	$177,229	$157,386	$348,868	$308,141
Net profit	$9,137	$4,795	$26,354	$8,560
Basic earnings per share	$0.72	$0.36	$2.08	$0.64
Diluted earnings per share	$0.52	$0.29	$1.45	$0.53
Weighted average number of shares outstanding	12,666,526	13,261,798	12,696,302	13,279,114
Book value per share	$26.46	$23.40		
Actual number of Class A non-voting and Class B shares outstanding	12,733,072	13,043,221		

The Company's financial results are presented using accounting principles generally accepted in the U.S.A.

Oppenheimer Holdings Inc. reported net profit of $9,137,000 or $0.72 per share for the second quarter of 2006, an increase of approximately 91% in net profit when compared to $4,795,000 or $0.36 per share in the second quarter of 2005. Revenue for the second quarter of 2006 was $193,024,000, an increase of 16% compared to revenue of $165,929,000 in the second quarter of 2005.

Net profit for the six months ended June 30, 2006 was $26,354,000 or $2.08 per share compared to $8,560,000 or $0.64 per share in the first half of 2005, an increase of 208% in net profit. Revenue for the six months ended June 30, 2006 was $394,074,000 compared to $323,175,000 for the same period in 2005, an increase of 22%. The Company's pre-tax results for the six months ended June 30, 2006 include a gain (most of which was generated in the first quarter of 2006) of approximately $11.6 million related to 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.

At June 30, 2006, shareholders' equity was approximately $337 million and book value per share was $26.46 compared to shareholders' equity of approximately $305 million and book value per share of $23.40 at June 30, 2005. Assets under fee-based management increased 20% to $13.1 billion at June 30, 2006 compared to $10.9 billion at June 30, 2005, reflecting organic growth and includes approximately $1 billion which relates to a new transaction-based investment advisory program effective January 1, 2006.

Despite rising interest rates and rising commodities prices, the U.S. economy continues to show strong growth and core inflation remains relatively low. Recently, the equity markets have given up their gains from earlier in the year as a result of geopolitical tensions and higher oil prices. However, for most of the second quarter of 2006, activity levels remained strong driving increased revenue and providing positive comparisons to our results for the same period in 2005. Without including the gain on the NYSE Group common shares, the Company's revenue in the six months ended June 30, 2006 increased by approximately 18% compared to its revenue in the same period of 2005. The increase in revenue in both the three and six months ended June 30, 2006 compared to the same periods in 2005 came from higher fee-based revenue and increases in transactional revenue such as commissions and principal transactions as well as increased interest income. The increase in interest income was due to higher rates, larger customer debit balances and increased stock borrow / loan activity.

The Company's expenses increased by approximately 13% in both the three and six months ended June 30, 2006 compared to the same periods in 2005 primarily due to increased compensation and related costs (which tracks higher commission income and principal transactions revenue) as well as higher interest expense. The increase in interest expense tracks the increase in interest revenue and is the result of higher interest rate levels and increased stock borrow / loan activity in 2006 compared to 2005. Communications and technology costs as well as occupancy and equipment costs were modestly higher in both the three and six months ended June 30, 2006 compared to the same periods in 2005. Other expenses, including the costs of legal and regulatory matters and compliance, was down by approximately 10% for the three months ended June 30, 2006 and up moderately for the six months ended June 30, 2006, compared to the same periods in 2005.

Effective January 1, 2006, the Company adopted Statement of Financial Accounting Standards (“SFAS”) 123-R, “Share-Based Payment”. The Company recorded additional compensation expense in the three and six months ended June 30, 2006 of $712,000 and $1,966,000, respectively, with respect to its equity incentive plan. In prior years, the cost of stock options was presented on a pro forma basis in the notes to the consolidated financial statements. The Company has always recorded compensation expense with respect to its other share-based plans, although the method of computation of the expense may have changed with the adoption of SFAS 123-R.

The weighted average number of Class A non-voting and Class B shares outstanding for the six months ended June 30, 2006 was 12,696,302 compared to 13,279,114 outstanding for the six months ended June 30, 2005, a decrease of 4.4% due to the repurchase of Class A Shares pursuant to a Normal Course Issuer Bid and partially offset by the exercise of employee stock options and the purchase of Class A Shares by the Company’s 401(K) Plan. The actual number of Class A and Class B Shares outstanding at June 30, 2006 was 12,733,072.

Issuer Bid

During the three and six months ended June 30, 2006, the Company purchased 4,600 and 110,700 Class A Shares at an average cost of $21.17 and $20.37, respectively, pursuant to a Normal Course Issuer Bid.

The Company is announcing today that, subject to regulatory approval, it intends to purchase up to 632,000 of its Class A non-voting shares by way of a Normal Course Issuer Bid through the facilities of the Toronto Stock Exchange and the New York Stock Exchange, subject to regulatory approval. The 632,000 shares represent approximately 5% of its 12,645,392 issued Class A non-voting shares (as at July 26, 2006). Oppenheimer has purchased 495,600 Class A non-voting shares in total pursuant to its Normal Course Issuer Bid which commenced on July 22, 2005 and ended on July 21, 2006 at an average per share price of U.S. $20.32.

The purchases under the new Normal Course Issuer Bid may commence on a date to be approved by the Toronto Stock Exchange (expected to be early in August 2006) and will terminate one year thereafter or on such earlier date as the Company may complete its purchases pursuant to a notice of intention filed with the Toronto Stock Exchange or provide notice of termination. Any such purchases will be made by the Company at the prevailing market price at the time of such purchases in accordance with the requirements of the Toronto Stock Exchange and the New York Stock Exchange. All shares purchased will be cancelled.

The Company believes that its Class A non-voting shares from time to time are undervalued at prevailing market prices based on the Company's earnings and prospects. In such circumstances the Company believes that the repurchase of Class A non-voting shares at such market prices is an appropriate use of corporate funds and should benefit shareholders. Further, such purchases will offset, at least in part, issuance by the Company of Class A non-voting shares in connection with its equity incentive plan and other employee benefit plans.

Dividend

The Company announced a quarterly dividend in the amount of U.S. $0.10 per share, payable on August 18, 2006 to holders of Class A non-voting and Class B shares of record on August 4, 2006.

Exchangeable debenture re-financing

On June 16, 2006, the Company announced that it had entered into a letter of intent with Canadian Imperial Bank of Commerce ("CIBC") to buy back in full the outstanding variable rate exchangeable debentures in the principal amount of $160,822,400 issued by the Company's wholly-owned subsidiary E.A. Viner International, Inc. ("Viner") to CIBC as part of the consideration for the acquisition of CIBC's US Private Client and Asset Management Divisions in 2003. These debentures are exchangeable for approximately 6.9 million Class A non-voting shares of the Company on January 2, 2013 at the rate of $23.20 per share. The definitive agreement with CIBC will provide that the debentures will be repurchased in two tranches, with $140,822,400 of the debentures to be repurchased on or about July 31, 2006 and the balance of $20 million of the debentures to be repurchased on October 31, 2006 or sooner at the Company’s option. The Company has obtained a commitment from Morgan Stanley Senior Funding Inc. to provide senior secured credit facilities in the amount of $125 million at a floating interest rate based on LIBOR (London Interbank Offering Rate). The closing of the first tranche of the repurchase will be funded by senior secured credit facilities, bank loans and internally available funds. The Company has terminated The Oppenheimer Holdings Inc. Select Incentive Plan offering and withdrawn the related registration statement that had been filed. The Company hopes to provide a restructured plan that would enable key executive, managerial and sales employees of the Company and its subsidiaries to obtain an up to $20 million interest in the Debentures. The closing of the second tranche of the repurchase will be financed by either the proceeds of such restructured plan or senior secured credit facilities, bank loans and internally available funds. The closing of these transactions are still subject to financing and other contingencies but the Company expects to complete the initial closing of these transactions on or about July 31, 2006.

The Company, through its principal subsidiaries, Oppenheimer & Co. Inc. (a U.S. broker-dealer) and Oppenheimer Asset Management Inc., offers a full range of services from 82 offices in 21 states and 2 foreign jurisdictions. In addition, through its subsidiary, Freedom Investments, Inc. and the BUYandHOLD division of Freedom, the Company offers online discount brokerage and dollar-based investing services.

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 the Company’s Annual Report on Form 10-K for the year ended December 31, 2005 and to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006.

FOR FURTHER INFORMATION:

A.G. LOWENTHAL - (212) 668-8000 or E.K. ROBERTS - (416) 322-1515