



Press Release

3rd Quarter ended September 30, 2001

PRESS RELEASE - OCTOBER 18, 2001

NYSE SYMBOL - FVH

TSE SYMBOL - FHV.A

<i>Expressed in thousands of U.S. dollars, except per share amounts unaudited</i>	Quarter ended		Nine months ended	
	September 30, 2001	September 30, 2000	September 30, 2001	September 30, 2000
REVENUE	\$53,748	\$69,465	\$184,119	\$242,281
EXPENSES	\$48,091	\$57,601	\$155,991	\$181,687
PROFIT BEFORE TAXES	\$5,657	\$11,864	\$28,128	\$60,594
NET PROFIT	\$3,334	\$6,375	\$16,370	\$33,247
EARNINGS PER SHARE:				
- BASIC	\$0.27	\$0.53	\$1.33	\$2.74
- DILUTED	\$0.26	\$0.51	\$1.28	\$2.69
BOOK VALUE PER SHARE	\$19.31	\$17.78		
WEIGHTED AVERAGE NUMBER OF CLASS A NON-VOTING AND CLASS B SHARES OUTSTANDING FOR BASIC EPS	12,396,537	12,067,763	12,324,161	12,116,620
WEIGHTED AVERAGE NUMBER OF CLASS A NON-VOTING AND CLASS B SHARES OUTSTANDING FOR DILUTED EPS	12,856,419	12,477,905	12,770,585	12,359,341
TOTAL CLASS A NON-VOTING AND CLASS B SHARES OUTSTANDING AT END OF PERIOD	12,403,350	12,082,149		

Fahnestock Viner Holdings Inc. reported net profit of U.S.\$3,334,000 or \$0.27 per share for the third quarter ended September 30, 2001 compared to U.S.\$6,375,000 or

\$0.53 per share for the third quarter of 2000, a decrease of 48% in net profit. Revenue for the third quarter of 2001 was U.S.\$53,748,000, a decrease of 23% compared to revenue of U.S.\$69,465,000 in the third quarter of 2000.

Net profit for the nine months ended September 30, 2001 was U.S.\$16,370,000 or \$1.33 per share compared to U.S.\$33,247,000 or \$2.74 per share for the comparable period of 2000, a decrease of 51% in net profit. Revenue for the first nine months of 2001 was U.S.\$184,119,000, compared to revenue of U.S. \$242,281,000 in the first nine months of 2000, a decrease of 24%. Book value per share at September 30, 2001 was U.S.\$19.31, an increase of 9% from \$17.78 at September 30, 2000.

On September 11, 2001, the attack by terrorists on the World Trade Center and the Pentagon was an unimaginable tragedy and changed forever the sense of invulnerability (at least at home) of most North Americans. The repercussions have had and will have far reaching consequences going beyond the personal losses experienced by many Americans and their families. An already fragile economic environment probably has tipped into recession. Despite continuing interest rate reductions and calls to resume normal behavior, investors remain skittish and markets are extremely volatile. Only time will tell what the long-term impact of these events will be on investors, the economy, and North American society.

Weak and uncertain securities markets, together with the fact that markets in the United States were closed for four days in September 2001 following the terrorist attacks, had a drastic effect on the Company's revenues from commissions and principal transactions in the third quarter of 2001 compared to the third quarter of 2000. Declining interest rates throughout 2001 and lower customer margin balances reduced net interest income in the third quarter of 2001 compared to the same period in 2000.

On September 17, 2001 the Company purchased substantially all of the outstanding shares of Josephthal Group, Inc., the parent of Josephthal & Co. Inc., a full service securities firm headquartered in New York City with approximately 265 financial consultants in 25 offices across the United States.

Josephthal was founded in 1910 and is a member of the New York Stock Exchange and other principal exchanges. The consolidated results of operations for the third quarter 2001 include the operations of Josephthal Group from the date of acquisition. Josephthal is currently operating at a loss. The pretax impact of the Josephthal acquisition in the Company's consolidated results for the third quarter 2001 is a loss of approximately U.S.\$1,140,000. The Company plans to assume the clearing of the Josephthal client accounts in early November and every effort is being made to streamline the combined operations and effect cost savings as quickly and efficiently as possible.

In October, 2001, the Company agreed to acquire Grand Charter Group, Incorporated, which owns 100% of Prime Charter Ltd., a twelve year old full service securities firm with approximately 100 financial consultants headquartered in New York City. Prime Charter is a member firm of the NASD and operates from two offices in New York City and Boca Raton, Florida.

The Company announced today the declaration of a regular quarterly dividend payable to holders of Class A non-voting and Class B shares of record on November 2, 2001 in the amount of U.S.\$0.09 per share. The dividend payment date will be November 16, 2001.

Certain statements in this release may constitute "forward-looking statements" within the meaning of the United States 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 more fully discussed in the Company's filings with the United States Securities and Exchange Commission.

Fahnestock Viner Holdings Inc., through its New York-based wholly-owned subsidiaries, Fahnestock & Co. Inc. and Josephthal & Co. Inc., employs over 1,000 financial consultants and provides brokerage, trading, investment banking and asset management services to retail and institutional investors from 100 offices in 19 states and

three foreign jurisdictions. In addition, through its subsidiary, Freedom Investments, Inc., the Company offers discount brokerage services via the internet, telephone or modem.

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FOR FURTHER INFORMATION:
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