

Cowen Group Rejects Unsolicited Acquisition Proposal

NEW YORK, December 8, 2008 – Cowen Group, Inc. (Nasdaq: COWN) today announced its rejection of an unsolicited acquisition proposal from Rodman & Renshaw Capital Group, Inc.

Earlier this year, Rodman & Renshaw approached Cowen to propose a potential strategic transaction. At that time, Cowen concluded that such a transaction would not enhance stockholder value and had no strategic rationale. There are no complimentary products or business strategies and little additional sector coverage between the two firms due to Rodman & Renshaw's reliance on the life sciences sector and the fact that Cowen offers all of the primary products and services offered by Rodman & Renshaw. Further, Cowen believed, and continues to believe, that there is significant risk that a transaction with Rodman & Renshaw would result in the destruction of shareholder value.

Historically mergers between two investment banking firms focused on providing the same products and services to the same or similar clients in similar sectors and geographic regions have typically failed to achieve the desired results. With this in mind, Cowen has concluded that entertaining proposals for a transaction with Rodman & Renshaw would distract Cowen's management and employees in the current challenging environment when all efforts should be focused on servicing the firm's clients. As a result, Cowen does not believe that further discussion with Rodman & Renshaw would be productive and accordingly does not intend to give additional consideration to the unsolicited proposal.

Cowen has a strong and liquid balance sheet, has taken actions during this tumultuous time to improve its franchise and believes that the firm will emerge in a stronger competitive position than it has previously enjoyed. Cowen's Board of Directors, management and employees remain excited about the firm's prospects as a stand-alone entity and look forward to the economic and capital markets recovery.

About Cowen Group, Inc.

Cowen Group, Inc., through its operating subsidiaries, provides investment banking, sales and trading, and equity research services to companies and institutional investor clients in the healthcare, technology, telecommunications, aerospace and defense, consumer and alternative energy sectors. With the addition of Cowen Latitude Asia, Cowen has expanded its investment banking presence through the addition of bankers and offices in Hong Kong, Beijing and Shanghai. We also offer traditional and alternative asset management services to institutional investors. Our asset management business includes teams based in the U.S. and the U.K. Our U.S. team focuses on a growth-oriented investment style centered on small and mid-sized companies based primarily in North America. Our U.K. team provides traditional asset management products, focusing on a global equity strategy. Our alternative asset management business consists of Cowen Healthcare Royalty Partners, which invests principally in commercial-stage biopharmaceutical products and companies, and Cowen Capital Partners, which manages a portfolio of middle market private equity investments for third party investors.

Cautionary Note Regarding Forward-Looking Statements

Statements in this press release regarding expectations of Cowen's future operating performance, implementation of its strategic plan and enhancement of stockholder value, as well as the strategic merit of a transaction with Rodman & Renshaw, the effects of pursuing such a transaction on Cowen's management and employees, and Cowen's intent not to further consider such a transaction are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual outcomes to differ materially from those expected or implied by the forward-looking statements. Cowen's future operating performance, implementation of its strategic plan and enhancement of stockholder value could differ materially from what is anticipated in the forward-looking statements for many reasons, including the factors described in the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, as filed with the Securities and Exchange Commission. Forward looking statements with respect to Rodman & Renshaw's proposal are also subject to risks relating to the advantages and the disadvantages of pursuing a transaction with Rodman & Renshaw and to further action, if any, that Rodman & Renshaw or the Company may take in furtherance of or in response to the Rodman & Renshaw. The Annual Report on Form 10-K and Quarterly Reports on Form 10-Q are available at our website at www.cowen.com and at the Securities and Exchange Commission website at www.sec.gov. Unless required by law, the company undertakes no obligation to publicly update or revise any forward-looking statement to reflect circumstances or events after the date of this press release.

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