



IFMI COMPLETES CONSOLIDATION OF BROKER-DEALER SUBSIDIARIES

Combined Broker-Dealer to Operate as JVB Financial

Announces Expansion of JVB Financial High Yield and Distressed Trading Group

Philadelphia, New York and Boca Raton, February 3, 2014 – Institutional Financial Markets, Inc. (NYSE MKT: IFMI) (“IFMI”), a financial services company specializing in credit-related fixed income investments, today announced that it has completed the previously announced consolidation of its two registered broker-dealer subsidiaries, C&Co/PrinceRidge LLC and JVB Financial Group, LLC, into a single broker-dealer subsidiary to be operated under the JVB Financial brand. IFMI has received approval from the Financial Industry Regulatory Authority (FINRA) for the consolidation of the two entities.

The consolidation will enhance the integration of products, services and processes across IFMI’s various lines of business. Further, the consolidation will generate cost synergies and will provide for a more efficient utilization of capital. Lester Brafman, Chief Executive Officer of IFMI, said, “We are pleased to have completed this consolidation and believe that the alignment and integration of our trading platforms will enhance client service, profitability and long-term shareholder value. We will continue to work diligently to ensure a seamless integration for C&Co/PrinceRidge’s and JVB’s respective clients.”

High Yield and Distressed Trading Group Expansion

IFMI also announced today the hiring of Josh Zucker and Patrick Moore as co-heads of JVB’s High Yield and Distressed Sales and Trading Group, responsible for all related sales and trading activities at JVB Financial. Mr. Brafman said “We are pleased to have Josh and Patrick join JVB Financial. Their combined financial acumen and operational expertise will be extremely valuable as we continue to grow the JVB platform and provide superior service to our clients.”

“We are very excited for the opportunity to join JVB Financial and, together, to lead the effort to expand JVB’s existing high yield and distressed trading capabilities,” said Messrs. Zucker and Moore. “JVB has a talented and highly capable team and we look forward to working with them to build upon their progress.”

Josh Zucker

Mr. Zucker brings more than 17 years of industry experience to JVB Financial in high yield and distressed trading. Most recently Mr. Zucker served as a High Yield and Distressed trader at the Brownstone Investment Group. Previously Mr. Zucker held the same position at Knight Capital Group, and built Morgan Stanley Smith Barney’s Special Situations Group, focusing on providing the top fixed income-producing financial advisors with trade ideas and execution. Mr. Zucker has a bachelor of arts in history from Williams College.

Patrick Moore

Mr. Moore has more than 14 years of industry experience in high yield and distressed trading. Most recently Mr. Moore served as a High Yield and Distressed trader at the Brownstone Investment Group. Previously Mr. Moore worked in dealer sales at Knight Capital Group, as well as worked for Morgan Stanley Smith Barney in New York, San Francisco and the U.K., assisting the firm’s broker-dealers and private bank clients with fixed income solutions. Mr. Moore has a bachelor of arts in economics from Williams College.

About IFMI

IFMI is a financial services company specializing in credit-related fixed income investments. IFMI was founded in 1999 as an investment firm focused on small-cap banking institutions, but has grown to provide an expanding range of asset management, capital markets, and investment banking solutions to institutional investors and corporations. IFMI's primary operating segments are Capital Markets and Asset Management. The Capital Markets segment consists of credit-related fixed income sales, trading, and financing, liquidity and hedging services for residential mortgage originators as well as new issue placements in corporate and securitized products and advisory services, operating primarily through IFMI's subsidiaries, JVB Financial in the United States and Cohen & Company Financial Limited in Europe. The Asset Management segment manages assets through collateralized debt obligations, permanent capital vehicles, and managed accounts. As of September 30, 2013, IFMI managed approximately \$6.2 billion in credit-related fixed income assets in a variety of asset classes including U.S. trust preferred securities, European hybrid capital securities, Asian commercial real estate debt, and mortgage- and asset-backed securities. For more information, please visit www.IFMI.com.

Forward-looking Statements

This communication 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," "seek" 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 including, but not limited to, those discussed under the heading "Risk Factors" and "Management's Discussion and Analysis of Financial Condition" in our filings with the SEC, which are available at the SEC's website at www.sec.gov and our website at www.IFMI.com/sec-filings. Such 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, (h) an inability to generate incremental income from acquired businesses, and (i) unanticipated market closures due to inclement weather or other disasters. 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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