



Press Release

Oppenheimer Holdings Inc.

NYSE and TSX – OPY

Second Quarter 2007 Earnings, Dividend Announcement, \$15 million Pay Down of Debt
and TSX De-listing

July 27, 2007

*Expressed in thousands of U.S.
dollars, except share and per
share amounts*

	Three Months ended June 30,		Six Months ended June 30,	
	2007	2006	2007	2006
<i>(unaudited)</i>				
Revenue*	\$226,750	\$193,024	\$440,866	\$394,074
Expenses	\$198,864	\$177,229	\$384,798	\$348,868
Profit before taxes *	\$27,886	\$15,795	\$56,068	\$45,206
Net profit	\$15,766	\$9,137	\$32,556	\$26,354
Basic earnings per share	\$1.19	\$0.72	\$2.48	\$2.08
Diluted earnings per share	\$1.16	\$0.52	\$2.43	\$1.45
Weighted average number of shares outstanding	13,213,663	12,666,526	13,125,172	12,696,302
Book value per share	\$30.17	\$26.46		
Actual number of Class A non- voting and Class B shares outstanding	13,233,630	12,733,072		

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

* Revenue and profit before taxes for the six months ended June 30, 2006 includes a gain of \$11.6 million (most of which was generated in the first quarter of 2006) related to the exchange of the Company's three NYSE memberships for cash and NYSE Group common shares (\$0.53 per share). Excluding this one-time gain in the six months ended June 30, 2006, profit before taxes for the comparable period of 2007 was up 67% compared to the same period of 2006.

Oppenheimer Holdings Inc. reported net profit of \$15.8 million or \$1.19 per share for the second quarter of 2007, an increase of approximately 73% in net profit when compared to \$9.1 million or \$0.72 per share in the second quarter of 2006. Revenue for the second quarter of 2007 was \$226.8 million, an increase of 17% compared to revenue of \$193.0 million in the second quarter of 2006.

Net profit for the six months ended June 30, 2007 was \$32.6 million or \$2.48 per share compared to \$26.4 million or \$2.08 per share in the first half of 2006, an increase of 24% in net profit. Revenue for the six months ended June 30, 2007 was \$440.9 million compared to \$394.1 million for the same period in 2006, an increase of 12%. Revenue and profit before taxes for the six months ended June 30, 2006 includes a non-recurring gain of \$11.6 million (most of which was generated in the first quarter of 2006) related to the exchange of the Company's three NYSE memberships for cash and NYSE Group common shares (\$0.53 per share). Excluding this one-time gain in the six months ended June 30, 2006, revenue and profit before taxes for the six months ended June 30, 2007 were up 15% and 67%, respectively, compared to the same period of 2006.

The Company's profit before taxes for the six months ended June 30, 2007 was significantly impacted by share-based expense totaling \$9.6 million (\$8.3 million in the second quarter of 2007) primarily related to outstanding stock appreciation rights which, under accounting guidelines, are re-measured at fair value at each period end. The significant increase in the price of the Company's Class A Shares during the second quarter of 2007 was a contributing factor to the increase in share-based expense. Share-based expense for the six months ended June 30, 2006 totaled \$3.2 million (\$2.8 million in the second quarter of 2006).

Results during the second quarter of 2007 reflected a rising, but often volatile market environment, with investors focused on high oil prices, weak housing markets, foreclosures in sub-prime mortgages, and a weak U.S. dollar. Despite these issues, the U.S. economy continued to grow at a moderate pace with low unemployment rates and relatively strong consumer spending. Core inflation has been gradually easing and the Federal Reserve continues to hold interest rates steady. Growth over the next several quarters should be maintained as the weak dollar fuels exports. The investment environment remains attractive as global liquidity continues

to fuel acquisitions and the retirement of equity securities through corporate buy-backs, privatizations, and mergers proceeds at a record pace.

Investment banking activity continued to produce strong results in the three and six months ended June 30, 2007 compared to the same periods of 2006, resulting from the increased emphasis and staffing levels of the investment banking effort as well as the capital markets' appetite for the securities of small and mid-cap offerings. Proprietary trading results were positive for the quarter, but less of a factor as the Company scaled back its exposure in light of increased volatility. The Company has no exposure to the issues surrounding sub-prime mortgages. Advisory fee income in the three and six months ended June 30, 2007 showed improvement compared to the same periods in 2006 as a result of increases in traditional fee-based assets under management. Assets under management by the asset management group increased 27% to \$17.3 billion at June 30, 2007 compared to \$13.6 billion at June 30, 2006, reflecting organic growth and increases in market value. The Company continues to build its base of annualized revenues through employee and client education emphasizing the benefits of a professionally directed asset allocation process.

The Company's expenses for the three and six months ended June 30, 2007 increased 12% and 10%, respectively, compared to the same periods of 2006, primarily due to increased compensation and related costs. As discussed above, a large component of the increase is attributable to share-based compensation costs. Communications and data processing costs increased in the three and six months ended June 30, 2007 compared to the same periods in 2006, reflecting the Company's continuing efforts to upgrade its technology platform. Despite higher interest rates, interest expense declined in the three and six months ended June 30, 2007 compared to the same periods in 2006, primarily reflecting lower levels of bank borrowing in 2007.

The Company announced today its intention to repay \$15 million of its senior secured credit note by July 31, 2007, thereby reducing its outstanding indebtedness under the senior secured credit note to \$83.8 million, subject to regulatory approval. This amount represents a voluntary prepayment. As previously announced, on April 27, 2007, the Company repaid \$25 million of its senior secured credit note (\$10.4 million was required under the terms of the senior secured

credit note and \$14.6 million was a voluntary prepayment). With strong earnings and cash flow thus far in 2007, the Company determined that it is appropriate to further reduce indebtedness under the senior secured credit note at this time.

At June 30, 2007, shareholders' equity was approximately \$399 million and book value per share was \$30.17 compared to shareholders' equity of approximately \$337 million and book value per share of \$26.46 at June 30, 2006. The weighted average number of Class A and Class B Shares outstanding for the six months ended June 30, 2007 was 13,125,172 compared to 12,696,302 outstanding for the six months ended June 30, 2006, an increase of 3% due to the exercise of employee stock options, awards of Class A Shares pursuant to the Employee Share Plan 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, 2007 was 13,233,630. During the second quarter of 2007, the Company did not purchase any Class A Shares pursuant to its Normal Course Issuer Bid (which commenced on August 9, 2006, and terminates on August 8, 2007). The diluted weighted average number of Class A and Class B Shares outstanding for the six months ended June 30, 2007 was 13,380,514 compared to 19,630,155 outstanding for the three months ended June 30, 2006, a net decrease of 32% due to the redemption, on July 31, 2006, of \$141 million of its variable rate exchangeable debentures (the "Debentures") and the redemption, on October 23, 2006, of the remaining \$20 million of Debentures issued on January 6, 2003 as partial payment for the acquisition of the U.S. Private Client and Asset Management Divisions of CIBC World Markets, Inc. The Debentures were exchangeable into 6.9 million Class A Shares of the Company. These redemptions were funded by the issuance of a senior secured credit note in the amount of \$125 million, increased bank call loans and internally available funds.

Dividend

The Company announced an increase in the quarterly dividend of U.S. \$0.01 per share to U.S. \$0.11 per share, payable on August 24, 2007 to holders of Class A and Class B Shares of record on August 10, 2007.

Stock Exchange Listings

The Class A non-voting shares of the Company are listed on the New York Stock Exchange and the Toronto Stock Exchange. The preponderance of trading in the Class A Shares take place on the New York Stock Exchange. Substantially all of the Company's active business is carried on in the United States through Oppenheimer & Co. Inc. and other subsidiaries. The directors of the Company have assessed the cost and benefits of maintaining the Toronto Stock Exchange Listing and have determined that there are no material benefits to the Company or its shareholders to continue such listing. Accordingly, the directors have approved an application to voluntarily delist the Class A non-voting shares from the Toronto Stock Exchange effective August 31, 2007 or such other date as may be agreed. The Company as a Canadian federally incorporated corporation and as a Canadian reporting issuer will continue to be subject to Canadian corporate law and provincial securities regulations. Canadian investors will continue to be able to trade in the Class A Shares of the Company through Canadian securities dealers that can trade through the facilities of the New York Stock Exchange.

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 88 offices in 21 states and through local broker-dealers in 2 foreign jurisdictions. The Company 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, 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, 2006.

FOR FURTHER INFORMATION:

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