

**FAHNESTOCK VINER HOLDINGS INC.
NINE MONTHS ENDED
SEPTEMBER 30, 2000**

FAHNESTOCK VINER HOLDINGS INC.

To the Shareholders:

Fahnestock Viner Holdings Inc. reported net profit of U.S.\$6,375,000 or \$0.53 per share for the third quarter ended September 30, 2000 compared to U.S.\$6,253,000 or \$0.50 per share for the third quarter of 1999, an increase of 2% in net profit. Revenue for the third quarter of 2000 was U.S.\$69,465,000, an increase of 7% compared to revenue of U.S.\$64,948,000 in the third quarter of 1999, as commissions, net interest income and advisory fees increased during the quarter compared to prior year levels.

Net profit for the nine months ended September 30, 2000 was U.S.\$33,247,000 or \$2.74 per share compared to U.S.\$19,205,000 or \$1.54 per share for the comparable period of 1999, an increase of 73% in net profit. Revenue for the first nine months of 2000 was U.S.\$242,281,000, compared to revenue of U.S. \$201,847,000 in the first nine months of 1999, an increase of 20%. Book value per share was U.S. \$17.78, an increase of 21% from \$14.70 at September 30, 1999.

During the third quarter of 2000, stock markets rallied off the lows set in May and by the end of the quarter were relatively unchanged. Impacting the markets during the quarter were changes in earnings expectations, disappointing earnings by key sector leaders and volatility in the oil market due to concerns about supplies. However, inflationary pressures appeared to be contained, and the Federal Reserve chose not to raise interest rates at their September meeting. While Fahnestock revenue and earnings remained high, they were impacted by the aforementioned factors, as well as seasonal weakness in volumes during the summer months. Interest income reached a record due to higher customer balances combined with higher interest rates.

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 3, 2000 in the amount of U.S.\$0.08 per share. The dividend payment date will be November 17, 2000.

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 subsidiary, Fahnestock & Co. Inc., provides brokerage, trading, investment banking and asset management services to retail and institutional investors from 76 offices in 15 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.

October 19, 2000
Toronto, Canada

On behalf of the Board,
E.K. Roberts, President

FAHNESTOCK VINER HOLDINGS INC.
CONDENSED CONSOLIDATED BALANCE SHEET (unaudited)

SEPTEMBER 30, DECEMBER 31,
2000 1999

Expressed in thousands of U.S. dollars

ASSETS

Current assets

Cash and short-term deposits	\$12,039	\$10,838
Restricted deposits	2,367	2,392
Securities purchased under agreement to resell	26,580	74,560
Deposits with clearing organizations	4,835	5,955
Receivable from brokers and clearing organizations	167,158	136,767
Receivable from customers	511,173	436,320
Securities owned, at market value	48,338	63,244
Other	17,925	19,018
	790,415	749,094

Other assets

Stock exchange seats (approximate market value \$7,451; \$6,148 in 1999)	3,018	1,318
Fixed assets, net of accumulated depreciation of \$14,160; \$11,956 in 1999	10,165	10,872
Goodwill, at amortized cost	3,589	5,244
	16,772	17,434
	\$807,187	\$766,528

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities

Drafts payable	\$33,508	\$24,765
Bank call loans	33,283	66,322
Securities sold under agreement to repurchase	23,512	69,031
Payable to brokers and clearing organizations	325,303	209,151
Payable to customers	106,899	125,207
Securities sold, but not yet purchased, at market value	12,686	18,661
Accounts payable and other liabilities	44,338	45,331
Income taxes payable	12,874	20,672
	592,403	579,140

Shareholders' equity

Share capital

11,982,469 Class A non-voting shares (1999 - 12,147,569 shares)	29,793	32,854
99,680 Class B voting shares	133	133
	29,926	32,987

Contributed capital

Retained earnings

	3,262	3,262
	181,596	151,139
	214,784	187,388
	\$807,187	\$766,528

FAHNESTOCK VINER HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)

<i>Expressed in thousands of U.S. dollars, except per share amounts</i>	THIRD QUARTER ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2000	1999	2000	1999
REVENUE:				
Commissions	\$30,099	\$25,855	\$98,147	\$86,668
Principal transactions, net	15,046	16,834	72,168	51,772
Interest	15,151	11,483	42,533	31,671
Underwriting fees	2,366	3,836	7,479	9,442
Advisory fees	5,275	4,882	16,068	16,900
Other	1,528	2,058	5,886	5,394
	69,465	64,948	242,281	201,847
EXPENSES:				
Compensation and related expenses	36,558	32,129	118,451	103,312
Clearing and exchange fees	1,184	2,042	5,091	6,674
Communications	5,593	5,298	17,506	16,003
Occupancy costs	2,889	3,190	9,371	9,550
Interest	7,349	5,719	19,904	15,933
Other	4,028	5,134	11,364	15,192
	57,601	53,512	181,687	166,664
Profit before income taxes	11,864	11,436	60,594	35,183
Income tax provision	5,489	5,183	27,347	15,978
NET PROFIT FOR PERIOD	\$6,375	\$6,253	\$33,247	\$19,205
Profit per share				
- basic	\$0.53	\$0.50	\$2.74	\$1.54
- fully diluted	\$0.49	\$0.48	\$2.51	\$1.47

Notes:

(a) Basic earnings per share is based on the weighted average number of Class A non-voting and Class B shares outstanding of 12,116,620 in 2000 and 12,501,571 in 1999. Fully diluted earnings per share reflects the effect of outstanding employee stock options. There are no significant differences between Canadian and U.S. accounting principles except the method of calculation of earnings per share. Diluted profit per share under U.S. standards is as follows:

	THIRD QUARTER ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2000	1999	2000	1999
Diluted earnings per share	\$0.51	\$0.50	\$2.69	\$1.52

(b) The consolidated financial statements have been prepared using accounting principles generally accepted in Canada.

(c) The Company paid cash dividends on February 25, 2000, May 19, 2000 and August 18, 2000 to holders of Class A non-voting and Class B shares totaling \$2,790,000.

(d) As at September 30, 2000, the Company employed approximately 1,300 people, of whom 551 were employed as financial consultants.

FAHNESTOCK VINER HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)
FOR THE NINE MONTHS ENDED SEPTEMBER 30,

<i>Expressed in thousands of U.S. dollars</i>	2000	1999
Cash flows from operating activities:		
Net profit for the period	\$33,247	\$19,205
Adjustments to reconcile net profit to net cash provided by (used in) operating activities:		
Non-cash items included in net profit:		
Depreciation and amortization	2,541	2,564
Gain on sale of exchange seat	-	(492)
Decrease (increase) in operating assets, net of the effect of the acquisition of Propp & Company Inc.		
Restricted deposits	25	(517)
Securities purchased under agreement to resell	47,980	(38,713)
Deposits with clearing organizations	1,120	(1,941)
Receivable from brokers and clearing organizations	(30,391)	(31,749)
Receivable from customers	(74,853)	(48,068)
Securities owned	14,906	9,405
Tax benefit from employee stock options exercised	-	1,066
Other assets	1,880	14,375
Increase (decrease) in operating liabilities, net of the effect of the acquisition of Propp & Company Inc.		
Drafts payable	8,743	(8,416)
Securities sold under agreement to repurchase	(45,519)	43,482
Payable to brokers and clearing organizations	116,152	64,684
Payable to customers	(18,308)	1,966
Securities sold, but not yet purchased	(5,975)	(9,330)
Accounts payable and other liabilities	(992)	(1,496)
Income taxes payable	(8,089)	9,002
Cash provided by operating activities	<u>42,467</u>	<u>25,027</u>
Cash flows from investing activities:		
Purchase of Propp & Company Inc., net of cash acquired	(883)	-
Proceeds from sale of exchange seat	-	655
Purchase of fixed assets	(1,493)	(2,862)
Cash used in investing activities	<u>(2,376)</u>	<u>(2,207)</u>
Cash flows from financing activities:		
Cash dividends paid on Class A non-voting and Class B shares	(2,790)	(2,642)
Issuance of Class A non-voting shares	855	4,111
Repurchase of Class A non-voting shares for cancellation	(3,916)	(4,479)
Decrease in bank call loans	(33,039)	(21,752)
Cash used in financing activities	<u>(38,890)</u>	<u>(24,762)</u>
Net increase (decrease) in cash and short-term deposits	1,201	(1,942)
Cash and short-term deposits, beginning of period	10,838	11,501
Cash and short-term deposits, end of period	<u>\$12,039</u>	<u>\$9,559</u>

STOCK LISTING

The Class A non-voting shares of Fahnestock Viner Holdings Inc. are listed on the New York (FVH) and Toronto (FHV.A) Stock Exchanges.

FORM 10-Q

The Company's Quarterly Report to the Securities and Exchange Commission on Form 10-Q is available upon request from either of the offices listed below or by email to fvh@fahnestock.com.

WEBSITE

The Company's public financial filings and press releases are posted on its website - www.fahnestock.com

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