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Ladenburg Launches Enterprise Innovation Initiative to Accelerate Rollout of Growth Resources for Firms and Financial Advisors

Establishes Ladenburg Innovation Lab to Guide Ladenburg's Technology Investments and Align Transformative New Tools with Ladenburg Subsidiaries and Financial Advisors

Names Dan Sachar, Innovation Growth Strategist, Vice President, Enterprise Innovation

MIAMI--(BUSINESS WIRE)-- Ladenburg Thalmann Financial Services Inc. (NYSE American: LTS, LTS PrA) ("Ladenburg"), a publicly-traded, diversified financial services company, today announced the launch of its Enterprise Innovation initiative and the creation of Ladenburg Innovation Lab, together with the appointment of innovation growth strategist Dan Sachar to lead this function in the newly-created role of Vice President of Enterprise Innovation.

Ladenburg Innovation Lab will seek to identify transformative technologies and solutions, and align them with the financial advisors supported by Ladenburg's independent advisory and brokerage (IAB) subsidiaries: Securities America, Triad Advisors, Investacorp, KMS Financial Services and Securities Service Network. The launch of the Enterprise Innovation initiative and its Ladenburg Innovation Lab is part of a broader strategy to accelerate the roll-out of new enterprise resources throughout 2018 that directly support the growth of Ladenburg's IAB subsidiaries, and the financial advisors they serve.

Adam Malamed, Chief Operating Officer of Ladenburg, said, "The retail financial advice space is at a crucial inflection point, characterized by new opportunities created through the convergence of dramatic changes in technology, demographics and the needs of retail investors. In response, we're bringing together the intellectual capital, innovation expertise and growth tools that our firms and their financial advisors need to fully capture these emerging growth opportunities. Our newly launched Enterprise Innovation initiative will play a crucial role in helping us anticipate, identify, test and implement the technologies, solutions and practices that will define the next era of retail financial advice."

Ladenburg Innovation Lab will focus on the following core areas of activity:

- Serving as an in-house strategic consultant and partner to the business units and subsidiary firms, across the Ladenburg enterprise, as well as their affiliated advisors,

that are testing new business models and growth plans to leverage Ladenburg Innovation Lab's expertise in technology and the practice of innovation to further fuel their success.

- Drawing on input from members of the start-up and venture capital communities, as well as Ladenburg's subsidiary firms, advisors and third-party solutions providers to develop a strong pipeline of compelling ideas, solutions and technologies that have the potential to fundamentally transform the financial advice industry.
- Guiding Ladenburg exploring potential strategic equity investments in third-party technology and solutions providers in areas such as fintech. These highly-selective investments are expected to be directed toward innovative early-stage companies whose products and platforms demonstrate compelling benefits for Ladenburg's advisors.

Dan Sachar, Vice President, Enterprise Innovation at Ladenburg, said, "I'm thrilled to join Ladenburg. As successful entrepreneurs know, conceiving an idea is sometimes easy, but effective execution requires focus, discipline and commitment. By collaborating closely with key stakeholders across the Ladenburg organization, our industry partner companies as well as the start-up and venture capital communities, Ladenburg Innovation Lab will seek to provide our firms and advisors with actionable new strategies and tools that place them firmly ahead of the curve in the years ahead."

Prior to joining Ladenburg, Mr. Sachar served as Founder and Principal of Nextt Advisors, Inc., an independent technology and business strategy consultancy focused on helping large organizations identify and capitalize on opportunities for growth, investment and product development. Previously, he served as a Client Partner at leading start-up incubator, investment and services firm Highnote Foundry, where he was responsible for spearheading projects in corporate innovation by building early-stage businesses, often in partnership with larger clients. Mr. Sachar holds a B.A. from Swarthmore College, and an M.B.A. from Columbia Business School.

Mr. Malamed concluded, "We're excited to welcome Dan Sachar, who has an outstanding track record for building and implementing innovation-driven growth strategies, to our leadership team. We believe the real potential of the retail financial advice industry has yet to be reached, and by actively fostering new growth strategies and solutions for our firms and their advisors, Ladenburg is well-positioned to be among the first companies to capture the full spectrum of future opportunities in this space."

About Ladenburg Thalmann:

Ladenburg Thalmann Financial Services Inc. (NYSE American: LTS, LTS PrA) is a publicly-traded diversified financial services company based in Miami, Florida. Ladenburg's subsidiaries include industry-leading independent broker-dealer firms Securities America, Inc., Triad Advisors, LLC, Securities Service Network, LLC, Investacorp, Inc. and KMS Financial Services, Inc., as well as Premier Trust, Inc., Ladenburg Thalmann Asset Management Inc., Highland Capital Brokerage, Inc., a leading independent life insurance brokerage company, Ladenburg Thalmann Annuity Insurance Services LLC, a full-service annuity processing and marketing company, and Ladenburg

Thalmann & Co. Inc., an investment bank which has been a member of the New York Stock Exchange for over 135 years. The company is committed to investing in the growth of its subsidiaries while respecting and maintaining their individual business identities, cultures, and leadership. For more information, please visit www.ladenburg.com.

This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding future growth, growth of our independent brokerage and advisory business, future investments and future technology. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive and/or regulatory factors, including the United States Department of Labor's rule and exemptions pertaining to the fiduciary status of investment advice providers to 401(k) plans, plan sponsors, plan participants and the holders of individual retirement or health savings accounts, future cash flows, a change in the Company's dividend policy by the Company's Board of Directors (which has the ability in its sole discretion to increase, decrease or eliminate entirely the Company's dividend at any time) and other risks and uncertainties affecting the operation of the Company's business. These risks, uncertainties and contingencies include those set forth in the Company's annual report on Form 10-K for the fiscal year ended December 31, 2016 and other factors detailed from time to time in its other filings with the SEC. The information set forth herein should be read in light of such risks. Further, investors should keep in mind that the Company's quarterly revenue and profits can fluctuate materially depending on many factors, including the number, size and timing of completed offerings and other transactions. Accordingly, the Company's revenue and profits in any particular quarter may not be indicative of future results. The Company is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, changes in assumptions or otherwise, except as required by law.

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