



Oppenheimer Holdings Inc.

Fourth Quarter and Full Year Update – 2018



This presentation and other written or oral statements made from time to time by representatives of Oppenheimer Holdings Inc. (the “company”) may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may relate to such matters as anticipated financial performance, future revenues or earnings, business prospects, new products or services, anticipated market performance and similar matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the company’s current beliefs, expectations and assumptions regarding the future of the company’s business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of the company’s control. The company cautions that a variety of factors could cause the company’s actual results to differ materially from the anticipated results or other expectations expressed in the company’s forwarding-looking statements. These risks and uncertainties include, but are not limited to, those risk factors discussed in Part I, “Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2017 filed with the SEC on March 2, 2018 (the “2017 10-K”). In addition, important factors that could cause actual results to differ materially from those in the forward-looking statements include those factors discussed in Part II, “Item 7. Management’s Discussion & Analysis of Financial Condition and Results of Operations – Factors Affecting ‘Forward-Looking Statements’” of the 2017 10-K. Any forward-looking statements herein are qualified in their entirety by reference to all such factors discussed in the 2017 10-K and the company’s other SEC filings. There can be no assurance that the company has correctly or completely identified and assessed all of the factors affecting the company’s business. Therefore, you should not rely on any of these forward-looking statements. Any forward-looking statement made by the company in this presentation is based only on information currently available to the company and speaks only as of the date on which it is made. The company does not undertake any obligation to publicly update or revise any forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Business Overview

Oppenheimer is a leading investment bank and full-service investment firm that provides financial services and advice to high net worth investors, individuals, businesses and institutions.

Oppenheimer Snapshot (as of 12/31/18)

Listed NYSE Ticker: OPY

Shareholders' Equity (\$mm): \$545.3

Market Cap (\$mm): \$336.7

Book Value per Share: \$41.81

Tangible Book Value per Share: \$28.78

Share Price: \$25.55

2018 Revenue (\$mm): \$958.2

Employees: 2,976

of Financial Advisors: 1,073

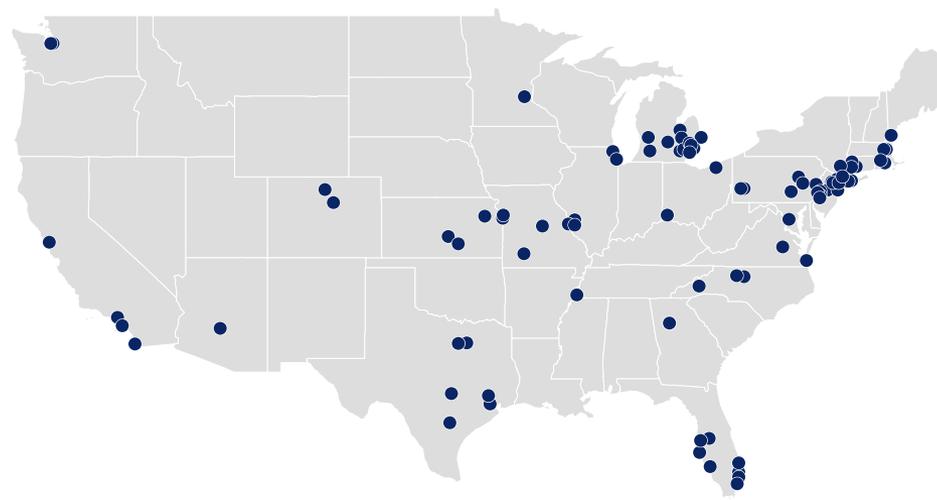
Retail Branches in the US: 92

Client Assets under Administration (\$bn): \$80.1

Assets Under Management (\$bn): \$26.7

\$243.3 million
Revenue for 4Q-18

\$958.2 million
Revenue for 2018



- London, UK
- Geneva, Switzerland
- St. Helier, Isle of Jersey
- Frankfurt, Germany



- Tel Aviv, Israel



- Hong Kong

Summary Operating Results – 4Q-18 (Unaudited)

(\$000's) REVENUE	For the 3-Months Ended		
	12-31-18	12-31-17	% Change
Commissions	\$ 83,733	\$ 88,416	(5.3)
Advisory fees	81,377	104,225	(21.9)
Investment banking	30,911	20,868	48.1
Bank deposit sweep income	31,849	23,847	33.6
Interest	13,798	12,152	13.5
Principal transactions, net	5,351	7,463	(28.3)
Other	(3,765)	8,002	*
Total Revenue	243,254	264,973	(8.2)
EXPENSES			
Compensation and related expenses	149,371	173,513	(13.9)
Non-Compensation related expenses	78,300	74,890	4.6
Total Expenses	227,671	248,403	(8.3)
Pre-tax Income	15,583	16,570	(6.0)
Net income	\$ 8,261	\$ 21,193	(61.0)
Basic net income per share	\$ 0.62	\$ 1.61	(61.5)%
Diluted net income per share	\$ 0.59	\$ 1.54	(61.7)%

Highlights	
✓	Advisory fees lower due to significant incentive fees recognized in 4Q-17 partially offset by higher management fees in 4Q-18
✓	Investment banking results increased due to higher equity underwriting and M&A fees
✓	Increases in short-term interest rates continue to benefit bank deposit sweep income
✓	Other revenue decline primarily due to decreases in cash surrender value of company-owned life insurance during 4Q-18
✓	Principal transactions revenue lower due to recognized losses associated with tendering ARS in 3Q-18
✓	After-tax benefit of \$9 million recorded in 4Q-17 as a result of enactment of the TCJA; no equivalent one-time benefit in 4Q-18

* Percentage not meaningful.

Summary Operating Results – Full Year (Unaudited)

(\$000's) REVENUE	For the 12-Months Ended		
	12-31-18	12-31-17	% Change
Commissions	\$ 329,668	\$ 336,620	(2.1)
Advisory fees	314,349	320,746	(2.0)
Investment banking	115,353	78,215	47.5
Bank deposit sweep income	116,052	76,839	51.0
Interest	52,484	48,498	8.2
Principal transactions, net	14,461	23,273	(37.9)
Other	15,787	36,147	(56.3)
Total Revenue	958,154	920,338	4.1
EXPENSES			
Compensation and related expenses	607,192	602,138	0.8
Non-Compensation related expenses	306,109	298,464	2.6
Total Expenses	913,301	900,602	1.4
Pre-tax Income	44,853	19,736	127.3
Net income	\$ 28,892	\$ 22,816	26.6
Basic net income per share	\$ 2.18	\$ 1.72	26.7%
Diluted net income per share	\$ 2.05	\$ 1.67	22.8%

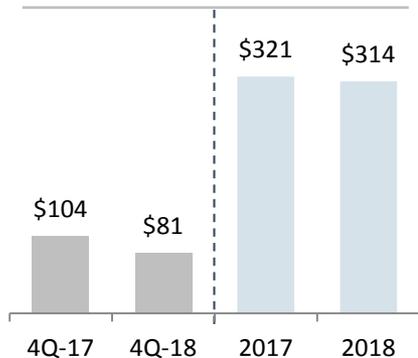
Highlights

- ✓ Advisory fees lower due to significant incentive fees recognized in 4Q-17 partially offset by higher management fees in 2018
- ✓ Investment banking results increased due to higher equity underwriting and M&A fees
- ✓ Increases in short-term interest rates continue to benefit bank deposit sweep income
- ✓ Other revenue decline primarily due to decreases in cash surrender value of company-owned life insurance during 2018
- ✓ Compensation and related expenses as a percentage of revenue was 63.4% during the year ended 2018 vs. 65.4% during the year ended 2017

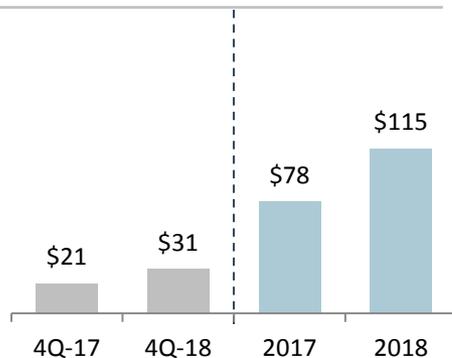
Fourth Quarter and Year End Financial Highlights

(In \$millions)

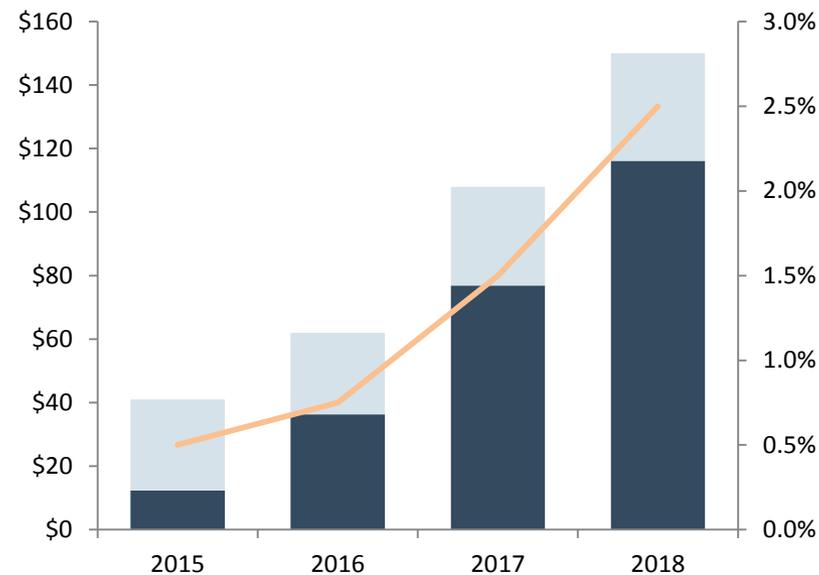
Advisory Fees



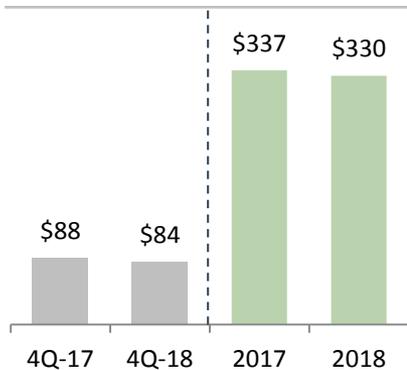
Investment Banking Revenue



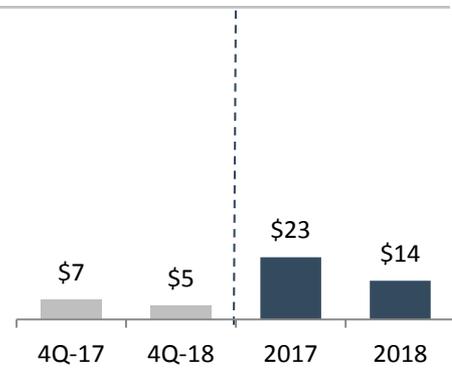
Interest and Fee Revenues



Commission Revenue



Principal Transactions Revenue



Bank Deposit Sweep Income
 Margin Interest
 Fed Funds Target

Business Segments

Our business is well diversified across a wide range of clients, services and industries

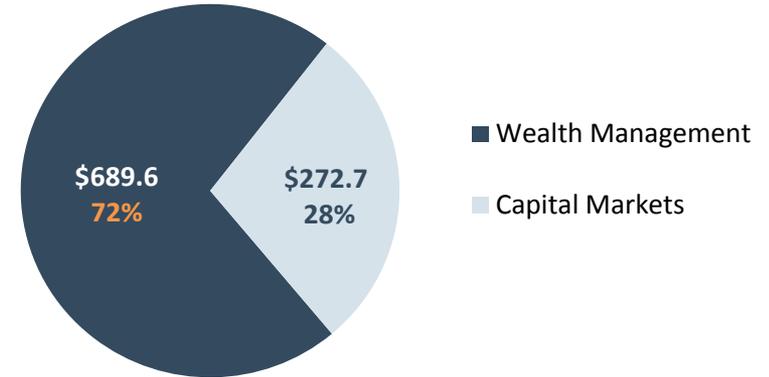
WEALTH MANAGEMENT

Private client services and asset management solutions tailored to unique financial objectives

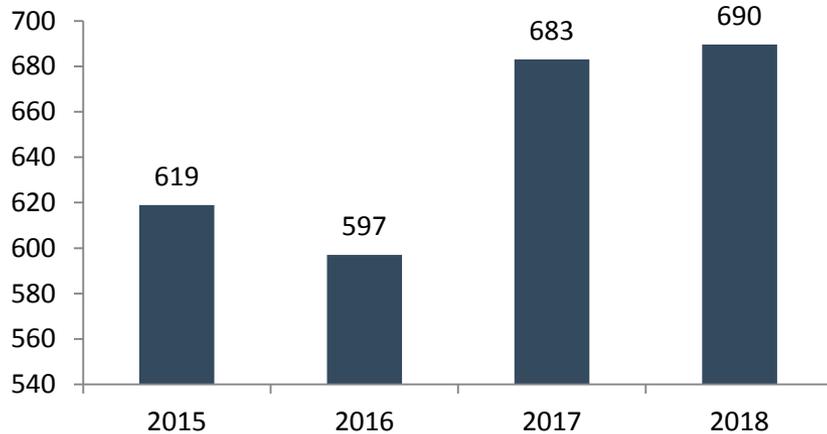
CAPITAL MARKETS

Investment banking services and capital markets products for institutions and corporations

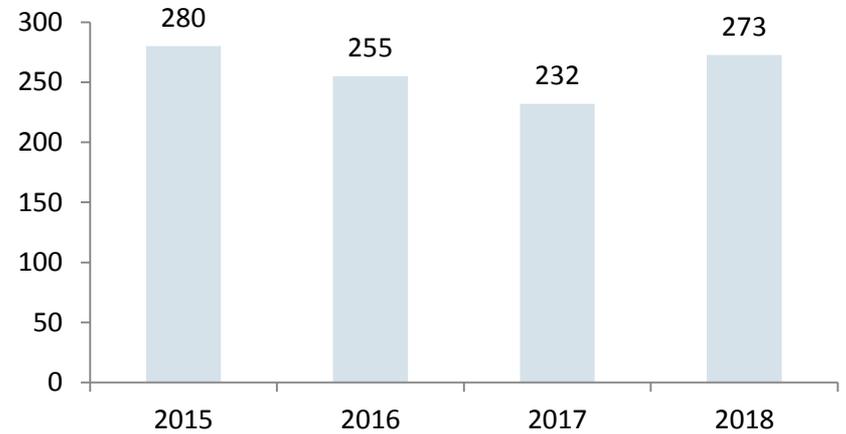
Business Mix – 2018 Revenue (\$962.3mm)⁽¹⁾



Wealth Management Revenue (\$mm)



Capital Markets Revenue (\$mm)



Note: Wealth Management includes both Private Client and Asset Management business segments.

(1) Does not include \$(4.1) million allocated to Corporate/Other.

Well recognized brand and one of the few independent, non-bank broker-dealers with full service capabilities

RETAIL SERVICES

- Full-Service Brokerage
- Financial Planning, Retirement Services, Corporate & Executive Services, and Trust Services
- Margin & Securities Lending

ADVISORY SERVICES

- Investment Policy Design & Implementation
- Asset Allocation & Portfolio Construction
- Research, Diligence & Manager Selection
- Portfolio Monitoring & Reporting

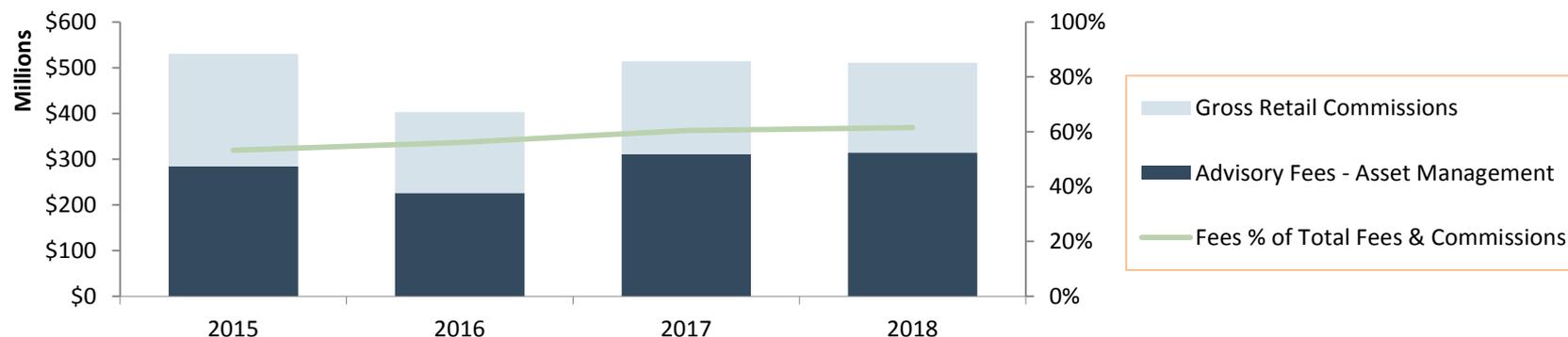
ALTERNATIVE INVESTMENTS

- Hedge Funds and Fund-of-Funds
- Private Equity
- Private Market Opportunity, recently launched to source investments across the private markets continuum

Financial Snapshot (\$mm)	4Q-18	4Q-17	% Change	2018	2017	% Change
Revenue ⁽¹⁾	\$167.6	\$200.3	(16.3)	\$689.6	\$682.6	1.0
Pre-tax Income	\$44.6	\$50.6	(11.9)	\$167.7	\$155.5	7.8
Profit Margin	26.6%	25.3%	5.1	24.3%	22.8%	6.6
# of Financial Advisors	1,073	1,107				

(1) Incentive fees earned during the year ended December 31, 2018 totaled \$851 thousand compared with \$27.5 million for the year ended December 31, 2017.

Fees as a Percentage of Total Commissions and Fees



A leading capital markets business providing sophisticated investment banking, research, and trading solutions

INSTITUTIONAL EQUITIES

- Sales and Trading
- Equity Research
 - 32 senior research analysts covering 500+ companies
- Corporate Access (Conferences & NDRs)

INVESTMENT BANKING

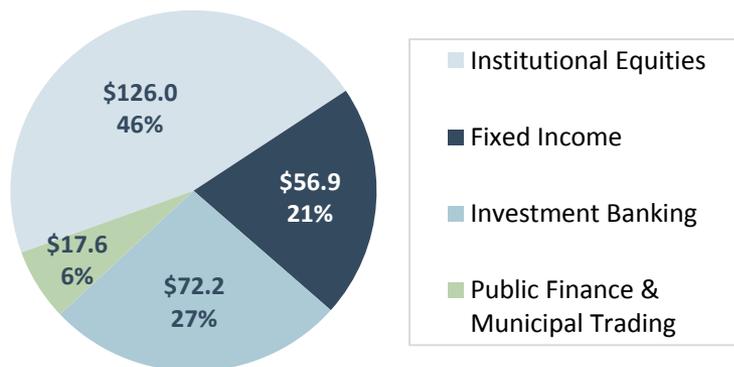
- Mergers & Acquisitions
- Equity Capital Markets
- Debt Capital Markets
- Restructuring & Special Situations

FIXED INCOME

- Taxable Fixed Income
- Non-Taxable Fixed Income
- Public Finance

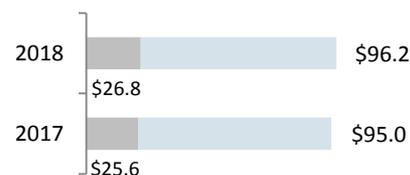
(In \$millions)

2018 Capital Markets Revenue Breakdown (\$272.7mm)

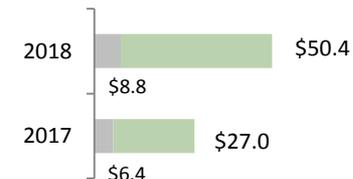


(In \$millions)

Institutional Equities Commissions



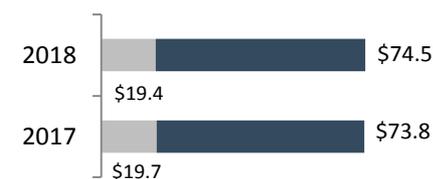
Equity Underwriting Fees



Advisory Fees from IBK



Fixed Income Revenue



Note: Gray shading represents 4Q-18 and 4Q-17 values.

Investment Banking Focus Industries



Select 4Q-18 Investment Banking Transactions

\$255,000,000



*Transportation & Logistics
Mergers & Acquisitions
Exclusive Financial Advisor*

December 2018

\$60,000,000



*Healthcare
Mergers & Acquisitions
Exclusive Financial Advisor*

December 2018

\$60,000,000



*Technology
Convertible Debt
Sole Placement Agent*

December 2018

\$36,000,000



*Healthcare
Follow-on
Lead Bookrunner*

November 2018

\$35,000,000



*Technology
Private Placement
Sole Placement Agent*

November 2018

\$454,761,183



*Financial Institutions and Real Estate
Follow-on
Co-Manager*

October 2018

Undisclosed



*Healthcare
Mergers & Acquisitions
Exclusive Financial Advisor*

October 2018

\$243,765,120



*Energy
IPO
Joint Bookrunner*

October 2018

Conservative risk profile with strong balance sheet

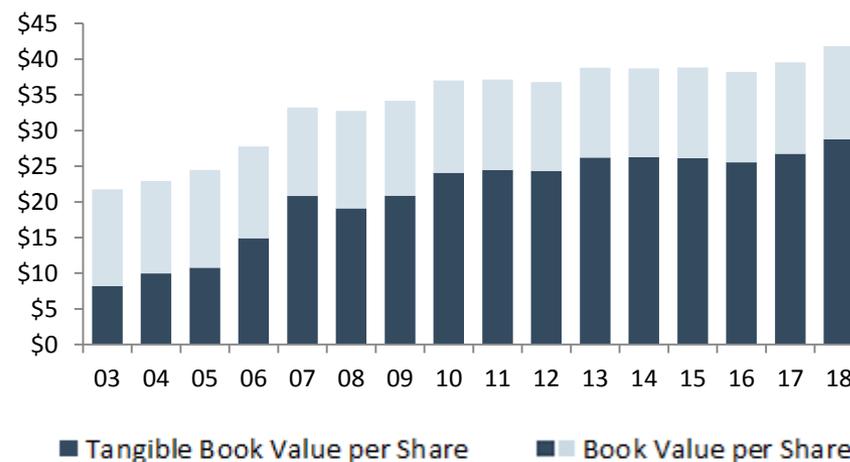
As of December 31, 2018 (\$ in thousands)	
Total Assets:	\$2,240,314
Stockholders' Equity:	\$545,322
Long-Term Debt:	\$200,000
Total Capitalization:	\$745,322
Debt to Equity Ratio: 36.7%	
Gross Leverage Ratio⁽¹⁾: 4.1x	
Broker-Dealer Regulatory Capital (\$ in thousands)	
Regulatory Net Capital:	\$194,455
Regulatory Excess Net Capital:	\$175,814

(1) Total Assets divided by Total Stockholders' Equity.

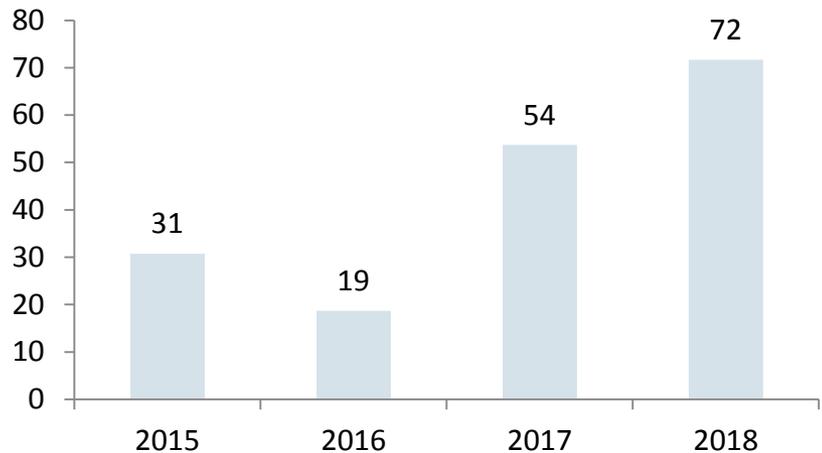
Liquidity & Capital

- Issued \$200 million 5 year 6.75% Senior Secured Notes in June 2017
- Level 3 assets represent .97% of total assets
- During the year ended December 31, 2018, the Company realized liquidity on its auction rate securities ("ARS") owned of \$66.1 million through ARS issuer redemptions and tender offers

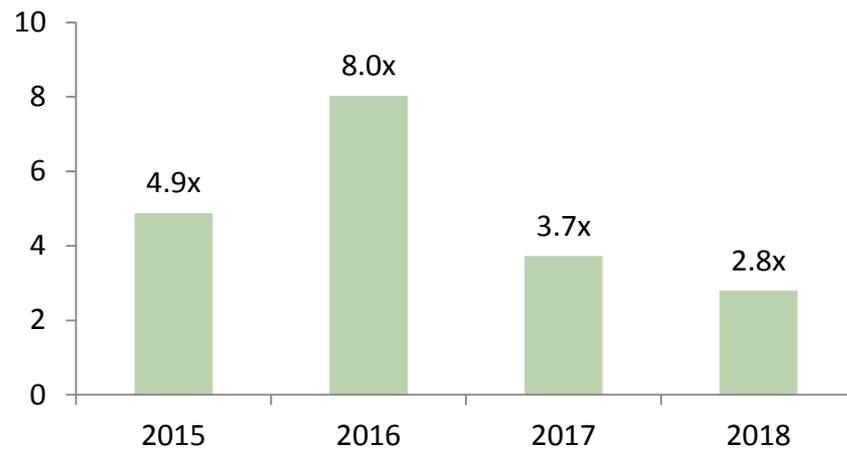
Historical Book & Tangible Book Value per Share (\$)



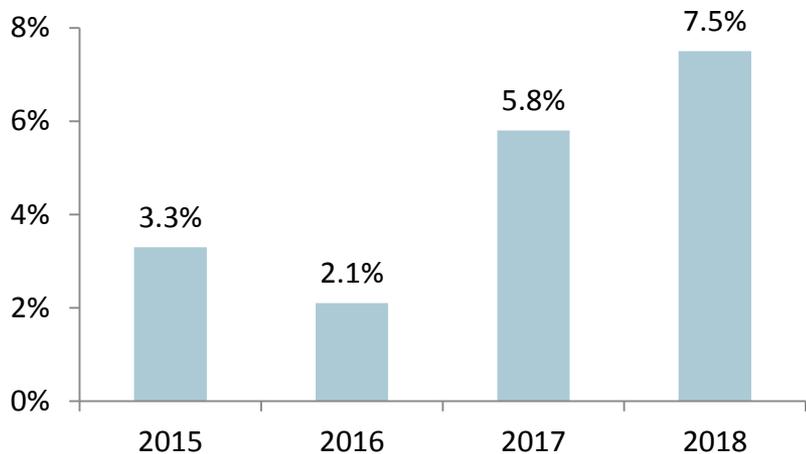
Consolidated Adjusted EBITDA (\$mm)



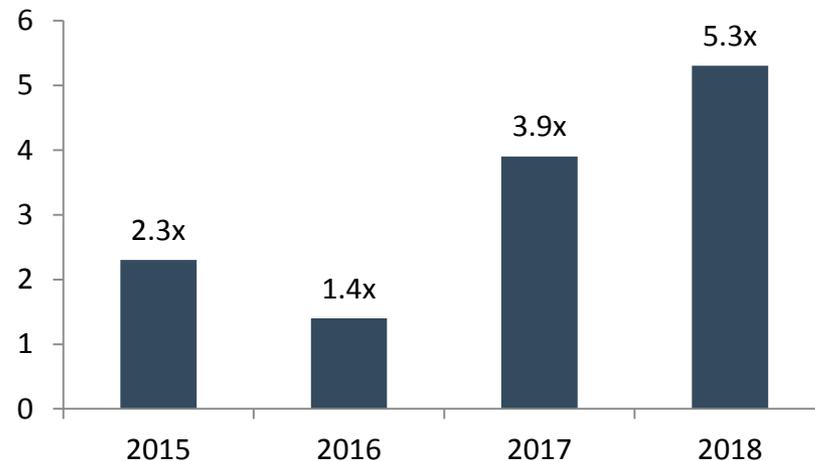
Long-Term Debt to Consolidated Adjusted EBITDA (x)



Consolidated Adjusted EBITDA Margin (%)



Interest Coverage (x)





For more information contact Investor Relations at info@opco.com