JMP

Introduction to JMP Group LLC

November 2017

Disclosures

JMP

Forward-Looking Statements

This presentation, as well as any accompanying comments by JMP Group representatives, contains forward-looking statements that reflect JMP Group's current views with respect to, among other things, the company's operations and financial performance, as well as potential increases in dividends and retained earnings as a result of the proposed reorganization transaction discussed herein. You can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "predicts," "intends," "plans," "estimates," "anticipates" or the negative versions of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. JMP Group believes that these factors include, but are not limited to, those described in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the company's Form 10-K for the year ended December 31, 2016, as filed with the Securities and Exchange Commission on March 14, 2017, and in the similarly captioned sections of its other periodic reports filed under the Securities Exchange Act of 1934, as amended. JMP Group undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

Mission Statement

To build a premium-quality, research-centric institutional investment bank and alternative asset manager focused on small- and mid-cap growth companies and their investors

Overview

JMP

Diversified and Profitable

- Capital markets firm with diversified revenue mix and scalable platforms:
  - Boutique investment bank with franchise value in consolidating industry
  - Alternative asset manager with nine strategies across five different asset classes
- Headquartered in San Francisco and focused on four growth industries: technology, healthcare, financial services and real estate
- Capital-light business model centered on providing attractive ROE
- Publicly traded partnership provides tax-efficient structure for cash distributions to shareholders
- Well-aligned senior management and board of directors own 49% of outstanding shares, compared to 27% at time of May 2007 IPO

3Q17 Key Data

- LTM adjusted net revenues and operating EPS of $124.7 million and $0.16, respectively
- Quarterly cash distribution of $0.09 per share announced for 4Q17, in line with 3Q17, for annualized distribution of $0.36 per share
- Sponsored fund assets under management of $3.1 billion at 10/2/17

Operating EPS by Segment (1)

	2016		LTM	
	EPS	ROE	EPS	ROE
JMP Securities	$0.05	7.6%	0.21	21.9%
Asset Management	0.07	11.1%	0.03	4.3%
Operating Platforms	0.13	9.3%	0.25	15.0%
Net Corporate Income	0.35	7.9%	(0.08)	(1.9%)
Operating Earnings	$0.48	8.2%	$0.16	2.9%

(1) A non-GAAP financial measure. Due to rounding, per share amounts may not sum to totals presented. For more information, see the Form 8-K filed on 11/1/17.

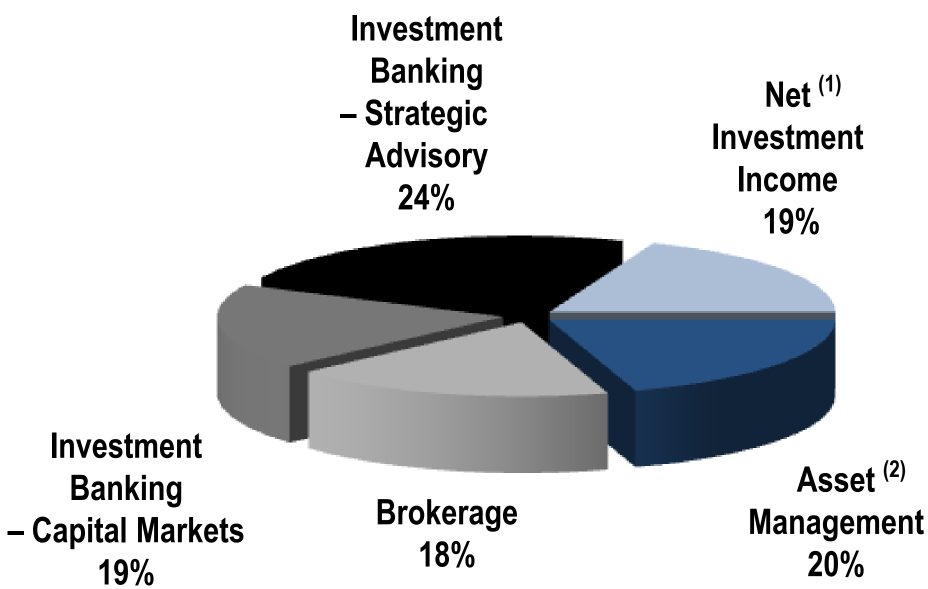
Revenue Diversification

JMP

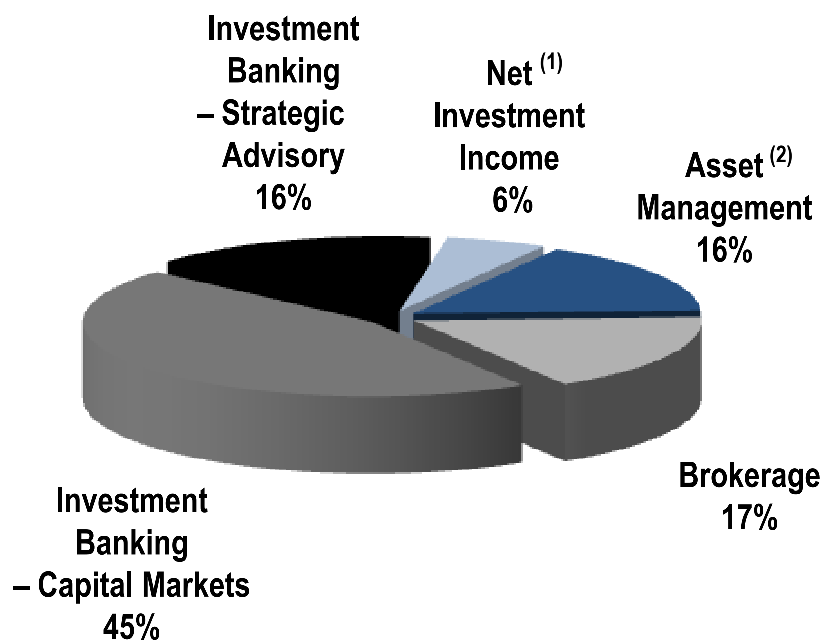
Multiple Business Lines

Composition of Adjusted Net Revenues

2016



YTD '17



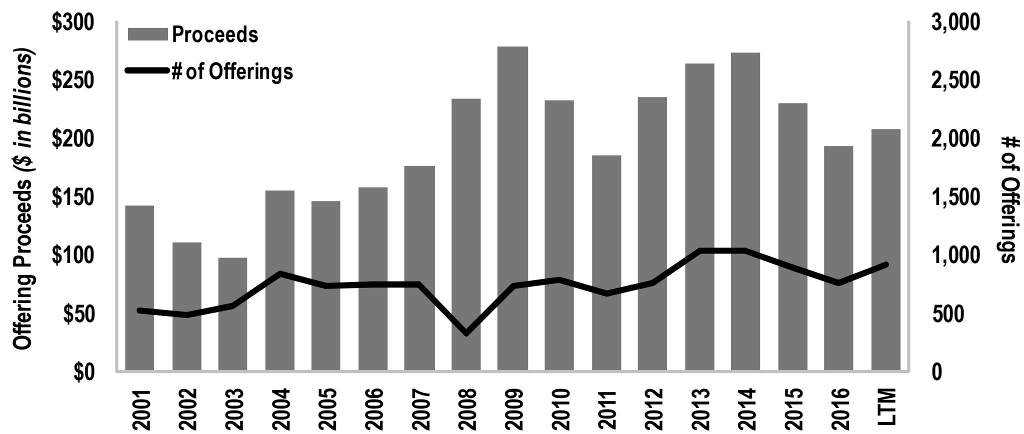
(1) Excludes net unrealized gains and losses on strategic equity investments and warrants as well as any gains and losses earned on deferred employee compensation invested. Excludes all non-controlling interests in net investment income.
(2) Includes fundraising and other asset management-related fee revenues reported as other income as well as management fees earned on HGC and HGC II. Excludes all non-controlling interests in asset management fees.

Industry Backdrop

A Cyclical Environment

- U.S. equity capital markets activity has rebounded from recent lows
- JMP Securities has increased its ECM market share materially over the past decade and is well positioned to benefit if the environment continues to improve

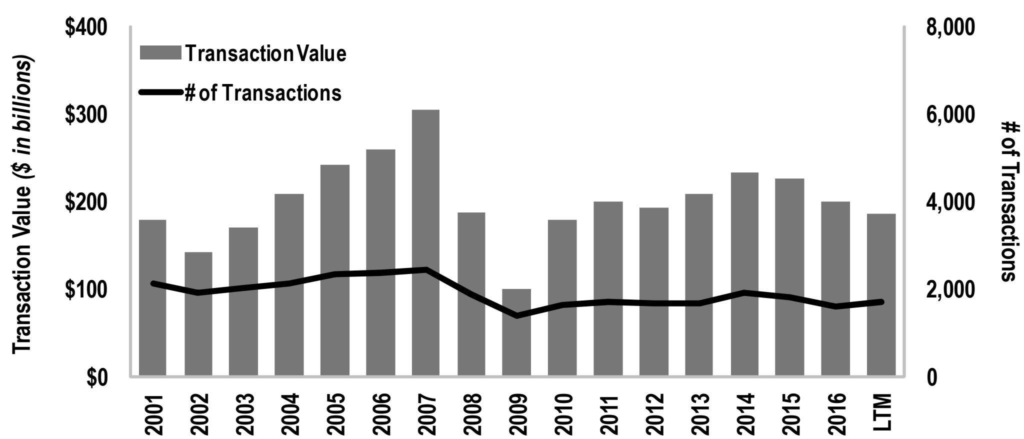
U.S. Common Equity Offerings



- Middle-market M&A volumes surged following the global financial crisis but have tapered off more recently
- JMP Securities produced record M&A revenues in 2016 due to a multi-year effort to organically grow the firm's strategic advisory business, and momentum remains strong

U.S. Mergers & Acquisitions

Transactions with Total Consideration of $1.0 Billion or Less



Source: Data provided by Dealogic and Thomson Reuters as of 06/30/17. M&A data limited to JMP Securities' four target industries.

Strategic Initiatives

Four Key Focuses

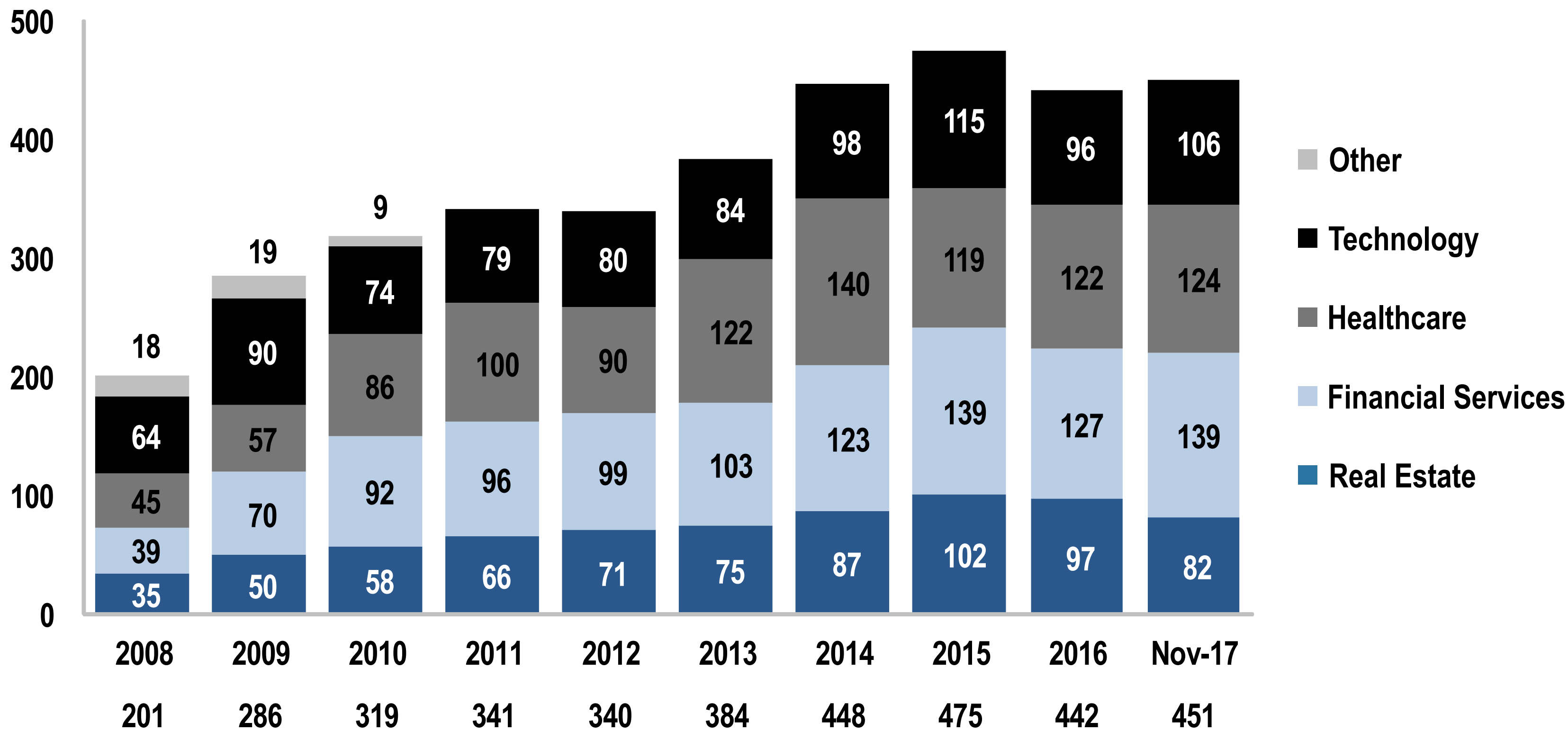
- Grow JMP Securities' strategic advisory business
  - Increase annual M&A fee revenue to more than $50 million by 2021
  - Add experienced, advisory-focused investment bankers
  - Gain additional visibility among corporate clients with respect to the firm's advisory capabilities
- Continue to invest in JMP Securities' capital markets platform
  - Protect franchise value derived from position as one of the few remaining independent research boutiques in a consolidating industry
- Expand asset management platforms
  - Attract new capital to existing funds with additional capacity
  - Develop new private capital strategies that can leverage relationships across the company to source unique investment opportunities
- Deploy large, investable cash balance
  - $1.66 per share in unrestricted cash
  - Formation of new CLOs, future fund commitments, strategic acquisitions or retirement of outstanding debt

Institutional Brokerage

Coverage of Four Broad Growth Sectors

- **24 publishing research analysts covering 451 stocks with a median market capitalization of $1.8 billion**
- **Emphasis on increasing research coverage enhances JMP Securities' relevance to institutional brokerage customers and grows the number of relationships with potential investment banking clients**
- **Brokerage platform is a highly effective distribution network for underwritten securities offerings**

(# of stocks under coverage)

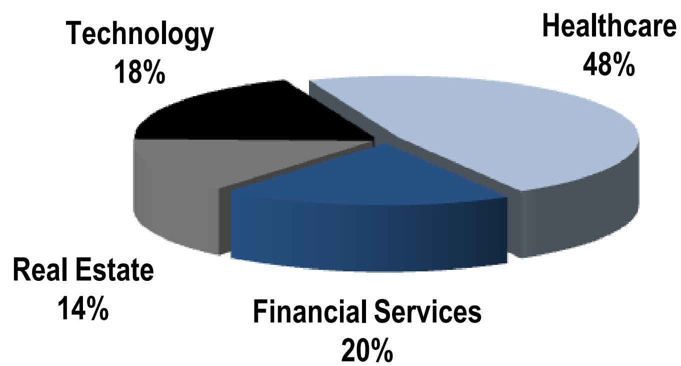


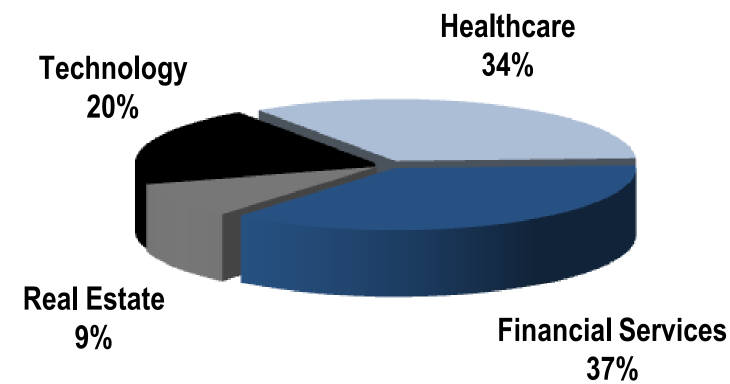
Investment Banking

Diversification in Transaction Volume

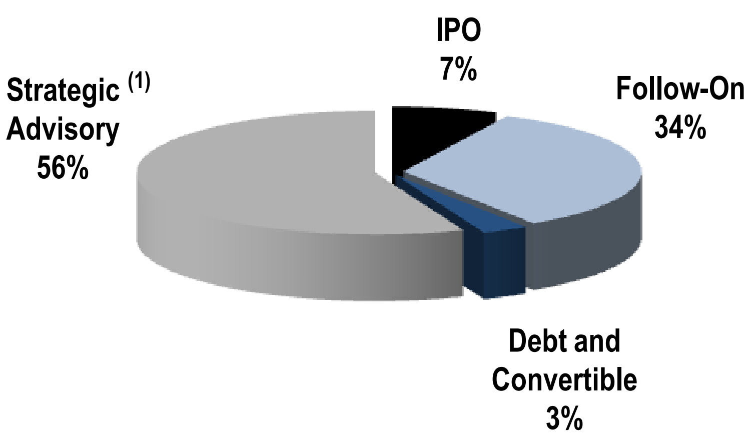
2016 Revenues	YTD '17 Revenues

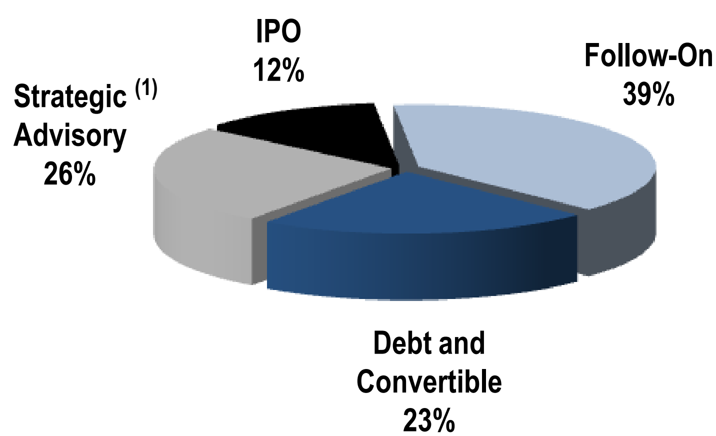
By Industry





By Type of Transaction

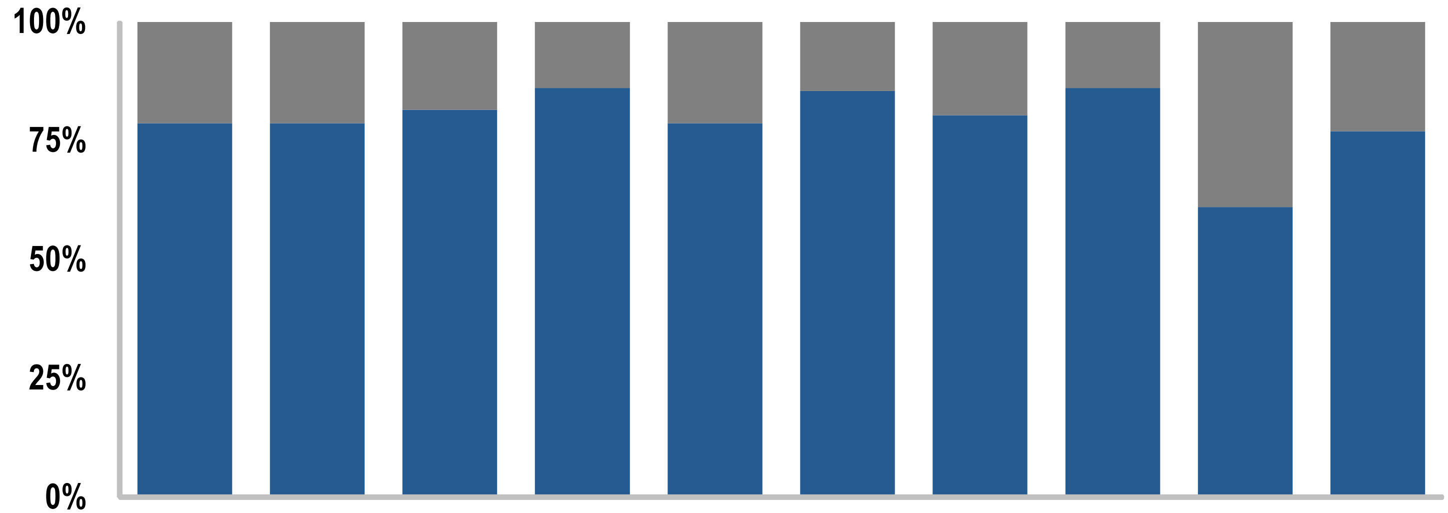




(1) Includes private placement revenues.

Composition of Revenues

- Aggregate investment banking and institutional brokerage revenues generated at JMP Securities shifted toward strategic advisory fees in 2016 as a result of a three-year build-out of the firm's M&A capabilities and, until early 2017, an unfavorable environment for U.S. equity capital markets businesses



($ in millions)	2008	2009	2010	2011	2012	2013	2014	2015	2016	LTM
Advisory Revenues	$13.5	$16.1	$13.7	$10.3	$15.7	$14.6	$21.7	$12.5	$31.0	$21.3
Capital Markets Revenues	49.5	57.8	60.2	61.3	57.2	84.2	86.3	77.3	48.1	69.2
JMP Securities Revenues	$63.0	$73.9	$73.8	$71.6	$72.9	$98.8	$108.0	$89.8	$79.1	$90.4

Industry Consolidation

Franchise Value in Independence

- Following a decade of consolidation among institutional broker-dealers and advisory firms, JMP Securities is among the few remaining independent, West Coast-based investment banks

- Selected peer firms acquired or closed since JMP Group's 2007 IPO:

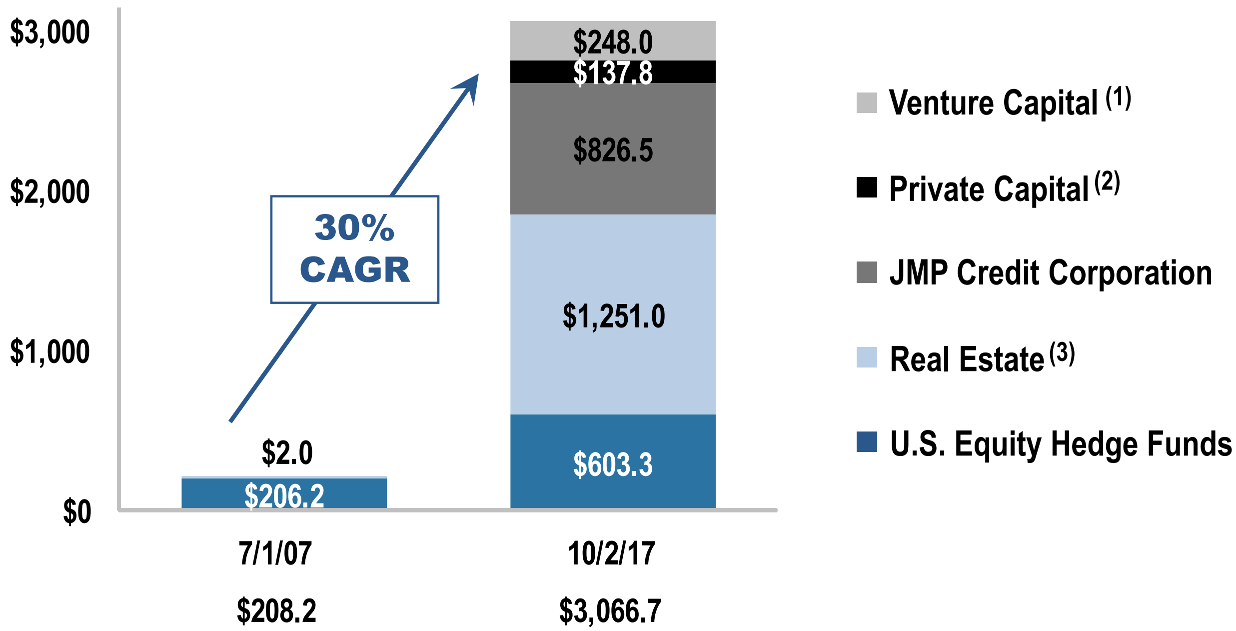
Cain Brothers & Company	August 2017
Feltl and Company (Equities)	May 2017
Avondale Partners (Equities)	Mar. 2017
CLSA Americas (Equities)	Mar. 2017
FBR & Co.	Feb. 2017
BB&T Capital Markets (Equities)	July 2016
Sterne Agee CRT	June 2016
Simmons & Company	Nov. 2015
MLV & Co.	July 2015
Sterne Agee Group	Feb. 2015
Lazard Capital Markets	Sep. 2014
Pacific Crest Securities	July 2014
Gleacher & Company	July 2014
SWS Group	Apr. 2014
McColl Partners	June 2013
Edgeview Partners	June 2013
Dahlman Rose & Company	Feb. 2013
Caris & Company	Dec. 2012
Milestone Advisors	Dec. 2012
Jefferies Group	Nov. 2012
KBW	Nov. 2012
ThinkEquity	Nov. 2012
WJB Capital Group	Aug. 2012
Rodman & Renshaw	July 2012
Brigantine Advisors	Feb. 2012
McGladrey Capital Markets	Jan. 2012
Morgan Keegan & Company	Jan. 2012
Ticonderoga Securities	Jan. 2012
Citadel Securities	Aug. 2011
Signal Hill Capital Group (Equities)	Aug. 2011
Soleil Securities	Mar. 2011
Nollenberger Capital Partners	Feb. 2011
Howe Barnes Hoefer & Arnett	Dec. 2010
Tri-Artisan Capital Partners	Dec. 2010
CRT Capital Group	Aug. 2010
Updata Advisors	Aug. 2010
Hill Street Capital	May 2010
Thomas Weisel Partners	Apr. 2010
Fox-Pitt Kelton	Sep. 2009
Merrill Lynch & Co.	Sep. 2008
Lehman Brothers	Sep. 2008
Bear Stearns	Mar. 2008
CIBC World Markets (U.S.)	Nov. 2007
Putnam Lovell	June 2007
Cochran Caronia Waller	May 2007

Asset Management

Alternative Investment Products

- Attractive economics of the alternative asset model provide management fees and profit participation
- Long-term strategy to develop a portfolio of distinct strategies in non-correlated asset classes
  - Economic interests in strategies in five different asset classes
  - On-platform fund strategies and "sponsored" funds both offer compelling opportunities
- Focus on adding new fund strategies and distribution channels to drive growth in AUM

($ in millions)



(1) Includes Harvest Growth Capital funds and Harvest Intrexon Enterprise Fund.
(2) Represents Harvest Capital Credit Corporation (NASDAQ: HCAP) and JMP Capital I.
(3) Represents Workspace Property Trust and JMP Realty Partners I.

Asset Management

Client Assets Under Management

($ in millions)		1/3/17	10/2/17
Hedge Funds	Harvest Small Cap Partners	$515.1	$504.6
	Harvest Agriculture Select	90.6	98.7
		605.7	603.3
Venture Capital	Harvest Intrexon Enterprise Fund	243.7	80.6
	Harvest Growth Capital Funds (I & II)	149.3	167.4
Private Capital	Harvest Capital Credit Corporation	134.1	116.6
	JMP Capital I [1]	-	21.2
CLO Assets	JMP Credit Corporation [2]	1,073.0	826.5
Real Estate	Workspace Property Trust	1,281.9	1,231.2
	JMP Realty Partners I [3]	15.3	19.8
	Total Client AUM	$3,503.1	$3,066.7

(1) Initial fundraising completed in April 2017.
(2) AUM represents par value of loans and cash in CLOs. Net return calculated as change in book value from end of prior period.
(3) Initial fundraising completed in September 2016.

Principal Investments

Capital Deployed in Alternative Assets

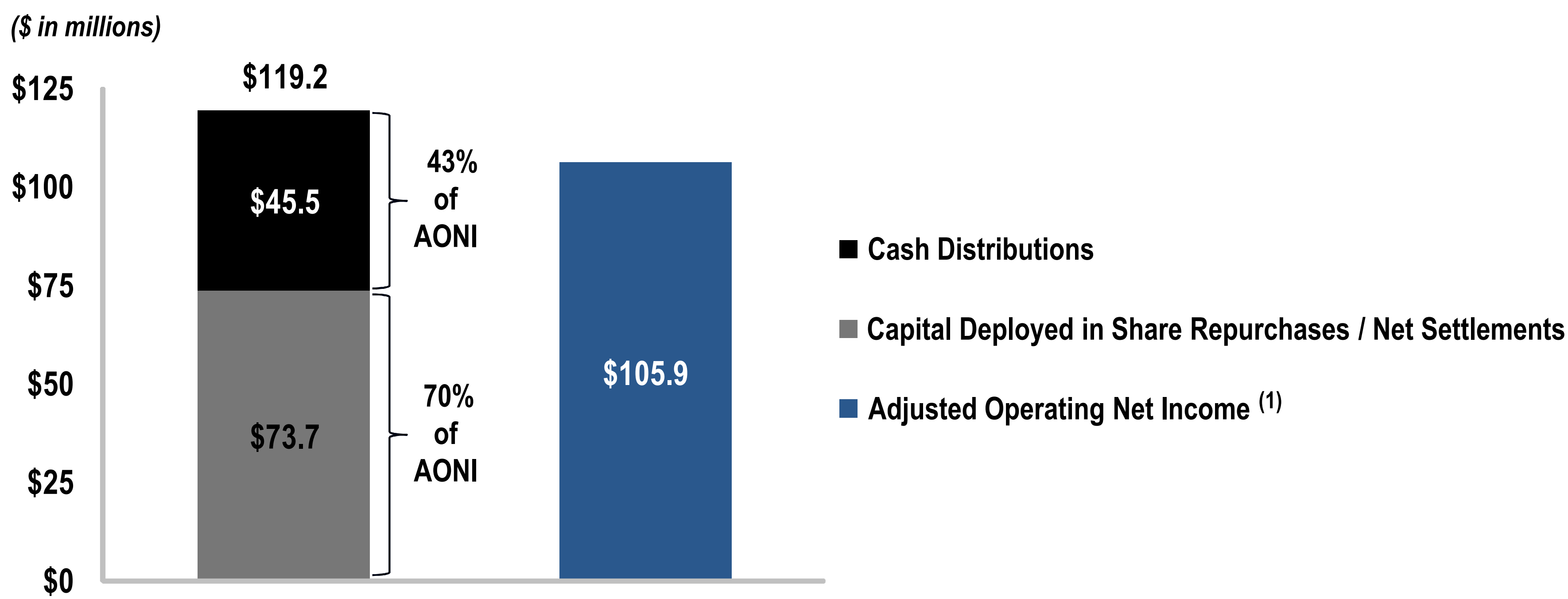
($ in millions)	9/30/17 Net Inv. Cap. per Share	% of Invested Capital	Return on Average Equity Invested [1] 2016	YTD '17
Hedge Funds	$0.92	15%	(0.7%)	6.0%
Private Capital	0.50	8%	8.5%	6.4%
Venture Capital	0.32	5%	11.2%	(2.2%)
CLO Assets	3.42	56%	19.0%	5.7%
Real Estate	0.78	13%	50.4%	10.1%
Principal Investments	0.22	4%	180.9%	4.2% [2]
Total Invested Capital	6.15	100%	17.8%	5.7%
Debt	(4.37)	(71%)	(8.1%)	(6.0%)
Total Invested Capital, Net of Debt	1.78	29%	29.8%	4.9%
Free Cash	1.66	27%	0.4%	0.3%
Total Available Net Invested Capital	$3.44	56%	23.2%	2.3%
HFRI Fund Weighted Composite Index			*5.5%*	*5.9%*
HFRI Fund of Funds Composite Index			*0.7%*	*5.6%*

(1) Returns net of assumed management fees and carried interest.
(2) Return on average cost basis over period.

Capital Management

Distributions to Shareholders

- Since the company's IPO in May 2007, JMP Group has returned 113% of its adjusted operating net income to stockholders in the form of cash distributions, share repurchases and net settlements of vested RSUs
- As a publicly traded partnership, JMP Group intends to pay out more than 50% of operating earnings annually and to grow its book value per share by 5% to 10% per year in a normalized capital markets environment



(1) Excludes financial impact of gains recognized by JMP Credit Corporation on the sale or payoff of loans initially acquired in April 2009.

Financial Statements

JMP

Balance Sheet

($ in millions)	9/30/17
Assets	
Cash and Cash Equivalents	$83.9
Restricted Cash and Deposits	7.9
Marketable Securities Owned, at Fair Value	22.0
Other Investments	
Interests in JMP-Managed Hedge Funds	16.4 (1)
Other Investments	10.2
Total Other Investments	26.6 (2)
Consolidated CLO Assets	816.0
Deferred Tax Assets	12.3
Other Assets	62.3
Total Assets	$1,031.0
Liabilities and Stockholders' Equity	
Accrued Compensation	$28.3
Bond Payable, Net of Issuance Costs	92.1
Consolidated CLO Liabilities	
& Non-Controlling Interest	760.1 (3)
Deferred Tax Liability	2.4
Other Liabilities	
& Other Non-Controlling Interest	47.4
Total Liabilities	930.3
Total Equity	100.7
Total Liabilities and Equity	$1,031.0

- **Liquid balance sheet**
  - **Net liquid assets of $88.7 million, or $4.13 per share [4]**
  - **Fixed assets < 1% of total deconsolidated assets**
- **Net invested capital of $91.6 million, or $4.27 per share, including $0.83 per share in book value at platform companies [5]**
- **Debt-to-capital ratio of 48% [6]**
  - **$92.1 million of recourse debt [6]**
- **Tangible book value of $4.69 per share**
- **Adjusted book value of $5.42 per share**

(1) Private equity investments.

(2) Includes $756.4 million of loans, $54.1 million of restricted cash, and other assets.

(3) Includes non-controlling interest of $14.6 million.

(4) Sum of unrestricted cash, including certain imminent receivables; marketable securities and hedge fund GP interests less short sales; accrued compensation; short-term debt and non-controlling interest.

(5) Composed of net liquid assets in addition to CLO securities, bond payable and other non-marketable securities.

(6) Reflects $93.8 million face value of long-term debt issued in Jan. '13 and Jan. '14. Excludes $737.8 million of asset-backed securities and other borrowings, issued by bankruptcy-remote entities, that are non-recourse to JMP Group.

Financial Statements

JMP

Income Statement – Operating Net Income

($ in millions)	2014	2015	2016	YTD '16	YTD '17
Revenues					
Investment Banking Fees	$81.1	$63.1	$55.4	$41.7	$54.8
Net Brokerage Revenues	26.9	25.6	23.8	16.9	15.1
Asset Management-Related Fees [(1)]	43.5	23.3	26.2	17.8	14.2
Net Investment Income [(2)]	22.3	19.9	25.7	19.0	7.5
Loan Loss Provision	1.1	0.7	(0.9)	(0.8)	(2.4)
Adjusted Net Revenues	174.9	132.6	130.2	94.7	89.2
Expenses					
Compensation and Benefits [(3)]	120.2	91.2	93.0	67.1	66.4
General, Administrative and Other	28.2	28.6	29.0	21.8	22.2
Total Non-Interest Expenses	148.4	119.8	122.0	88.9	88.6
Oper. Inc. before Taxes	26.5	12.8	8.1	5.8	0.6
Income Tax Expense [(4)]	10.1	0.6	(2.3)	(1.9)	(0.2)
Operating Net Income	$16.4	$12.3	$10.5	$7.6	$0.8
Operating EPS	$0.72	$0.55	$0.48	$0.35	$0.03

(1) Includes management fees eliminated upon consolidation of Harvest Growth Capital, Harvest Growth Capital II and Harvest Capital Credit.

(2) Excludes (i) unrealized mark-to-market gains or losses on strategic equity investments and warrant positions and on deferred employee compensation invested, (ii) unrealized losses derived from depreciation and amortization of investments in commercial real estate, (iii) loan loss provisions, (iv) non-controlling interests in net unrealized gains and losses on Harvest Growth Capital and Harvest Growth Capital II, and (v) all non-controlling interests in income and expenses.

(3) Excludes compensation expense related to stock-based awards granted both at the time of the company's IPO and thereafter but accelerates and recognizes deferred compensation.

(4) Assumes an effective tax rate of 38%. As of 1/1/15, rate of 38% applies only to taxable subsidiary of JMP Group; effective tax rate varies.

Summary

Investment Highlights

- Publicly traded partnership structure is unique among peers, allowing for an attractive dividend while funding a growth strategy
- Beneficiary of industry consolidation
  - Increasing franchise value of independent, full-service investment banking platform
- Capital-light business model
  - High return on equity at operating platforms in a normalized capital markets environment
  - Attractive risk-adjusted returns on capital invested in differentiated asset management strategies
  - Efficient return of capital to shareholders
    - Regular annual cash distribution of $0.36 per share
    - Approximately 700,000 shares eligible to be repurchased