OPPENHEIMER

Press Release

OCTOBER 25, 2004

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Expressed in thousands of U.S. dollars, except per share amounts	Three Months ended September 30, 2004	Three Months ended September 30, 2003	Nine Months ended September 30, 2004	Nine Months ended September 30, 2003
Unaudited				
REVENUE	$142,320	$176,404	$482,832	$501,652
EXPENSES	$139,526	$165,106	$458,812	$463,856
PROFIT BEFORE TAXES	$2,794	$11,298	$24,020	$37,796
NET PROFIT	$1,596	$6,616	$14,164	$22,022
PROFIT PER SHARE:				
- BASIC	$0.12	$0.52	$1.06	$1.74
- DILUTED	$0.12	$0.36	$0.83	$1.21
WEIGHTED AVERAGE NUMBER OF CLASS A NON-VOTING AND CLASS B SHARES OUTSTANDING	13,442,014	12,835,795	13,384,113	12,690,313
BOOK VALUE PER SHARE	$22.58	$21.24		
TOTAL CLASS A NON-VOTING AND CLASS B SHARES OUTSTANDING	13,354,441	12,880,020		

Oppenheimer Holdings Inc. reported net profit of $1,596,000 or $0.12 per share for the third quarter of 2004, a decrease of 76% in net profit when compared to $6,616,000 or $0.52 per share in the third quarter of 2003. Revenue for the third quarter of 2004 was $142,320,000, a decrease of 19% compared to revenue of $176,404,000 in the third quarter of 2003. At September 30, 2004, book value per share was $22.58 compared to book value per share of $21.24 at September 30, 2003, an increase of 6%.

Net profit for the nine months ended September 30, 2004 was $14,164,000 or $1.06 per share compared to $22,022,000 or $1.74 per share in the comparable period of 2003, a decrease of 36%. Revenue for the nine months ended September 30, 2004 was

$482,832,000 compared to $501,652,000 in the comparable period of 2003, a decrease of 4%.

While the U.S. economy has continued to expand, the lack of significant new job creation, the record trade and budget deficits, and the troubled geopolitical environment have placed a pall over securities markets during the first nine months of 2004. The third quarter of 2004 was marked by one of the slowest summer periods in recent years, depressed market sentiment and low activity levels. Investors' focus on the presidential election, rapidly rising oil prices and interest rate concerns led to lower commission revenues and lower proprietary trading profits, as well as reduced underwriting revenue and advisory fee income compared to the same period in 2003.

The Company's expenses in the third quarter of 2004 were lower than in the same period of 2003 due to lower compensation costs due to the variable portion of compensation expense that relates to the decrease in commission income. However there were increases in other expenses including occupancy and interest costs. Interest rates were higher on bank debt as well as on the Company's variable rate exchangeable debentures (4% in 2004 compared to 3% in 2003).

On a year-to-date comparison, expenses have decreased in 2004 compared to 2003. This decrease is due primarily to lower variable compensation costs although there has been an increased burden of compliance and regulatory expenses. The Company has experienced a marked increase in expenses relating to regulatory matters, as it responds to the governance requirements of The Sarbanes-Oxley Act, expanded requirements mandated by The U.S. Patriot Act, the industry-wide mutual funds inquiry, and other regulatory initiatives, all of which have imposed new costs, as well as extensive utilization of resources within the organization. Many of these additional costs are anticipated to continue this year and in future years.

The Company remains committed to investing in its business in areas that will enhance and grow its franchise, as well as enhancing service to its clients. The Company is optimistic about the state of its business, despite the impact of weak industry conditions and the effect of acquisition-related costs following several years of significant expansion. The Company continues to take advantage of the operating leverage of its expanded infrastructure and investment platform by recruiting experienced financial consultants and other professionals. The Company has broadened its platform and introduced new client solutions, so as to improve the client experience, and to support and retain our existing financial advisors. The Company also has made significant investments in equity capital markets, through an expanded equity research product and stronger equity sales and trading, as well as through personnel additions in investment banking.

It is important to note when comparing year-to-date results, that the 2003 first quarter results were substantially impacted by non-operating items resulting from a favorable arbitration award in the amount of $21,750,000, litigation costs from cases involving firms acquired in 2001 of approximately $5 million, and write-downs of approximately $1.2 million (netting to approximately $15.5 million). In addition, during the first five months of 2003, the Company's results were impacted by expenses paid to CIBC for clearing and other services for the U.S. private client business, which was acquired from them in January 2003. The business was transferred to the Company's platform and facilities at the end of May 2003. As a result, meaningful comparisons are difficult on a year to date basis.

The weighted average number of Class A non-voting and Class B shares outstanding for the quarter ended September 30, 2004 was 13,442,014 compared to 12,835,795 outstanding for the quarter ended September 30, 2003, a net increase of 5% due to the exercise of employee stock options and partially offset by the repurchase of shares pursuant to a normal course issuer bid. During the third quarter of 2004, the Company repurchased and cancelled 130,800 Class A non-voting shares at an average cost of $23.63 per share pursuant to the normal course issuer bid.

The Company announced today a quarterly dividend in the amount of $0.09 per share, payable on November 19, 2004 to holders of Class A non-voting and Class B shares of record on November 5, 2004.

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 84 offices in 22 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.

Certain statements in this release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially, as discussed in the Company's filings with the Securities and Exchange Commission.

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FOR FURTHER INFORMATION:
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