### Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In thousands except per share amounts and number of employees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross revenue</td>
<td>$958,154</td>
<td>$922,511</td>
<td>$883,092</td>
<td>$928,385</td>
<td>$1,004,464</td>
</tr>
<tr>
<td>Income (loss) before income taxes</td>
<td>$44,853</td>
<td>$21,807</td>
<td>($4,553)</td>
<td>$6,711</td>
<td>$25,736</td>
</tr>
<tr>
<td>Net profit (loss)*</td>
<td>$28,892</td>
<td>$22,816</td>
<td>($1,161)</td>
<td>$1,962</td>
<td>$8,826</td>
</tr>
<tr>
<td>Basic earnings (loss) per share*</td>
<td>$2.18</td>
<td>$1.72</td>
<td>($0.09)</td>
<td>$0.14</td>
<td>$0.65</td>
</tr>
<tr>
<td>Total assets</td>
<td>$2,240,314</td>
<td>$2,438,517</td>
<td>$2,236,930</td>
<td>$2,698,004</td>
<td>$2,791,479</td>
</tr>
<tr>
<td>Shareholders’ equity*</td>
<td>$545,322</td>
<td>$523,550</td>
<td>$510,703</td>
<td>$518,058</td>
<td>$527,644</td>
</tr>
<tr>
<td>Book value per share*</td>
<td>$41.81</td>
<td>$39.55</td>
<td>$38.22</td>
<td>$38.84</td>
<td>$38.71</td>
</tr>
<tr>
<td>Total shares outstanding</td>
<td>13,041</td>
<td>13,239</td>
<td>13,361</td>
<td>13,338</td>
<td>13,630</td>
</tr>
<tr>
<td>Number of employees</td>
<td>2,976</td>
<td>2,992</td>
<td>3,098</td>
<td>3,290</td>
<td>3,314</td>
</tr>
<tr>
<td><strong>In billions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Client Assets Under Administration</td>
<td>$80.1</td>
<td>$86.9</td>
<td>$77.2</td>
<td>$78.7</td>
<td>$87.3</td>
</tr>
<tr>
<td>Assets Under Management</td>
<td>$26.7</td>
<td>$28.3</td>
<td>$24.8</td>
<td>$24.1</td>
<td>$25.9</td>
</tr>
</tbody>
</table>

*Attributable to Oppenheimer Holdings Inc.*
Dear Fellow Shareholders

Last year, we discussed the potential for change, and in 2018, we experienced it. We began the year with volatility and rode a wave of recovery into mid-year powered by increased earnings, a strong domestic economy, and supercharged by the impact of decidedly lower corporate tax rates. As we approached the end of the year, markets reflected growing trepidation driven by a slowing economy, continued increases in interest rates, global trade conflicts, and domestic political discord. We also witnessed the first glimpse of market liquidity issues, driven by a lack of risk capital due to the Volcker Rule, and structural issues driven by the impact of passive investment vehicles such as exchange traded funds, or ETFs.

As I write this letter, the market has responded positively to favorable comments by the Federal Reserve, to the government returning to work following a shutdown, to a more sanguine view of trade issues, and to stronger consumer spending. The combination of a strong domestic economy, low interest rates, and low unemployment tend to act as a bromide that can significantly improve expectations even as risks appear.

Corporate earnings ultimately drive equity prices and investor expectations over the short term may change, setting the stage for better outcomes on investment decisions. While one can view the market environment as a half-empty glass due to an increasing national debt and annual budget deficit, a polarized electorate, and trade issues like Brexit and the China trade war, we, at Oppenheimer, are driven by our desire to assist investors to make intelligent and appropriate investment decisions. We do not believe that “trees grow to the sky,” but we are inclined to be optimistic and to be influenced by the
measurable realities of the economy, by a belief in the pursuit of global solutions, and above all, by finding new and sound investment opportunities... and there are always opportunities. Our job is to take a careful and measured view and to provide the services and capabilities that enable us to be a trusted advisor to our clients. In short, we are, first and foremost, an investment firm.

This past year tested our resolve with the S&P down 6.2 percent, the Dow down 5.6 percent, and the NASDAQ down 3.9 percent. This was accompanied by the U.S. Government 10-year benchmark bond rallying to 2.69 percent yield by year-end representing a flight to safety by investors. Market leadership rotated out of new economy names and sought refuge in utilities, government bonds, and cash equivalents. As is often the case with such volatility, staying the course proved the favored strategy, as early 2019 has seen a better market environment and a marked recovery in equity prices.

For Oppenheimer, 2018 was a successful year and we were quite pleased with our improved results driven by higher short-term interest rates, increased assets under management, and a significant improvement in investment banking results. Nevertheless, to some extent these excellent operating results were offset by the impact of reduced performance in certain alternative investments. For the year, the Company reported revenues of $958 million, an increase of 4.1 percent from $920 million in the prior year, and reported a pre-tax profit of $44.85 million, compared to a pre-tax profit of $19.74 million in 2017, an increase of 127 percent. However, after-tax results did not increase at the same rate, primarily due to a one-time tax benefit recorded in the fourth quarter of 2017 as a result of the enactment of the Tax Cuts and Jobs Act. As a result, after-tax profits increased 27 percent to $28.89 million (or $2.05 diluted earnings per share) in 2018 from $22.82 million (or $1.67 diluted earnings per share) in 2017. On December 31, 2018, the Company had a total of 13,041,474 shares outstanding and the book value per share was $41.81 as compared to $39.55 at the end of 2017.

Client assets under administration totaled $80.1 billion while client assets under management in fee-based programs (“AUM”) totaled $26.7 billion, compared to $86.9 billion and $28.3 billion, respectively in 2017. Despite bringing in more than $600 million in net new client AUM into our fee-based programs during the year, AUM declined $2.2 billion in 2018 due to market depreciation, most of which took place in the fourth quarter. Asset management and fee-based programs continue to be the preferred path for clients and we experienced another year in which clients chose managed solutions over transaction-based pricing. Accordingly, we experienced a decline in commission revenues of 2.1 percent as clients increasingly chose passive investments over actively managed assets and again reduced turnover in their accounts.

In 2018, as market volatility increased, we maintained a strong focus on the needs and priorities of our clients. For the past several years, we have been dedicated to modernizing our business. We have been relentless in our pursuit of hiring and retaining talented colleagues, attracting productive advisors, building up our technology and digital capabilities, delivering a full-range of investment solutions, and continuing to stress the importance of compliant behavior throughout our enterprise.

Where we are headed:

- Organically growing our all-important wealth management business with an increased advisor headcount derived from recruiting experienced advisors with strong client allegiances as well as adding new advisors through our successful training programs.

- Investing in our Capital Markets businesses by continuing to identify niche businesses where we see demand for services that are being unmet in the marketplace and where our firm is uniquely qualified to build the infrastructure or services necessary to meet these demands.

- Attracting, motivating, and retaining top talent has always been the primary key to success in the investment business. It has long been a key tenet of this company that we must invest in our employees, we must motivate and empower them to expand and enhance their personal and professional skills, and we must help them to realize their full potential within the framework of our enterprise. Now, and in the future, we understand the need to provide opportunity for
all employees that is personally fulfilling, intellectually rewarding, and above all, that builds the kind of deep, lasting relationships that position Oppenheimer as the employer of choice.

- We believe that technology is not an end in itself, but a means to an end. The digital revolution impacting our economy provides us with enormous opportunities to better understand our business and to synthesize the vast amount of data available to us both to provide growth opportunities and to empower us to do a better job of meeting the needs and goals of our clients. We are investing in technology so as to provide a higher level of efficiency and effectiveness in everything we do and to provide our employees with a robust, state-of-the-art platform with which to manage our business and deliver our services. We will continue to utilize new technology and high impact delivery methods to gain operational efficiencies and improve our clients’ experience.

- We recognize the significant responsibility we have to our clients to protect their data and their privacy in an increasingly difficult and complex digital environment. We commit an enormous amount of resources to protect all of our clients from fraud, cybersecurity risk, and invasion of privacy. We will continue to invest in building higher walls and stronger borders around our clients’ data and information, and importantly, we will do our utmost to ensure the safety and security of their assets entrusted to us for safekeeping.

Over a decade has passed since we suffered the worst financial crisis since the Great Depression. Time brings many changes. We have, as of this writing, experienced the longest sustained economic expansion and bull market in our nation’s history. At Oppenheimer, we have learned a great deal and have built a business model for sustained success. This approach led to outstanding results in fiscal 2018 and we expect to continue this positive momentum in 2019. We are well positioned to take advantage of the trend toward industry consolidation. We are exploring strategic alternatives for utilizing our significant investments in systems, talent, and expertise, and we recognize the benefit we would derive by utilizing excess capacity to increase shareholder returns and support future growth. It is clear that our strategy must be based on a careful review of the potential of any such expansion to contribute to long-term value. While we prefer to use capital to reinvest in our business, we will not pass on opportunities to enhance shareholder value through share buy-backs.

We will also continue to invest in our culture, which is rooted in a foundation of commitment to the firm’s Code of Conduct. Our guiding values—integrity, excellence, and teamwork—define who we are and how we work together with stakeholders. We will continue to set the highest standards of personal and professional responsibility throughout our firm so as to achieve compliance in an increasingly rules-based industry.

We will continue to develop new and innovative services and expand our already robust platform so as to better meet our clients’ evolving needs and to help reach and assist new clients. We will continue to recruit, motivate, and retain top talent in the interests of our clients so that they will be more successful working with us than with our competitors.

I am deeply appreciative of the privilege to lead this great firm and to serve its clients, its employees, and its shareholders.

Albert G. Lowenthal
Chairman & CEO
Private Client Division

AT A GLANCE

The Private Client Division (PCD) has 1,073 financial advisors in 92 branch offices throughout the United States. Oppenheimer financial advisors deliver investment advice and comprehensive wealth management strategies to a wide variety of investors including families and high net-worth individuals, foundations and endowments, charities, pension plans, corporate executives and businesses, both large and small. Comprehensive solutions are developed and delivered by deploying the resources of Oppenheimer Asset Management, the Oppenheimer Trust Company of Delaware, the Insurance and Annuities Division, Corporate & Executive Services, the Retirement Planning Group, Oppenheimer’s Research and Strategy Resources, the Capital Markets Group, as well as the traditional services of execution and custody.

BUSINESS ENVIRONMENT

The overall environment for the wealth management industry and Oppenheimer’s Private Client Division was strong during 2018. Corporate earnings, nearly full employment, the effects of the Tax Cuts and Jobs Act, and a more accommodating regulatory environment resulted in strong equity markets during most of the year, before declining in the latter portion of the year. As our baby boomer clients approach the point in their lives where they rely on their accumulated savings, our years of service become ever more important. Despite trends in the industry where technology and automated solutions become available, informed clients continue to prefer the advice and counsel of experienced financial advisors as they make decisions on retirement, intergenerational wealth transfer and deploying their assets for a secure future.

At the same time, millennials want to make sure that they can access the information and services they value at all times anytime, anywhere. Oppenheimer has adapted its platform to service all investors recognizing changes in regulation and technology, investor expectations of how financial advice is accessed and delivered, and the increasing attraction of passive management of assets as a means to lower costs, while targeting market returns. Despite these developments, high-net worth individuals, families, and businesses consistently value the access to intellectual capital and strategies provided by their trusted Oppenheimer financial advisor.

MAJOR INITIATIVES

The paramount focus of the Private Client Division during the year was enabling, empowering, and executing growth. The Private Client Division represents 64.5 percent of the firm’s revenue and continued to improve its pre-tax margin to 24.1 percent. During the year, higher management fees and bank deposit sweep income, as well as attracting new advisors, and retention of existing staff allowed us to realize meaningful growth. This was aided by attracting new clients and generating new investments from existing clients.

PCD focused its efforts on recruitment with a two-pronged approach that included: recruiting advisors with proven successful practices and assisting senior advisors approaching retirement into partnerships with younger associates thus permitting them to “sunset” into ongoing participation in their practice as they retire. Our recruitment campaign, Let’s Talk Future™, signaled to the market an effective strategy for attracting experienced financial professionals to the firm.

We continued our multi-year focus on improving the advisor and client experience by the introduction of wealth management solutions, improved technology, and enhanced digital delivery. Our advisor-facing technology, Advisor Works, improved with field testing and a measured rollout with a system-wide launch planned and on schedule in 2019. Our improved client portal, Client Access, was modernized with a streamlined and visual interface so clients can instantly access, analyze, and understand their portfolios. The firm’s website, oppenheimer.com, also was modernized and relaunched during the fourth quarter and now is optimized for desktop, tablet, and mobile formats.

AREAS OF FOCUS

The Private Client Division continues to help Oppenheimer’s financial advisors deliver valued advice and to help our clients plan, invest, and transfer their wealth. This is achieved through practice management, marketing support, compliance, and new technology solutions. The practice management team provides a wide range of capabilities including onsite coaching, peer-to-peer and classroom training, and a structure for achieving business model optimization. Specialty programs are focused on developing financial advisors in various stages of evolution.
Among our varied programs with proven results are:

- **Associate Financial Advisor Program** for new financial advisors, a two-year curriculum with direct reporting and teaming with a senior advisor with a requirement of earning a CFA, CFP or CIMA designation
- **Senior Associate Advisor Program** for those looking to partner for business succession
- **Second Generation Program** for financial advisors intending to pass on their successful practices to younger family members

PCD is adopting digital and technology approaches to help financial advisors continuously learn, manage and market to their clients, while growing their practices and remaining compliant with regulatory changes. Increased longevity has significant economic benefits, as aging populations drive continued growth and innovation to meet their evolving needs. Throughout 2018, educational forums were conducted for financial advisors and their clients on such topics as aging, generational wealth transfer, changing Social Security, and prudent financial planning.

**PCD received industry recognition during 2018:**

- Three financial advisors were named by Forbes/R.J. Shook as **Best-in-State Wealth Advisors**
- Eight financial advisors were named by Forbes/R.J. Shook as **Top Next Generational Wealth Advisors**
- Three branch managers received OnWallStreet’s **Top Branch Manager Award**
- Two financial advisors were on OnWallStreet’s **Top 25 list of Regional Advisors Under 40**
- One financial advisor was recognized in the Financial Times as a **401(k) Top Retirement Plan Advisor**

**LOOKING FORWARD**

The way forward for the Private Client Division includes attracting new financial advisors to the firm, and continuing to provide an entrepreneurial culture for new and existing financial advisors. To empower financial advisors to expand their practices and provide outstanding service to their clients, PCD will continue to develop advanced tools, and experiential training programs. The Private Client Division strategy assures that Oppenheimer financial advisors are equipped to meet the challenges ahead including evolving regulation, demographic shifts, and investor needs.
Oppenheimer Asset Management (OAM) is a trusted partner to financial advisors in the Private Client Division. Steeped in a culture driven by dependability and innovation and grounded with a respect for the relationship between financial advisors and clients, OAM’s focus is to offer seamless access to an integrated wealth management platform that allows client relationships to flourish. Amid rapidly changing capital markets, OAM offers a unique range of advisory services that align with clients’ goals, needs, and objectives.

OAM achieved strong results in 2018 fueled by specialized alternatives for investment management, intuitive technology tools, and a steadfast commitment to client service.

KEY PERFORMANCE DRIVERS

- Focus on fee-based advisory business
- Expansion of Discovered Manager Series
- Strong collaboration with Investment Banking and Equity Research
- Concentrated education and training
- Expansion of program conversion to PASSPORT wealth management platform
- Top Guns Award for Fixed Income in first and third quarters

While the market environment was generally favorable throughout most of 2018, competitive, regulatory, and global market forces presented challenges to the business landscape. As a result, market volatility increased in the fourth quarter. As markets change and our business evolves, we remain vigilant about potential headwinds, including technology disruptors, fee compression, and global macro events, to name a few.

OAM views disruptions as opportunities and are focused on ensuring that investment solutions are well timed to address events, fit the future financial advisor/client business model into an ability to provide investment flexibility, adaptability, and choice. Client service means listening to clients’ needs and responding with a solution. To that end, OAM will continue to simplify the financial landscape and its endless stream of investment choices. We expect fee-based alternatives to continue to grow and we remain committed to a well-diversified, actively managed investment platform that provides extensive choice and transparency. OAM will remain competitive by providing a platform dedicated to investment choice, high-quality support, and technology that enables the firm’s financial advisors to customize advice to each client’s financial needs, goals, and aspirations.

$314.3 MILLION IN FEE-BASED REVENUE

12 INVESTMENT PROGRAMS

$26.7 BILLION ASSETS UNDER MANAGEMENT
EMPOWERING ADVISOR SUCCESS

- High-conviction investment capabilities
- Early-stage investment partnerships
- Education and training
- Wide-ranging investment access to OAM and our business partners
- An unwavering partnership with financial advisors
- Technology enhancements focused on business scalability
- Investment in talented people
- Reliable provider of investment choice

ACCOMPLISHMENTS

OAM’s strategic transformation of its investment advisory programs continued to make great strides in 2018. The following achievements reflect continued commitment to remain competitive and relevant to our financial advisors and clients:

- Expanded investment platform with two new strategies and advisory services
- Expanded Private Market Opportunities platform with two new investment offerings
- The Discovered Managers Series grew to $2.75 billion with 31 managers
- The Market Strategy Portfolio surpassed $278.6 million in assets
- OMEGA and FAM programs—representing in excess of $3,425.4 billion in OMEGA and $1,114.3 billion in FAM in AUM—were converted to the platform’s PASSPORT infrastructure. More than 67.5 percent of the division’s assets under management is now managed through PASSPORT
- Announced new Sales and Marketing leadership from within and repositioned regional sales effort to better support financial advisors
- Hosted a series of regional and national training and education events for financial advisors

LOOKING FORWARD

OAM remains focused on equipping financial advisors with the tools needed to deliver customized advice while providing access to a deep network of talented investment professionals. This combination enriches the client experience and forges lasting client relationships. The OAM service model is rooted in education and research through which financial advisors can take advantage of enhanced technology, a broad range of investments, and a premier support organization. OAM prides itself on taking an innovative approach to investing and providing access to information and ideas. Looking ahead, OAM pledges to challenge limits and reach for new heights with creativity, consistency, collaboration, and continuity as we relate to our clients.
729 INSTITUTIONAL EVENTS

540 U.S. COMPANIES COVERED BY RESEARCH

32 SENIOR RESEARCH ANALYSTS
Equities Division

AT A GLANCE

With a staff of approximately 275 professionals worldwide, the mission of the Equities Division (Equities) is to provide institutional clients with valuable investment insight, numerous opportunities to meet with public and private company management, efficient trade execution, and professional service. In addition, Equities delivers trading solutions and specialized focus on related areas of market activity, such as event-driven and merger/arbitrage, derivative strategy, market technical strategy and macro strategy. Equities partners with the firm’s Investment Banking Division to help our corporate clients access needed capital through a variety of financing vehicles.

BUSINESS ENVIRONMENT

The institutional equity business continues to be competitive and clients continue to place value on service and intellectual capital that assists them in meeting their investment goals. Despite continuing pressure on margins in the investment advisory business resulting from the success of “passive” strategies, these vehicles require low execution costs and no intellectual capital and this trend reduces the size of the available advisory market. This trend is also exacerbated by the impact of a new set of regulatory hurdles associated with the European Union’s MiFID II rules. Together, they are changing the fundamental business model of services required and attractive to the investment community.

During 2018, we again saw evidence there is a significant role for a dedicated platform with the breadth and depth of Oppenheimer’s Equities Division. After a relatively low volatility and calm period earlier in the year, markets experienced a dramatic reversal beginning in October, and the institutional investor community finally appeared to awaken to the real need for differentiated and value-added fundamental research. Oppenheimer’s consistent strategy emphasizing the value-added content and services that are core to our business model, which include marquee conferences, smaller experiential events, and bespoke meetings all bore fruit in 2018. As a result, we saw both an absolute increase in revenues from our agency business, as well as market share gains relative to our peers during this period.

ACCOMPLISHMENTS

Equities reported gross revenues up 10.3 percent versus full year 2017. Despite headwinds, our agency business, the core of the U.S. based research sales and commission business, reported an increase of over 4% in the same period. Overall results were also very positively impacted by outperformance from the derivatives desk, driven largely by a significant pick up in volatility in the second half of the year. Our highly regarded Equity Research professionals continue to provide institutional clients with insight and coverage on over 500 listed companies across six industry verticals.

Under new and invigorated leadership, Oppenheimer’s front line sales and trading professionals engaged energetically with clients throughout the year to ensure a reliable and broad-based distribution channel for all our equity related products and services, including the improved deal flow from our Healthcare, Consumer, Industrial, and Technology Investment Banking groups. Throughout the year, Oppenheimer’s dedicated teams hosted over 450 non-deal roadshows for public and private companies, leading to more than 9,000 individual meetings between institutional investors and company managements. Including unique events such as headquarter visits and bus tours, Oppenheimer conducted approximately 700 events throughout the year. At our four dedicated major industry conferences, we proudly hosted over 475 companies and arranged for about 5,000 one-on-one meetings with interested investors. Of particular note for the 2018 conference schedule, we added topical events such as the highly successful Oppenheimer Cloud Summit, the Specialty Pharma & Rare Disease Summit, and a well-attended Boston Oncology Summit at the Whitehead Institute.

LOOKING FORWARD

We expect to continue the positive momentum in 2019, and are well positioned to take advantage should the trend towards industry consolidation continue. Our front line client-facing staff is focused on continuing to deliver the highest quality investment research product, and remain fully engaged with our clients in delivering the value of Oppenheimer’s full suite of equity products to clients’ investment process.
BUSINESS ENVIRONMENT & AREAS OF FOCUS

While 2018 saw news cycle ups and downs, capital markets remained open for a wide variety of issuers throughout most of the year. Equity and equity-linked offerings raised approximately $230 billion in capital for issuers, an increase of roughly 15 percent year-over-year. The 2018 domestic mergers & acquisitions (M&A) market also improved from the prior year, with the aggregate of completed transactions reaching $1.5 trillion, an increase of approximately 16 percent.

Oppenheimer’s Investment Banking results mirrored these broad trends. The Healthcare and Technology teams led division activity, and the Transportation & Logistics and Energy practices also had a strong year. M&A Advisory and Equity Origination products contributed equally to group revenue, which increased 74 percent over the prior year. The firm served as financial advisor on announced and completed M&A transactions totaling approximately $4 billion in value, and raised approximately $9 billion of equity and equity-linked capital for clients via 72 offerings and approximately $840 million of debt capital for clients through 14 transactions.

In 2018 we reaped the benefits of the investments made in the prior year. After building out core areas of focus in 2017, the division experienced real momentum and significant growth in market share. Recruitment of senior talent remained a focus, and hires were made into the Consumer, Financial Institutions, and Technology industry teams as well as the Restructuring & Special Situations and Debt Capital Markets product teams. Senior professionals joined the platform in the UK and Germany, expanding the investment bank’s international footprint. Execution support was also a priority, particularly in the second half of the year, and additions were made through junior- and mid-level hires across the division to support the growth in execution activity and transaction pipeline.

Capital markets functions were refined with the creation of a single Equity Capital Markets product group. This established a unified message to our clients regarding our equity transaction capabilities, and allowed us to more closely align the activities involving the marketing and execution of transactions with the workflow of our coverage groups.

In addition, Investment Banking and the Private Client Division continued to partner to provide access to investment banking advisory services and a view of capital markets for entrepreneurial private clients. Specifically, the Private Market Opportunities (PMO) initiative had a successful inaugural year with the launch and close of two PMOs – Vista I/II and Vista II. The firm, having identified and responded to a shift in public and private capital formation, was uniquely positioned to connect private companies with high caliber institutions, and a large, diverse, and sophisticated private client investor base.

THE WAY FORWARD

Investment Banking will remain concentrated on positioning the business unit for continued growth, deepened collaboration with the institutional and wealth businesses, and architecting the total client experience.

The way forward includes a relentless focus on human capital, which involves engaging new professionals in our core areas of focus, and deepening skills for existing professionals; improving efficiency by implementing various technologies to leverage data and provide scale; as well as continuing to innovate and deliver value-added capabilities.
## 2018 Notable Transactions

<table>
<thead>
<tr>
<th>Transaction Value</th>
<th>Industry</th>
<th>Transaction Type</th>
<th>Date</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>$255,000,000</td>
<td>Transportation &amp; Logistics</td>
<td>Mergers &amp; Acquisitions</td>
<td>December 2018</td>
<td>Exclusive Financial Advisor</td>
</tr>
<tr>
<td>$29,500,000</td>
<td>Financial Institutions &amp; Real Estate</td>
<td>Senior Unsecured Debt Private Placement</td>
<td>November 2018</td>
<td>Lead Placement Agent</td>
</tr>
<tr>
<td>$32,000,000</td>
<td>Healthcare</td>
<td>Mergers &amp; Acquisitions</td>
<td>October 2018</td>
<td>Exclusive Financial Advisor</td>
</tr>
<tr>
<td>$255,000,000</td>
<td>Transportation &amp; Logistics</td>
<td>Mergers &amp; Acquisitions</td>
<td>August 2018</td>
<td>Exclusive Financial Advisor</td>
</tr>
<tr>
<td>$115,000,000</td>
<td>Healthcare</td>
<td>Confidentially Marketed Follow-on</td>
<td>August 2018</td>
<td>Sole Bookrunner</td>
</tr>
<tr>
<td>$3,000,000</td>
<td>Transportation &amp; Logistics</td>
<td>Private Placement</td>
<td>August 2018</td>
<td>Exclusive Financial Advisor</td>
</tr>
<tr>
<td>$1,100,000,000</td>
<td>Rental Services</td>
<td>Mergers &amp; Acquisitions</td>
<td>June 2018</td>
<td>Financial Advisor</td>
</tr>
<tr>
<td>$69,000,000</td>
<td>Financial Institutions &amp; Real Estate</td>
<td>Senior Unsecured Debt Private Placement</td>
<td>April 2018</td>
<td>Joint Bookrunner</td>
</tr>
<tr>
<td>$414,000,000</td>
<td>Energy</td>
<td>IPO</td>
<td>April 2018</td>
<td>Joint Bookrunner</td>
</tr>
<tr>
<td>$485,714,293</td>
<td>Healthcare</td>
<td>Mergers &amp; Acquisitions</td>
<td>March 2018</td>
<td>Exclusive Financial Advisor</td>
</tr>
<tr>
<td>$46,500,000</td>
<td>Emerging Markets</td>
<td>Sovereign Bridge Notes</td>
<td>January 2018</td>
<td>Sole Placement Agent</td>
</tr>
</tbody>
</table>
BUSINESS ENVIRONMENT

The backdrop for fixed income securities in 2018 is best characterized as one of global policy volatility. Whether it was in response to global trade, economic growth, geopolitical factors, the Fed, or fiscal policy, the attendant course corrections and headlines contributed to a reversal of fortune for fixed income markets from the prior year. In contrast to an extended cycle marked by a lack of volatility and transactional volume, 2018 ushered in market dynamics that required participants and investors alike to become newly nimble and proactive, navigating such factors as higher interest rates, flattening of the U.S. Treasury yield curve, trade tensions, a stronger U.S. dollar, and decoupling of economic growth between the U.S. and the rest of the world.

On the domestic front, market assumptions at the start of the year centered on strong economic growth, monetary policy normalization, and a significant increase in the deficit resulting from the Tax Cuts and Jobs Act. Ten-year Treasury note yields started the year at 2.46 percent, peaked at 3.24 percent in November, and ended the year at 2.69 percent. The Federal Reserve raised rates four times, by a total of 100 basis points, with a targeted Fed Funds rate ending the year at 2.5 percent. We saw an increase in the size of Treasury auctions to accommodate a deficit swelling to one trillion dollars annually. This approach held through November, until fears of slower global growth from tariffs, too-strict monetary policy, and generally overbought risk assets brought a large correction in equity markets, a rally in debt markets, and a well-publicized rethinking from The Federal Open Market Committee (FOMC).

The credit markets saw widening of spreads and underperformance globally, bearing the brunt of a “risk-off” reaction to policy uncertainty. Rather than entice value seekers, cheaper risk assets instead validated concerns about the viability of global economic growth, punctuated by lack of resolution with looming Brexit. Global high-yield, emerging markets and investment grade markets were casualties of this repricing of risk premiums, and the spread volatility kept money on the sidelines.

Taxable Fixed Income delivered modestly lower year-over-year results largely as a result of lower institutional client activity. This was especially pronounced in the fourth quarter, as debt capital market issuance became scarce and portfolio managers resigned themselves to outperforming on the downside, with a “least worst” performance objective relative to peers and indices. The extremely challenging environment in 2018 nonetheless provided opportunities for us: our franchise footprint, wallet share and mind share with clients have improved with the continued consolidation of the industry, and we are extremely well poised for success in 2019.
Public Finance and Municipal Trading sustained its mission of providing seamless execution of innovative and client-centric debt solutions, establishing long-standing and trusting relationships and operating with integrity and transparency. Public Finance and Municipal Trading worked diligently in 2018 on several notable transactions, including its role as lead manager on the first K-12 tax-exempt advance refunding issuance of a Build America Bond, as senior manager for the largest non-rated issuance for a private higher education institution since 2015, and sole manager for a rated college of osteopathic medicine.

The Municipal Bond market was significantly impacted by the Tax Cuts and Jobs Act. After peaking in 2017, issuance of new Municipal securities declined approximately 24 percent in 2018, largely due to an absence of tax-exempt advance refunding capacity. Institutional and individual investors spent much of the year re-evaluating portfolio strategy, given lower individual and corporate tax rates, as well as new limitations on state and local tax deductibility. Notwithstanding these challenging headwinds, the Muni market outperformed other asset classes, benefiting from the positive technical of reduced supply and heightened demand from net positive mutual fund flows.

During the year, we added seasoned professionals to the group and further strengthened our record of accomplishment in the higher education, K-12, senior housing, general municipal, public-private partnership, and project finance sectors. Due to our ability to educate buyers and place debt, the group is relied upon by issuers and their municipal advisors to facilitate market access both for stable and financially distressed issuers alike. The firm continues to establish itself as one of the leading underwriters of short-term issues; from 2015 to 2018, our ranking leaped from sixth to second place in terms of number of issues underwritten. The firm also provides liquidity in the primary market by actively bidding on competitive bond issues as a syndicate member—over this same period, our ranking leaped from ninth to fifth. This activity allows our underwriting and sales desks to stay apprised of new issue trends.

Public Finance and Municipal Trading continued to educate our financial advisors throughout the country of our policy of utilizing relationships in the community to assist municipal issuers to raise needed capital. Financial advisors may be in a position to refer municipal underwriting transactions, and are encouraged to do so, are rewarded for a completed transaction. In one instance, a single referral to Public Finance and Municipal Trading resulted in multiple deals, aggregating to $169 million of notes and bonds issued over a 15-month period.

Ranked

#2

MUNICIPAL NOTES UNDERWRITER BY NUMBER OF ISSUES

#5

UNDERWRITER OF COMPETITIVE ISSUES

60

MUNICIPAL BANKING, SALES AND TRADING PROFESSIONALS
## 2018 Notable Transactions

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
<th>Sole Manager</th>
<th>Sole Manager</th>
<th>Sole Manager</th>
<th>Sole Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>$147,385,000</td>
<td>Jacksonville University Revenue Bonds Series 2018A-1, A-2 and B</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$83,195,000</td>
<td>Town of Oyster Bay Public Improvement Refunding Bonds Series 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$70,730,000</td>
<td>Warren Township High School Taxable General Obligation School Bonds Series 2018 A&amp;B</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$55,850,000</td>
<td>Massachusetts Development Finance Agency Revenue Bonds Series 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$30,000,000</td>
<td>University of Saint Joseph Series E</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$53,235,000</td>
<td>Wisconsin Public Finance Authority Burrell College of Osteopathic Medicine Taxable Educational Facilities Rev. Bonds Series 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$35,107,000</td>
<td>Hudson County Improvement Authority County-Guaranteed Pooled Notes Series 2018 A</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$24,510,000</td>
<td>Morongo USD General Obligation Refunding Bonds Series 2018 A&amp;B</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$20,000,000</td>
<td>Arizona Industrial Development Authority Windsong Senior Living Project Multifamily Housing Revenue Bonds Series 2018 A-1, A-2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$17,825,000</td>
<td>South Carolina Jobs-Econ. Dev. Authority Royal Life Oaks Academy Project Economic Development Revenue Notes Series 2018 A&amp;B</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$16,785,000</td>
<td>Indiana Finance Authority Educational Facility Revenue Bonds Series 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$34,000,000</td>
<td>Wittenberg University Taxable Revenue Bonds Series 2018A-C</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$30,000,000</td>
<td>Connecticut Health and Educational Facilities Authority University of Saint Joseph Series E</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$8,881,000</td>
<td>Vermont Educational and Health Buildings Financing Agency Saint Johnsbury Academy Revenue Bonds Series 2018A</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$49,170,000</td>
<td>Wink-Loving Independent School District Unlimited Tax School Building Bonds Series 2018A</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$47,445,000</td>
<td>Navasota ISD Unlimited Tax School Building Bonds Series 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$830,580,000</td>
<td>City of New York General Obligation Bonds Series 2018A-C</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# U.S. Branch Offices

## Arizona
- 14636 Scottsdale Road
  Scottsdale AZ 85254
  480-596-1211
- 3567 E Sunrise Drive
  Tucson AZ 85718
  520-396-3098
- 620 Newport Center Drive
  Newport Beach CA 92660
  949-219-1000
- 4655 Executive Drive
  San Diego CA 92121
  858-202-3800
- 3200 Cherry Creek S Drive
  Denver CO 80209
  303-697-8300

## California
- 10880 Wilshire Boulevard
  Los Angeles CA 90024
  310-446-7100
- 750 Washington Boulevard
  Southbury CT 06488
  203-264-6511
- 3200 Cherry Creek S Drive
  Denver CO 80209
  303-697-8300

## Colorado
- 5200 Cherry Creek S Drive
  Denver CO 80209
  303-697-8300

## Connecticut
- 1781 Highland Drive
  Cheshire CT 06410
  203-271-8500
- 100 Mill Plain Road
  Danbury CT 06811
  203-791-4600
- 29 West Street
  Litchfield CT 06759
  860-567-8301

## District of Columbia
- 5301 Wisconsin Avenue NW
  Washington DC 20015
  202-296-3030

## Florida
- 4855 Technology Way
  Boca Raton FL 33431
  561-418-8600
- 110 E Atlantic Avenue
  Delray Beach FL 33432
  561-894-7200
- 100 NE 3rd Avenue
  Fort Lauderdale FL 33301
  954-356-8200
- 6700 Daniels Parkway
  Fort Myers FL 33912
  239-561-2330

## Georgia
- 3414 Peachtree Road NE
  Atlanta GA 30326
  404-262-5300

## Illinois
- 811 E 30th Street
  Hutchinson KS 67501
  620-663-5461
- 1223 N Rock Road
  Topeka KS 66603
  785-235-9281

## Indiana
- 227 E Center Drive
  Alton IL 62002
  618-462-1968
- 1 N Brentwood Boulevard
  St Louis MO 63105
  314-746-2500

## Massachusetts
- 1 Federal Street
  Boston MA 02110
  617-428-5500
- 386 High Street
  Fall River MA 02720
  508-324-4450

## Michigan
- 320 N Main Street
  Ann Arbor MI 48104
  734-747-8040
- 1400 Abbott Road
  East Lansing MI 48823
  517-333-7775

## Minnesota
- 50 5th Street NE
  Minneapolis MN 55402
  612-337-2700
- 4039 S Fremont Avenue
  Springfield MO 65804
  417-886-8005

## Missouri
- 16401 Swingley Ridge Drive
  Chesterfield MO 63017
  636-733-1000
- 5034 Kansas Avenue
  Topeka KS 66603
  785-235-9281

## New Hampshire
- 30 Penhallow Street
  Portsmouth NH 03801
  603-436-7626
- 250 Peabody Avenue
  Saddle Brook NJ 07663
  201-845-2300

## New Jersey
- 375 Raritan Center Parkway
  Edison NJ 08837
  732-994-3113
- 200 Park Avenue
  Florham Park NJ 07932
  973-245-4600
- 3 Harding Road
  Red Bank NJ 07701
  732-224-9000

## New York
- 500 W Madison Street
  New York NY 10017
  212-753-9110
- 1 Sunset Avenue
  Westhampton Beach NY 11978
  631-288-7122
- 401 Broadhollow Road
  Melville NY 11747
  516-391-4800

## North Carolina
- 1 Broome Street
  Asheville NC 28801
  828-251-7884
- 10880 Wilshire Boulevard
  Los Angeles CA 90024
  310-446-7100

## Ohio
- 5905 E Galbraith Road
  Cincinnati OH 45236
  216-765-5900
- 25550 Chagrin Road
  Beachwood OH 44122
  216-765-5900

## Pennsylvania
- 1525 Valley Center Parkway
  Bethlehem PA 18017
  610-869-8831
- 136 W Main Street
  Bloomsburg PA 17815
  570-784-4210
International Offices

United Kingdom
Oppenheimer Europe Ltd.
6 Gracechurch Street
London EC3V 0AT
United Kingdom
+44 (0)20 7220 1900

Germany
Oppenheimer Europe Ltd.
Savignystraße 43
60325 Frankfurt am Main
Germany
+49 6 9007 478710

Switzerland
Oppenheimer Europe Ltd.
3 Rue du Mont-Blanc
1201 Geneva
Switzerland
+41 (0)22 906 9090

Channel Islands
Oppenheimer Europe Ltd.
43 Hilgrove Street
St. Helier, Jersey JE2 4SL
Channel Islands
+44 (0)1534 603100

Israel
Oppenheimer Israel Ltd.
Top Tower, 50 Dizengoff Street
Tel Aviv 6433222
Israel
+972 3 5262626

Hong Kong
Oppenheimer Investments Asia Ltd.
Unit 1002, 10/F Henley Building
5 Queen’s Road Central
Hong Kong
+852 3658 7301

Principal Offices

Oppenheimer Holdings Inc.
85 Broad Street
New York, NY 10004
212-668-8000

Oppenheimer & Co. Inc.
85 Broad Street
New York, NY 10004
212-668-8000

Oppenheimer Asset Management Inc.
85 Broad Street
New York, NY 10004
212-668-8000

Oppenheimer Trust Company of Delaware
3411 Silverside Road
Wilmington DE 19810
302-529-2000

OPY Credit Corp.
85 Broad Street
New York, NY 10004
212-668-8000

Freedom Investments, Inc.
375 Raritan Center Parkway
Edison, NJ 08837
732-934-3000

Independent Registered Public Accounting Firm
Deloitte & Touche LLP

Registrar and Transfer Agent
Computershare Investor Services
PO Box 505000
Louisville, KY 40233
800-522-6645

Firm Financial Information

Financial information is available at www.oppenheimer.com/about-us/investor-relations. Our Annual Report on Form 10-K for the year-ended December 31, 2018 also serves as our 2018 Annual Report to Stockholders. To request a paper or email copy of our Annual Report on Form 10-K, without exhibits, at no charge, call (800) 221-5588, write to Oppenheimer Holdings Inc., Attention: Secretary, 85 Broad Street, 22nd Floor, New York, NY 10004, or email info@opco.com. Exhibits will be provided upon request and payment of a reasonable fee.

Board of Directors

Evan Behrens
Independent Director
Board Committee(s):
• Audit
• Compliance
• Nominating and Corporate Governance

Timothy M. Dwyer
Independent Director
Board Committee(s):
• Audit
• Compensation*
• Compliance

William J. Enhardt
Lead Independent Director
Board Committee(s):
• Audit*
• Compensation
• Compliance

Paul M. Friedman
Independent Director
Board Committee(s):
• Compensation
• Compliance*
• Nominating and Corporate Governance

Teresa A. Glasser
Independent Director
Board Committee(s):
• Audit
• Compliance

Albert G. Lowenthal
Chairman of the Board & Chief Executive Officer

Jeffrey J. Alfano
Executive Vice President & Chief Financial Officer

Dennis P. McNamara, Esq.
Executive Vice President & Secretary

Officers

Albert G. Lowenthal
Chairman of the Board & Chief Executive Officer

Jeffrey J. Alfano
Executive Vice President & Chief Financial Officer

Dennis P. McNamara, Esq.
Executive Vice President & Secretary

Board Committee(s):
• Audit
• Compliance
• Nominating and Corporate Governance

* Committee Chair

Oppenheimer Holdings Inc. | 17