OPPENHEIMER

Press Release

October 31, 2006

Expressed in thousands of U.S. dollars, except share and per share amounts	Three Months ended September 30,		Nine Months ended September 30,	
	2006	2005	2006	2005
Unaudited				
REVENUE	$188,463	$171,262	$582,537	$494,437
EXPENSES	$175,189	$159,822	$524,057	$467,963
PROFIT BEFORE TAXES	$13,274	$11,440	$58,480	$26,474
NET PROFIT	$7,673	$6,618	$34,027	$15,178
PROFIT PER SHARE:				
- BASIC	$0.60	$0.51	$2.66	$1.16
- DILUTED	$0.51	$0.38	$1.99	$0.91
WEIGHTED AVERAGE NUMBER OF BASIC CLASS A NON-VOTING AND CLASS B SHARES FOR THE PERIOD	12,784,096	13,100,893	12,810,492	13,139,712
WEIGHTED AVERAGE NUMBER OF DILUTED CLASS A NON-VOTING AND CLASS B SHARES FOR THE PERIOD	15,773,199	20,032,893	18,412,204	20,071,990
BOOK VALUE PER SHARE	$27.00	$23.89		
TOTAL CLASS A NON-VOTING AND CLASS B SHARES OUTSTANDING	12,812,202	12,733,521		

Oppenheimer Holdings Inc. (OPY on the New York and Toronto Stock Exchanges) reported net profit for the three months ended September 30, 2006 of $7,673,000 or $0.60 per share, an increase of 16% when compared to $6,618,000 or $0.51 per share in the same period of 2005. Revenue for the three months ended September 30, 2006 was $188,463,000, an increase of 10% compared to revenue of $171,262,000 in the same period of 2005. Expenses increased by 10% in the three months ended September 30, 2006 compared to the same period of 2005, primarily reflecting increased compensation and related costs and interest expense. The Company's pre-tax profit for the three and nine months ended September 30, 2006 includes a net gain of $3.6 million on the extinguishment of $140,822,400 of its variable rate exchangeable debentures on July 31, 2006. For the most part, this gain represents the difference between interest expensed by the Company since the issuance of the debentures on January 6, 2003 at a 4.5% interest rate (the annual effective interest rate over the life of the debentures) compared to the actual interest costs of 3% in 2003 and 4% thereafter until July 31.

Net profit for the nine months ended September 30, 2006 was $34,027,000 or $2.66 per share, an increase of 124% in net profit when compared to $15,178,000 or $1.16 per share in the same period of 2005. Revenue for the nine months ended September 30,

2006 was $582,537,000 compared to $494,437,000 for the same period in 2005, an increase of 18%. Expenses increased by 12% in the nine months ended September 30, 2006 compared to the same period of 2005, with increases in compensation and related expenses and interest expense. The Company's pre-tax profit for the nine months ended September 30, 2006 includes a gain (most of which was generated in the first quarter of 2006) of approximately $12.4 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. The remaining investment in NYSE Group is marked to market each period.

At September 30, 2006, shareholders' equity was approximately $346 million and book value per share was $27.00 compared to shareholders' equity of approximately $304 million and book value per share of $23.89 at September 30, 2005. Assets under fee-based management increased by 20% to $13.7 billion at September 30, 2006 compared to $11.4 billion at September 30, 2005, reflecting organic growth and includes approximately $1 billion which relates to a transaction-based investment advisory program that was introduced in January 2006.

Economic and market conditions continued strong in the third quarter of 2006. Defying most expectations for the period, oil prices declined significantly, driving down inflationary expectations and resulting in lower interest rates and higher stock prices with the Dow Jones Industrial Average setting new records. As the quarter came to a close, the expectations for higher levels of economic activity were being driven by high employment levels, strong retail sales and stable prices despite the continued downturn in the housing market.

Without including the gains from either the NYSE Group common shares or the debt extinguishment, the Company's revenue for the nine months ended September 30, 2006 increased by 15% compared to revenue for the same period of 2005. The revenue increase in both the three and nine months ended September 30, 2006 compared to the same periods of 2005 came from higher transactional revenue from both private client and capital markets sources and increased interest income. Interest income was impacted by higher rates, increased customer debit balances and increased stock borrow activity.

The Company's expenses increased by approximately 10% and 12%, respectively, for the three and nine months ended September 30, 2006 compared to the same periods in 2005 primarily due to increased compensation and related costs as well as higher interest expense. Compensation expense tracks the trend in transactional revenue and includes the impact of the expensing of stock options since January 1, 2006. Interest expense tracks the increase in interest revenue and is the result of higher interest rates, increased stock loan activity in 2006 and higher debt carrying costs compared to 2005. As previously reported, on July 31, 2006, 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. Minimum principal repayments equal 0.25% per quarter and there are required prepayments of principal based on a portion of the Company's excess cash flow, the net cash proceeds of asset sales, tax refunds over certain limits, awards over certain limits in connection with legal actions or 'takings', and debt issuances or other

liability financings. For August and September of 2006, the interest rate on the senior secured credit note was 8.2%.

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 nine months ended September 30, 2006 of $733,000 and $2,699,000, 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 basic weighted average number of Class A non-voting and Class B shares outstanding for the three months ended September 30, 2006 was 12,784,096 compared to 13,100,893 outstanding for the three months ended September 30, 2005, a net decrease of 2% due to the effect of the repurchase of shares pursuant to a Normal Course Issuer Bid in the first nine months of 2006 and partially offset by the exercise of employee stock options. During the third quarter of 2006, the Company did not purchase any Class A Shares pursuant to a Normal Course Issuer Bid (which commenced on August 9, 2006, and terminates on August 8, 2007). The diluted weighted average number of Class A non-voting and Class B shares outstanding for the three months ended September 30, 2006 was 15,773,199 compared to 20,032,893 outstanding for the three months ended September 30, 2005, a net decrease of 21% due to the redemption, on July 31, 2006, of $140,822,400 of the Company's exchangeable debentures.

The three months ended September 30, 2006 represents the last quarterly period impacted by the dilution related to the shares exchangeable under the $140,822,400 exchangeable debentures (exchangeable into 6,069,931 Class A Shares). The three months ending December 31, 2006 will represent the last quarterly period in which the remaining $20,000,000 in exchangeable debentures (exchangeable into 862,069 Class A Shares) will have a dilutive impact on earnings per share.

Today, the Company announced a regular quarterly cash dividend of U.S. $0.10 per Class A and Class B Share payable on November 24, 2006 to shareholders of record on November 10, 2006.

Oppenheimer Holdings Inc., 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.

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.

FOR FURTHER INFORMATION:

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