



Building Greater Opportunities
for Profitable and Sustained Growth

May 2010



Forward-Looking Statements

This presentation contains certain statements, estimates and forecasts with respect to future performance and events. These statements, estimates and forecasts are “forward-looking statements.” In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as “may,” “might,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue” or the negatives thereof or variations thereon or similar terminology. All statements other than statements of historical fact included in this communication are forward-looking statements and are based on various underlying assumptions and expectations and are subject to known and unknown risks, uncertainties and assumptions, and may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied in the forward-looking statements. These factors include, but are not limited to, those discussed under the heading “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition” in our filings with the Securities and Exchange Commission (“SEC”), which are available at the SEC’s website at www.sec.gov and our website at www.cohenandcompany.com/sec-filings. In particular, these risk factors include the following: (a) a decline in general economic conditions or the global financial markets, (b) losses caused by financial or other problems experienced by third parties, (c) losses due to unidentified or unanticipated risks, (d) a lack of liquidity, i.e., ready access to funds for use in our businesses, (e) the ability to attract and retain personnel, (f) litigation and regulatory issues, (g) competitive pressure, and (h) a potential “Ownership Change” under Section 382 of the Internal Revenue Code. As a result, there can be no assurance that the forward-looking statements included in this communication will prove to be accurate or correct. In light of these risks, uncertainties and assumptions, the future performance or events described in the forward-looking statements in this communication might not occur. Accordingly, you should not rely upon forward-looking statements as a prediction of actual results and we do not undertake any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.



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Section 1
Overview of Cohen & Company



Overview

- Founded in 1999 as small-cap financials investment bank.
- Participated actively in helping banks and insurance companies issue trust preferred securities (\$11.4 billion issued).
- Two main operating businesses – capital markets and asset management.
- Specialist in credit-related fixed income – one of the largest and most profitable areas of the capital markets.
- Consistent and diversified base of revenue and profitability - asset management base fee income and core trading.
- Pursuing higher margin businesses: new issue, advisory, big ticket trading, and principal transactions.
- Merged with Alesco Financial Inc. in December 2009.
- Listed on the NYSE Amex under the symbol "COHN."
- Headquartered in Philadelphia, additional offices in Boston, Chicago, London, Los Angeles, New York, Paris, San Francisco, Washington DC, among other locations.
- Approximately 150 employees.

Capital Markets

- Registered broker/dealer in all 50 states, Washington DC, and the UK
- Institutional sales and trading
- New issue and advisory services
- Specializing in credit fixed income securities, including corporate bonds and mortgage / asset-backed securities
- Steadily growing fixed income sales and trading
- 96 professionals

Asset Management

- \$15.5 billion in assets under management as of 3/31/10
 - \$680 million in investment funds, separately managed accounts, and permanent capital vehicles
 - \$14.8 billion in structured investment products
- Five SEC-registered and one FSA-regulated investment advisors
- Added fund management in 2006
- 27 professionals

Transactional & Management Expertise in Credit Fixed Income Sector



Key Investment Highlights

- Capitalizing on dislocation of current markets and focusing on serving clients and investors.
- A significant market participant in secondary trading of credit-related fixed income investments.
- Generating diversified revenue from institutional sales and trading, asset management and principal investing with significant recurring revenue streams from asset management.
- Winning new asset management business and marketing new investment funds.
- Disciplined business model with low fixed cost structure as result of pay for performance, variable compensation system.
- Efficient, scalable operations allow quick expansion into new asset classes without significant incremental cost.
- Management interests aligned with stockholders through significant stock ownership.
- Significant NOLs (\$48 million) and NCLs (\$69 million) can be used to offset taxable income.

Nimble Market Position Represents Strong Opportunity to Drive Value



Key Strengths

Revenue Diversification

- Revenue diversified by operating business line and asset class.
- New issue, secondary trading, asset management, and principal investing capabilities.

Deep Experience

- Proven ability to attract new talent, reposition existing talent, and grow company in challenging environment.
- Relationships with small and mid-sized banks (400+), insurance companies (150+), and regional broker dealers (400+) that are potential sources of advisory and trading revenue.
- Trading relationships with over 550 institutional fixed income managers.
- Team includes 96 capital markets professionals and 27 asset management professionals with years of experience and relationships in the marketplace.

Strong Financial Position

- Substantial cash and available credit.
- Minimal debt maturities within the next year.
- Management contract rights are valuable off-balance sheet assets.

Streamlined Cost Structure

- Low fixed cost structure.
- Substantially all fixed cash costs covered by recurring revenue.
- 18.5% non-compensation operating expense ratio in 1Q10 (excluding D&A).

Poised to Continue to Grow as Capital Markets Improve



Opportunities for Growth

- Sea change in fixed income and capital markets represents dynamic opportunity for experienced, entrepreneurial players.
 - Scale existing businesses – credit trading, global.
 - Start up new businesses – CDs, small ticket fixed income, equity derivatives.
 - Add new asset classes – municipals, emerging markets.
 - Start new investment funds and increase separate accounts business.
 - Asset management incentive fees.
 - Credit default swaps become accessible – legislation pending.
 - New issue, including securitization, returns.
 - Potential acquisitions.



Diversified, Recurring Revenue Streams

- Diverse asset class expertise in institutional sales and trading includes:
 - High grade corporate bonds.
 - High yield corporate bonds and loans.
 - Mortgage and asset backed securities.
 - Collateralized bond and loan obligations.
 - Commercial mortgage backed securities.
 - Hybrid capital of financial institutions (trust preferred securities).
 - Mortgage loans.
 - Brokered deposits.
- Senior management fees on structured asset management vehicles provide recurring revenue stream; current monthly run-rate approximates \$1.2 million.
- Manage \$14.8 billion of structured investment products.
- Focused on growing \$680 million of net asset value of investment funds, separate accounts, and permanent capital vehicles.

Diverse Revenue Base Provides Stability



Compensation Philosophy for Long-Term Success

- Compensation structure designed to:
 - Attract and retain employees.
 - Pay for performance.
 - Provide ownership incentive to align interests with stockholders.
- Ownership achieved primarily through Restricted Stock Units (RSUs) and continuing ownership of existing Cohen members.
 - Significant employee ownership of the Company.
- Significant portion of equity / cash compensation is variable and dependent upon performance.
- Targeting cash compensation ratio to approximate 65% in any year.

Company Culture Supports Stockholder Value Creation



Section 2A

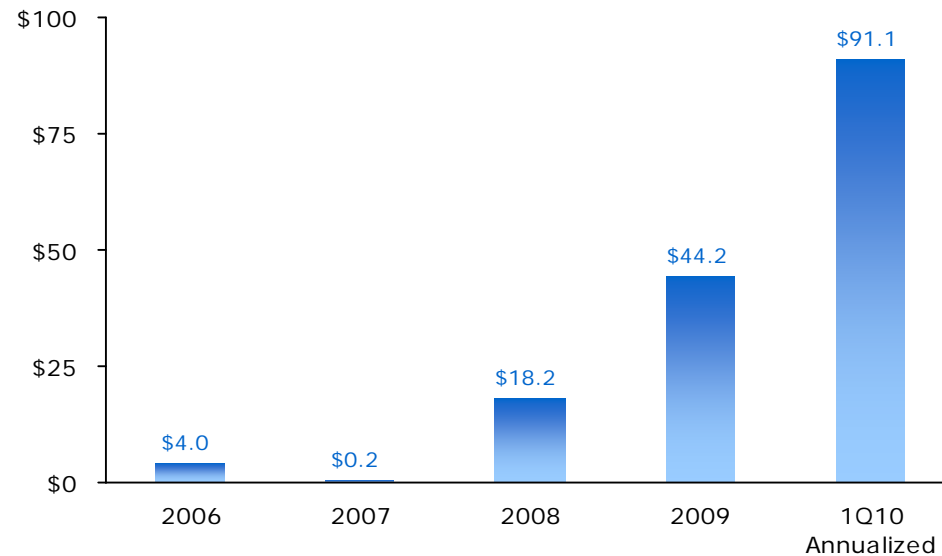
Cohen & Company's Businesses: **Capital Markets**



A Significant Market Participant in Secondary Trading of Credit Fixed Income Investments

- Sales and trading professionals have grown from 6 at the beginning of 2008 to 85 currently.
- Net trading revenue has increased from \$0.7 million in 1Q08 to \$22.8 million in 1Q10.
- Notional amount of securities traded has grown from \$267 million in 1Q08 to \$6.2 billion in 1Q10.
- Active trading clients have increased from 41 in 1Q08 to 278 in 1Q10.
- Total transactions have grown from 40 in January 2008 to 2,656 in March 2010.

Net Trading Revenue (\$ in millions)



Increasing Company Footprint in Marketplace



Using Market Rebuilding to Our Advantage

Capitalizing on the opportunities in current markets

- Hiring the best available talent and increasing intellectual capital.
- Recent hires have prior experience at:
 - Barclays
 - Bear Stearns
 - BNP Paribas
 - Credit Suisse
 - Deutsche Bank
 - DLJ
 - Goldman Sachs
 - HSBC
 - Jefferies
 - JP Morgan
 - Lehman Brothers
 - Merrill Lynch
 - Morgan Stanley
 - Piper Jaffray
 - Rabobank
 - UBS
- Developing new client relationships now possible due to market disruption.

Focusing on serving clients and investors

- Broadening product offerings across the fixed income spectrum.
- Expanding geographic presence with new office in Los Angeles and larger office in London.

Gaining Market Share During Recent Market Disruption



Growth Opportunities in Capital Markets

- Consolidation and cutbacks by competitors resulting in market share gains.
- Differentiated from firms with no capital.
- Obtaining additional institutional investor client base.
- Increasing revenue per account.
- Continuing to add new product lines.
- Growing advisory and new issue businesses.
- Potential increased revenue if:
 - Securitization grows again.
 - Capabilities exist now to underwrite new transactions.
 - Clients are active in secondary trading.
 - Credit Default Swaps (“CDS”) move to an exchange or other “open architecture.”

Well Positioned for Long-term Growth in Substantial Market



Section 2B

Cohen & Company's Businesses: **Asset Management**



Market Opportunity

- Alternative asset management model provide recurring management fees and profit participation through incentive fees.
- Deep Value alternative investment funds (established 4Q08) annualized life-to-date returns of 22.2%.
- Brigadier alternative investment fund (established 2Q06) with life-to-date returns of 74%, representing an annualized return of 16%.
- Increase market share through:
 - Growing existing investment funds and separately managed accounts by capitalizing on superior performance.
 - Creating new investment funds within areas of expertise.
 - Pursuing potential acquisitions and asset management contract roll-up to add to existing platform.
 - Believe a significant percentage of CLO managers have fewer than five funds.
 - Small number of contracts is difficult to sustain on independent platform.

Significant Market to Capture in Asset Management Segment



Section 3
Financial Summary

Statements of Operations

COHEN P&L (\$000s)

	1Q09	2Q09	3Q09	4Q09	1Q10
New issue	\$ 227	\$ 518	\$ 480	\$ 591	\$ 668
Asset management	9,299	7,614	6,871	7,364	6,770
Principal transactions & other	(3,924)	2,620	6,311	1,950	11,527
Net trading	11,317	9,694	10,907	12,247	22,768
Total revenue	16,919	20,446	24,569	22,152	41,733
Compensation and benefits	17,439	16,656	18,762	17,662	27,131
<i>% of Total Revenue</i>	103%	81%	76%	80%	65%
Non-comp operating expenses ⁽¹⁾	5,164	4,959	4,768	7,245	7,709
Depreciation & amortization	654	635	630	624	643
Operating income (loss)	(6,337)	(1,805)	410	(3,379)	6,249
<i>% of Total Revenue</i>	-37%	-9%	2%	-15%	15%
Non-operating expense (income)	1,080	1,126	817	(2,342)	1,689
Net income	(7,417)	(2,931)	(407)	(1,037)	4,561
Less: Non-controlling interest	-	-	-	(87)	1,646
Net inc attributable to COHN	\$ (7,417)	\$ (2,931)	\$ (407)	\$ (950)	\$ 2,915
<i>% of Total Revenue</i>	-44%	-14%	-2%	-4%	7%
Earnings per share	\$ (0.77)	\$ (0.30)	\$ (0.04)	\$ (0.10)	\$ 0.28
Fully-diluted earnings per share	\$ (0.77)	\$ (0.30)	\$ (0.04)	\$ (0.10)	\$ 0.28
Basic shares	9,612	9,612	9,612	9,723	10,318
Fully-diluted shares	9,612	9,612	9,612	9,723	15,602
Adjusted operating income (loss) ⁽²⁾	\$ (4,649)	\$ (67)	\$ 2,138	\$ 568	\$ 7,692
Per fully-diluted share ⁽²⁾	\$ (0.48)	\$ (0.01)	\$ 0.22	\$ 0.06	\$ 0.49

(1) Total operating expenses in accordance with Generally Accepted Accounting Principals (GAAP) excluding compensation & benefits and depreciation & amortization.

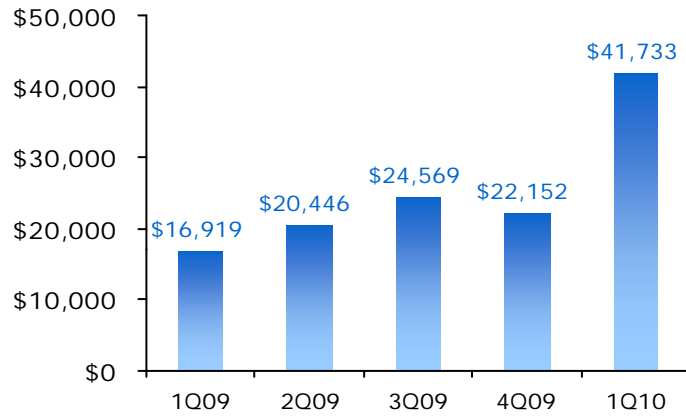
(2) Adjusted operating income (loss) represents operating income (loss), computed in accordance with GAAP, before depreciation and amortization, impairments of intangible assets, and share-based compensation expense. See reconciliation table on page 24.

- 1Q10 net trading revenue of \$22.8 million, a 101% increase over prior year quarter.
- Comp as a % of revenue in 2010 is projected to be 65-70% during this period of significant hiring of investment professionals in capital markets.
 - Pay for performance.
 - Variable compensation structure.
- 1Q10 non-comp expenses as a % of revenue of 18.5%, excluding depreciation & amortization.
 - Efficient, scalable operations.
 - Low fixed-cost structure.
 - Targeting annual run-rate of \$24-\$26 million.
- 1Q10 operating income of \$6.2 million, adjusted operating income of \$7.7 million.

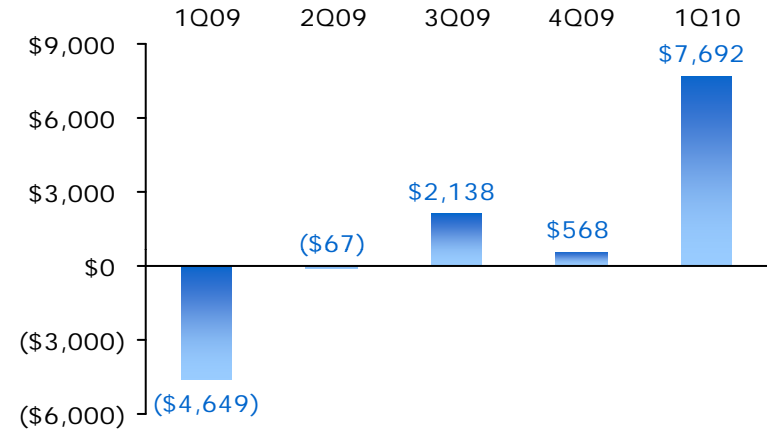


Statements of Operations Charts

Net Revenue (\$000s)

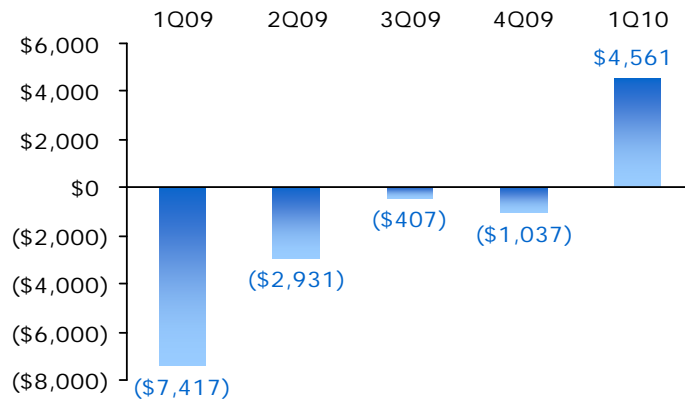


Adjusted Operating Income (Loss) (1) (\$000s)

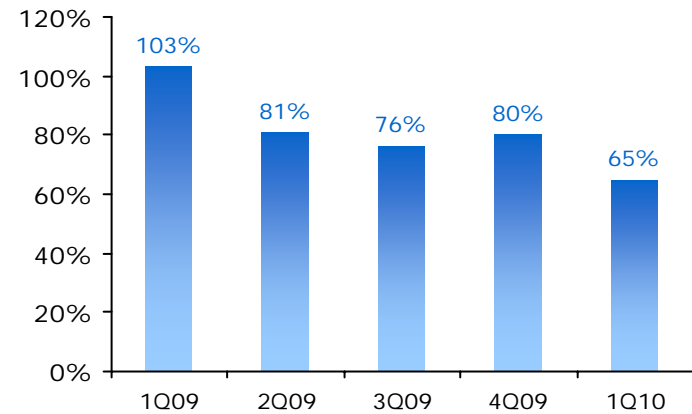


(1) See non-GAAP information and reconciliation table on page 24.

Net Income (Loss) (\$000s)



Comp as a % of Revenue





Balance Sheets

COHEN BALANCE SHEET (\$'000s)

	3/31/10	12/31/09
Cash and cash equivalents	\$ 29,180	\$ 69,692
Receivables from:		
Brokers, dealers, clearing agencies	35,120	255
Related parties	1,250	1,255
Other receivables	3,864	4,268
Investments - trading	77,917	135,428
Other investments, at fair value	52,696	43,647
Receivables under resale agmts	75,826	20,357
Goodwill	9,551	9,551
Other assets	25,224	14,989
Total Assets	\$ 310,628	\$ 299,442
Payables to:		
Brokers, dealers, clearing agencies	\$ 2,425	\$ 13,491
Related parties	34	-
Accounts payable & other	13,659	13,039
Accrued compensation	15,089	7,689
Trading securities sold, not yet purch	110,229	114,712
Securities sold under repurch agmt	28,964	-
Deferred income taxes	10,655	10,899
Debt	47,040	61,961
Total Liabilities	228,095	221,791
Stockholders' equity ⁽¹⁾	82,533	77,651
Total Liabilities & Equity	\$ 310,628	\$ 299,442
Fully-diluted book value per share	\$ 5.26	\$ 4.98

Key Off-Balance Sheet Assets

- NOLs and NCLs ⁽²⁾
 - Approximately \$48 million of NOLs and \$69 million of NCLs as of December 31, 2009.
 - NOLs and NCLs are not currently limited by Section 382 of the Internal Revenue Code of 1986, as amended.
 - Current tax expense is made up only of state, local, and foreign taxes because NOLs and NCLs can be used to offset taxable income generated during 2010.
- Asset Management Contracts
 - Providing a steady stream of fee income.
 - Can be monetized in certain circumstances.

(1) Includes non-controlling interest.

(2) See cautionary note regarding financial statements.



Peer Group Market Statistics

(\$ in MMs except per share)

	Key Comp Group								Average
	COHN	BPSG	COWN	FBCM	JMP	KBW	OPY	RODM	
Current Price	\$ 4.93	\$ 3.38	\$ 4.57	\$ 4.23	\$ 6.72	\$ 25.14	\$ 26.10	\$ 2.70	
Current Market Cap	\$ 77	\$ 436	\$ 341	\$ 265	\$ 146	\$ 892	\$ 348	\$ 95	\$ 360
Last Quarter Tangible Book	\$ 84	\$ 226	\$ 422	\$ 301	\$ 128	\$ 463	\$ 288	\$ 62	\$ 270
Price/Tangible Book	0.9 x	1.9 x	0.8 x	0.9 x	1.1 x	1.9 x	1.2 x	1.5 x	1.3 x
Last Quarter Revenue	\$ 42	\$ 79	\$ 56	\$ 44	\$ 25	\$ 133	\$ 247	\$ 28	\$ 88
Annualized	\$ 167	\$ 317	\$ 225	\$ 177	\$ 101	\$ 533	\$ 987	\$ 111	\$ 350
Price/Annualized Revenue	0.5 x	1.4 x	1.5 x	1.5 x	1.4 x	1.7 x	0.4 x	0.9 x	1.2 x
Last Quarter Net Income ⁽¹⁾	\$ 5	\$ 11	\$ (13)	\$ (8)	\$ 2	\$ 12	\$ 9	\$ 2	\$ 2
Annualized	\$ 18	\$ 44	\$ (52)	\$ (33)	\$ 7	\$ 46	\$ 37	\$ 8	\$ 8
Price/Annualized Earnings ⁽²⁾	4.2 x	9.9 x	NM	NM	21.2 x	19.2 x	9.5 x	11.4 x	14.2 x
Fully-diluted Last Quarter EPS	\$ 0.28	\$ 0.09	\$ (0.18)	\$ (0.13)	\$ 0.08	\$ 0.32	\$ 0.66	\$ 0.06	\$ 0.13
ROE	21.6%	19.6%	-12.3%	-11.0%	5.4%	10.0%	12.8%	13.4%	3.0%

Financial Information as of: 3/31/10

Market Data as of: 5/21/10

(1) For BPSG, excludes severance expense for former CEO and CFO.

(2) To provide a more meaningful comparison, ratio of Price to Annualized Revenue is NM if negative or greater than 50x.

Significantly Undervalued Compared to Peers



Peer Group Market Statistics

(\$ in MMs except per share)

	Additional Comps									
	COHN	EVR	GFIG	GHL	JEF	LAZ	MF	PJC	SF	Average
Current Price	\$ 4.93	\$ 31.72	\$ 5.87	\$ 69.91	\$ 23.35	\$ 32.27	\$ 7.99	\$ 33.38	\$ 52.69	
Current Market Cap	\$ 77	\$ 543	\$ 702	\$ 2,060	\$ 4,010	\$ 2,900	\$ 971	\$ 693	\$ 1,630	\$ 1,689
Last Quarter Tangible Book	\$ 84	\$ 236	\$ 246	\$ 199	\$ 2,281	\$ 253	\$ 1,068	\$ 695	\$ 721	\$ 712
Price/Tangible Book	0.9 x	2.3 x	2.9 x	10.4 x	1.8 x	11.5 x	0.9 x	1.0 x	2.3 x	4.1 x
Last Quarter Revenue	\$ 42	\$ 88	\$ 221	\$ 49	\$ 581	\$ 438	\$ 240	\$ 110	\$ 312	\$ 255
Annualized	\$ 167	\$ 351	\$ 883	\$ 195	\$ 2,325	\$ 1,753	\$ 962	\$ 438	\$ 1,248	\$ 1,019
Price/Annualized Revenue	0.5 x	1.5 x	0.8 x	10.5 x	1.7 x	1.7 x	1.0 x	1.6 x	1.3 x	2.5 x
Last Quarter Net Income	\$ 5	\$ 2	\$ 13	\$ 1	\$ 74	\$ (34)	\$ (97)	\$ 1	\$ 24	\$ (2)
Annualized	\$ 18	\$ 8	\$ 54	\$ 2	\$ 296	\$ (134)	\$ (386)	\$ 2	\$ 95	\$ (8)
Price/Annualized Earnings ⁽¹⁾	4.2 x	NM	13.1 x	NM	13.5 x	NM	NM	NM	17.2 x	14.6 x
Fully-diluted Last Quarter EPS	\$ 0.28	\$ 0.09	\$ 0.11	\$ 0.02	\$ 0.36	\$ 0.46	\$ (0.78)	\$ 0.03	\$ 0.68	\$ 0.12
ROE	21.6%	3.4%	21.8%	1.0%	13.0%	-53.1%	-0.4 x	0.3%	13.2%	-1.1%

Financial Information as of: 3/31/10

Market Data as of: 5/21/10

(1) To provide a more meaningful comparison, ratio of Price to Annualized Revenue is NM if negative or greater than 50x.

Significantly Undervalued Compared to Peers



Cautionary Note Regarding Financial Statements

General

Due to the nature of our business, our revenues and operating results may fluctuate materially from quarter to quarter. Accordingly, revenue and net income in any particular quarter may not be indicative of future results. Further, our employee compensation arrangements are in large part incentive-based and therefore will fluctuate with revenue. The amount of compensation expense recognized in any one quarter may not be indicative of such expense in future periods. As a result, we suggest that annual results may be the most meaningful gauge for investors in evaluating our business performance.

Limitation on usage of NOLs and NCLs

If not used, the Company's net operating loss carryovers ("NOLs") will begin to expire in 2029 and the net capital loss carryovers ("NCLs") will begin to expire in 2012. No assurance can be provided that the Company will have future taxable income or future capital gains to benefit from these NOLs and NCLs. Additionally, small changes in the Company's ownership in the future could cause an "Ownership Change", in accordance with the terms of Section 382 of the Code. If such a change were to occur in the future, our ability to use the NOLs, NCLs and certain recognized built-in losses to reduce our taxable income in a future year would generally be limited to an annual amount (the "Section 382 Limitation") equal to the fair value of the Company immediately prior to the Ownership Change multiplied by the "long term tax-exempt interest rate." In the event of an Ownership Change, NOLs and NCLs that exceed the Section 382 Limitation in any year will continue to be allowed as carry-forwards for the remainder of the carry-forward period, and such NOLs and NCLs would be eligible for use to offset taxable income for years within the carry-forward period subject to the Section 382 Limitation in each year. However, if the carry-forward periods for any NOL or NCL were to expire before such NOL or NCL were fully utilized, the unused portion of that loss would expire unused.

Adjusted operating income (loss) and adjusted operating income (loss) per fully-diluted share

Adjusted operating income (loss) is not a financial measure recognized by GAAP. Adjusted operating income (loss) represents operating income (loss), computed in accordance with GAAP, before depreciation and amortization, impairments of intangible assets, and share-based compensation expense. The items that have been excluded from adjusted operating income (loss) are non-cash items. Adjusted operating income (loss) per fully-diluted share is calculated, by dividing adjusted operating income (loss) by fully-diluted shares outstanding calculated in accordance with GAAP.

We present adjusted operating income (loss) and related per fully-diluted share amounts in this presentation because we consider them to be useful and appropriate supplemental measures of our performance. Adjusted operating income (loss) and related per fully-diluted share amounts help us to evaluate our performance without the effects of certain GAAP calculations that may not have a direct cash impact on our current operating performance. In addition, our management uses adjusted operating income (loss) and related per fully-diluted share amounts to evaluate the performance of our operations. Adjusted operating income (loss) and related per fully-diluted share amounts, as we define them, are not necessarily comparable to similarly entitled measures of other companies and may not be appropriate measures for performance relative to other companies. Adjusted operating income (loss) should not be assessed in isolation from or construed as a substitute for operating income (loss) prepared in accordance with GAAP. Adjusted operating income (loss) is not intended to represent, and should not be considered to be a more meaningful measure than, or an alternative to, measures of operating performance as determined in accordance with GAAP. The following table includes a reconciliation of operating income (loss) to adjusted operating income (loss), and the related per fully-diluted share amounts.

	1Q09	2Q09	3Q09	4Q09	1Q10
Operating income (loss)	<u>\$ (6,337)</u>	<u>\$ (1,805)</u>	<u>\$ 410</u>	<u>\$ (3,379)</u>	<u>\$ 6,249</u>
Per fully-diluted share	<u>\$ (0.66)</u>	<u>\$ (0.19)</u>	<u>\$ 0.04</u>	<u>\$ (0.35)</u>	<u>\$ 0.40</u>
Operating income (loss)	\$ (6,337)	\$ (1,805)	\$ 410	\$ (3,379)	\$ 6,249
Stock comp expense	1,034	1,103	1,098	3,322	800
Depreciation & amortization	654	635	630	624	643
Adjusted operating income (loss)	<u>\$ (4,649)</u>	<u>\$ (67)</u>	<u>\$ 2,138</u>	<u>\$ 568</u>	<u>\$ 7,692</u>
Per fully-diluted share	<u>\$ (0.48)</u>	<u>\$ (0.01)</u>	<u>\$ 0.22</u>	<u>\$ 0.06</u>	<u>\$ 0.49</u>
Fully-diluted shares	9,612	9,612	9,612	9,723	15,602



Section 4
Summary



Cohen & Company Summary

- Capitalizing on reorganization of current markets and focusing on serving clients and investors.
- A significant market participant in secondary trading of credit-related fixed income investments.
- Growing, independent firm specializing in credit-related fixed income investments.
- Diversified revenue: institutional sales and trading, asset management, and principal investing.
- Disciplined business model with low fixed cost structure as a result of pay for performance.
- Management's interests aligned with stockholders through significant stock ownership.
- Pursuing strategic opportunities via additional talent and revenue / earnings streams.
- Asset management contracts represent substantial off balance sheet assets – providing a steady stream of recurring fee income.

Poised to Deliver Strong Returns in Years Ahead

