
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **June 3, 2009**

COWEN GROUP, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

000-52048
(Commission File Number)

84-1702964
(IRS Employer Identification No.)

1221 Avenue of the Americas
New York, New York
(Address of Principal Executive Offices)

10020
(Zip Code)

Registrant's telephone number, including area code: **(646) 562-1000**

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-
-

Item 8.01 Other Events

On June 3, 2009, Cowen Group, Inc., a Delaware corporation (the “Company”), LexingtonPark Parent Corp., a Delaware corporation (“New Parent”), Lexington Merger Corp., a Delaware corporation and direct wholly owned subsidiary of New Parent (“Merger Sub”), Park Exchange LLC, a Delaware limited liability company and direct wholly owned subsidiary of New Parent (“Exchange Sub”), and Ramius LLC, a Delaware limited liability company (“Ramius”); entered into a Transaction Agreement and Agreement and Plan of Merger (the “Transaction Agreement”).

Pursuant to, and subject to the terms and conditions of the Transaction Agreement, (i) the Company and Ramius have jointly formed and own New Parent, which will become the parent of both the Company and Exchange Sub; (ii) Merger Sub will merge with and into the Company (the “Merger”), with the Company being the surviving corporation of the Merger and a direct wholly-owned subsidiary of New Parent; and (iii) Exchange Sub will acquire substantially all of the assets and assume substantially all of the liabilities of Ramius (the “Asset Exchange,” and together with the Merger, the “Transactions”) and will remain a wholly-owned subsidiary of New Parent. At the consummation of the Transactions (the “Effective Time”), New Parent will change its name to Cowen Group, Inc.

Upon completion of the Transactions, Ramius will receive total consideration of 37,536,826 shares of Class A Common Stock, \$0.01 par value per share, of New Parent (the “Class A Common Stock”) in connection with the Asset Exchange. Each share of Company Common Stock issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one fully paid and nonassessable share of Class A Common Stock. In connection with the Transactions, New Parent will purchase from an affiliate of a third party investor of Ramius the fifty percent interests in the Ramius Fund of Funds business not currently owned by Ramius, and New Parent will deliver to the affiliate of the third party investor 2,713,882 shares of Class A Common Stock in connection therewith.

Additional Information and Where to Find It

In connection with the proposed transaction, the Company will file relevant materials with the SEC, including a registration statement on Form S-4 that will include a proxy statement of the Company that also constitutes a prospectus of the Company. The Company will mail the final proxy statement/prospectus to its stockholders. Investors and security holders are urged to read these documents (if and when they become available) and any other relevant documents filed with the SEC or incorporated by reference therein, as well as any amendments or supplements to those documents, because they will contain important information about the Company and the proposed transactions.

Investors and security holders may obtain these documents (and any other documents filed by the Company with the SEC) free of charge at the SEC’s website at www.sec.gov. In addition, the documents filed with the SEC by the Company may be obtained free of charge by directing such request to: Investor Relations, 1221 Avenue of the Americas, New York, NY 10020 or from the Company’s Investor Relations page on its corporate website at www.cowen.com.

Participants in the Solicitation

The directors, executive officers, and certain other members of management and employees of the Company may be deemed to be participants in the solicitation of proxies in favor of the proposed transactions from the stockholders of the Company. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the stockholders in connection with

the proposed transactions will be set forth in the proxy statement/prospectus when it is filed with the SEC. Information about the executive officers and directors of the Company is set forth in the proxy statement for the Company's 2008 Annual Meeting of Stockholders, which was filed with the SEC on April 30, 2008 and the Company's Amendment No. 1 to its Annual Report on Form 10-K/A filed on April 28, 2009.

Item 9.01. Exhibits.

- (d) Exhibits
- 99.1 Press Release dated June 4, 2009
- 99.2 Investor Presentation dated June 4, 2009
- 99.3 Transcript of June 4, 2009 Investor Call
- 99.4 Email Communication from David M. Malcolm to Employees dated June 4, 2009
- 99.5 Form of Letter to be sent to Sales and Trading Clients
- 99.6 Form of Letter to be sent to Investment Banking Clients
- 99.7 Form of Letter to be sent to Research Clients

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COWEN GROUP, INC.

Date: June 4, 2009

By: /s/ Christopher A. White

Name: Christopher A. White

Title: Vice President

Filed by Cowen Group, Inc.
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed under Rule 14a-12 of the Securities Act of 1934

Subject Company: Cowen Group, Inc.
Commission File No. 000-52048

RAMIUS AND COWEN AGREE TO COMBINE

Combination Creates Diverse Financial Services Company

NEW YORK, NY, June 4, 2009 — Ramius LLC (“Ramius”) and Cowen Group, Inc. (“Cowen”) (Nasdaq: COWN) today announced that they have signed a transaction agreement to create a diversified financial services company that they believe will be positioned to take advantage of the significant opportunities resulting from the historic changes within the economy and the financial services sector. The combination creates a complementary balance of capabilities and has been unanimously approved by the Board of Cowen.

Under the terms of the agreement, Ramius and an affiliate of a third party investor in Ramius will receive 37.54 million and 2.71 million shares, respectively, of Cowen common stock, representing 71.24 percent of the new company on a fully diluted basis. Cowen shareholders will own approximately 28.76 percent of the new company. The exchange ratio was determined based on the relative book values of Ramius and Cowen as of December 31, 2008. As of March 31, 2009, the new company would have had a combined book value of over \$450 million, including investible assets and cash of approximately \$380 million, and minimal debt.

The new company will retain the Cowen Group, Inc. name and its shares are expected to continue to trade on NASDAQ under the ticker symbol “COWN” upon consummation of the transaction. Ramius will continue as the investment advisory subsidiary. As part of the transaction, the new company will also purchase from the affiliate of the third party investor the fifty percent interest in Ramius Fund of Funds not currently owned by Ramius. The transaction is subject to Cowen stockholder approval, regulatory approval and other customary closing conditions. Assuming these conditions are met, the transaction is expected to close in the fourth quarter of 2009.

Ramius is a privately-owned global alternative investment firm with approximately \$7.7 billion of assets under management invested across a range of alternative investment vehicles. The firm’s offerings include hedge funds, fund of funds and real estate funds. Ramius manages a variety of domestic and offshore funds, managed accounts for institutions and private investors as well as its own capital.

Cowen is an established provider of investment banking, equity research, sales and trading and alternative asset management services to companies and institutional investor clients. The company is a sector expert in secular growth industries, including the healthcare, technology, consumer, telecommunications, alternative energy, and aerospace and defense sectors. Cowen’s investment banking business includes Cowen Latitude Asia, a boutique specializing in cross-border M&A and capital raising transactions.

Peter A. Cohen, Founder and Managing Member of Ramius, stated, “We are extremely pleased to be joining forces with Cowen. We believe their rich history and strong culture

make for a great strategic fit with Ramius and the new organization will be well positioned to compete in today's changed environment. In addressing the challenges of 2008, both Ramius and Cowen created more focused and efficient organizations. We both have experienced teams that we believe will be augmented by the opportunity to attract new talent in growth areas. In addition, neither firm is encumbered by excessive leverage common today within the financial services industry, and while some firms have downsized not only their balance sheets but also their future expectations and earnings power, we believe this transaction affords us an opportunity to do precisely the opposite."

Added Mr. Cohen, "The new Cowen begins with a strong balance sheet, diverse revenue sources, significant combined operating leverage and substantial growth opportunities. With no significant overlap in either revenue generation or professional staff, we believe the combined relationships and expertise of our two firms can position the company to take advantage of the corporate finance and investment opportunities that will emerge as growth in the U.S. economy resumes. While we are excited about our growth prospects as a result of this combination, it is also important to emphasize Ramius' ongoing commitment to our investment management clients. We remain dedicated to meeting their investment objectives and providing client service of the highest quality."

Greg Malcolm, Chief Executive Officer of Cowen, stated, "This union creates a complementary balance of services and offerings for our respective client bases and allows each firm to maintain business continuity while building a new platform for growth. Looking at today's financial landscape, both Ramius and Cowen have taken the view that growth will resume in several identifiable areas of corporate finance and investment in which we have strong, established franchises. With core strengths in global alternative investing, strategic advisory services, research, brokerage, and capital markets activity, we believe this combination will provide significant cross-selling and integrated business opportunities by leveraging our relationship networks."

John E. Toffolon, Jr, Chairman of the Board of Cowen, commented, "Bringing together Ramius and Cowen combines two organizations that have a global presence, experienced managers, deep sector knowledge, and strong corporate and investor contacts. I believe that the proven experience of this new leadership team and their focused, disciplined approach to running the business will give the combined firm the necessary tools to grow over the long term."

Peter A. Cohen, currently Founder and Managing Member of Ramius, will serve as Chairman and Chief Executive Officer of the combined company and Greg Malcolm, currently CEO and President of Cowen, will continue to serve in those capacities for the broker-dealer subsidiary. Morgan Stark, Ramius Managing Member, will be Chief Executive Officer of Ramius' internal asset management businesses and Thomas Strauss, Ramius Managing Member, will continue to be Chief Executive Officer of the Ramius Fund of Funds Group. The combined company will have a 10-member Board of Directors, composed of five members nominated by Ramius, four members from Cowen's Board of Directors and one member nominated by a significant stakeholder in

the combined entity. A majority of the members of the company's Board of Directors will be independent of management and the controlling shareholders.

After closing, the company's headquarters will remain in New York. The combined company will have approximately 578 employees.

Credit Suisse Securities (USA) LLC and Willkie Farr & Gallagher LLP are serving as financial advisor and legal counsel, respectively, to Ramius. Houlihan Lokey also provided certain financial advisory services to Ramius.

Sandler O'Neill + Partners and Wachtell, Lipton, Rosen & Katz are serving as financial advisor and legal counsel, respectively, to Cowen.

Analyst and Investor Conference Call and Webcast

The companies will host an analyst and investor conference call today at 9:00 a.m. EDT to discuss the merger. The dial-in number for U.S. callers is 877-675-4757 and the dial-in for participants located outside the U.S. is 719-325-4845. The access code for both numbers is 4965933. A live audio webcast of the call will be available and archived at www.Cowen.com. A replay of the call will be available for those who are unable to listen to or attend the meeting live. The U.S. replay number is 888-203-1112 and the replay number for callers outside the U.S. is 719-457-0820. The access code for both numbers is 4965933. The replay will be available from 12 noon EDT on June 4, 2009, to 12 noon EDT on June 11, 2009.

About Ramius

Ramius LLC is a registered investment advisor that manages assets in a variety of alternative investment strategies. Ramius LLC is headquartered in New York with offices located in London, Tokyo, Hong Kong, Munich, and Luxembourg.

About Cowen Group, Inc.

Cowen Group, Inc., through its operating subsidiaries, provides investment banking, equity research, sales and trading, alternative asset management services to companies and institutional investor clients in the healthcare, technology, telecommunications, aerospace and defense, consumer and alternative energy sectors. Cowen's investment banking business includes Cowen Latitude Asia, a boutique specializing in crossborder M&A and capital raising transactions.

Cautionary Notice Regarding Forward-Looking Statements

This presentation may contain forward-looking statements including statements relating to the market opportunity and future business prospects of Cowen Group, Inc. ("Cowen" or the "Company"). Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Consequently, all forward-looking statements made during this presentation are qualified by those risks, uncertainties and other factors.

These factors include, but are not limited to, (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Transaction Agreement and Agreement and Plan of Merger between Cowen and Ramius (the "Transaction Agreement"); (2) the outcome of any legal proceedings that may be instituted against Cowen and others following announcement of the Transaction Agreement and transactions contemplated therein; (3) the inability to complete the transactions contemplated by the Transaction Agreement due to the failure to obtain stockholder approval, (4) the inability to obtain necessary regulatory approvals required to complete the transactions contemplated by the Transaction Agreement; (5) the risk that the proposed transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of the announcement and consummation of the transactions described herein; (6) the ability to recognize the anticipated benefits of the combination of Cowen and Ramius, including potential cost savings and the ability to expand into new business lines; and (7) the possibility that Cowen may be adversely affected by other economic, business, and/or competitive factors.

Actual results may differ materially and reported results should not be considered an indication of future performance. Please reference our SEC filings, which are available on our web site, for a detailed description of factors that could cause actual results to differ materially from those expressed or implied in such forward-looking statements.

To supplement our financial statements presented in accordance with GAAP, management uses certain non-GAAP measures of financial performance and liquidity. These non-GAAP measures are in addition to results prepared by the Company in accordance with GAAP, and should only be considered together with the Company's GAAP results.

Certain statements in the following presentation relate to future results that are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Except for the ongoing obligations of Cowen to disclose material information under the federal securities laws, Cowen does not undertake any obligation to release any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events unless required by law.

In connection with the proposed transaction, Cowen will file relevant materials with the SEC, including a registration statement on Form S-4 that will include a proxy statement of Cowen that also constitutes a prospectus of Cowen. Cowen will mail the final proxy statement/prospectus to its stockholders. **Investors and security holders are urged to read these documents (if and when they become available) and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information about Cowen and the proposed transaction.**

Investors and security holders may obtain these documents (and any other documents filed by Cowen with the SEC) free of charge at the SEC's website at www.sec.gov. In addition, the documents filed with the SEC by Cowen may be obtained free of charge by directing such request to: Investor Relations, 1221 Avenue of the Americas, New York,

NY 10020 or from Cowen's Investor Relations page on its corporate website at www.cowen.com.

The directors, executive officers, and certain other members of management and employees of Cowen may be deemed to be participants in the solicitation of proxies in favor of the proposed transactions from the stockholders of Cowen. Information about the executive officers and directors of Cowen is set forth in the proxy statement for Cowen's 2008 Annual Meeting of Stockholders, which was filed with the SEC on April 30, 2008.

Contacts for Ramius

Media:

Dan Gagnier/ Kara Findlay/ Chris Kittredge
212-687-8080

Contacts for Cowen

Media:

Jean Calleja
646-562-1888

Investors:

Tom Conner:
646-562-1719

Cowen Group, Inc.

Transaction between Ramius LLC and Cowen Group, Inc.

Investor Presentation

June 4, 2009

COWEN
AND COMPANY

RAMIUS

Forward-Looking and Cautionary Statement

This presentation may contain forward-looking statements including statements relating to the market opportunity and future business prospects of Cowen Group, Inc. ("Cowen" or the "Company"). Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Consequently, all forward-looking statements made during this presentation are qualified by those risks, uncertainties and other factors.

These factors include, but are not limited to, (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Transaction Agreement and Agreement and Plan of Merger between Cowen and Ramius (the "Transaction Agreement"); (2) the outcome of any legal proceedings that may be instituted against Cowen and others following announcement of the Transaction Agreement and transactions contemplated therein; (3) the inability to complete the transactions contemplated by the Transaction Agreement due to the failure to obtain stockholder approval, (4) the inability to obtain necessary regulatory approvals required to complete the transactions contemplated by the Transaction Agreement; (5) the risk that the proposed transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of the announcement and consummation of the transactions described herein; (6) the ability to recognize the anticipated benefits of the combination of Cowen and Ramius, including potential cost savings and the ability to expand into new business lines; and (7) the possibility that Cowen may be adversely affected by other economic, business, and/or competitive factors.

Actual results may differ materially and reported results should not be considered an indication of future performance. Please reference our SEC filings, which are available on our web site, for a detailed description of factors that could cause actual results to differ materially from those expressed or implied in such forward-looking statements.

To supplement our financial statements presented in accordance with GAAP, management uses certain non-GAAP measures of financial performance and liquidity. These non-GAAP measures are in addition to results prepared by the Company in accordance with GAAP, and should only be considered together with the Company's GAAP results.

Certain statements in the following presentation relate to future results that are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Except for the ongoing obligations of Cowen to disclose material information under the federal securities laws, Cowen does not undertake any obligation to release any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events unless required by law.

Additional Information and Where to Find It

In connection with the proposed transaction, Cowen will file relevant materials with the SEC, including a registration statement on Form S-4 that will include a proxy statement of Cowen that also constitutes a prospectus of Cowen. Cowen will mail the final proxy statement/prospectus to its stockholders. **Investors and security holders are urged to read these documents (if and when they become available) and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information about Cowen and the proposed transaction.**

Investors and security holders may obtain these documents (and any other documents filed by Cowen with the SEC) free of charge at the SEC's website at www.sec.gov. In addition, the documents filed with the SEC by Cowen may be obtained free of charge by directing such request to: Investor Relations, 1221 Avenue of the Americas, New York, NY 10020 or from Cowen's Investor Relations page on its corporate website at www.cowen.com.

The directors, executive officers, and certain other members of management and employees of Cowen may be deemed to be participants in the solicitation of proxies in favor of the proposed transactions from the stockholders of Cowen. Information about the executive officers and directors of Cowen is set forth in the proxy statement for Cowen's 2008 Annual Meeting of Stockholders, which was filed with the SEC on April 30, 2008.

COWEN
AND COMPANY

RAMIUS

Overview of Cowen Group, Inc. and Ramius LLC



- Cowen is a leading boutique investment banking franchise complemented by superior research and brokerage capabilities
- Led by long-time Wall Street veterans Greg Malcolm, John O'Donoghue, Barry Tarasoff and Donald Meltzer
- Since its IPO, Cowen has continued to expand its coverage universe into new sectors while maintaining a disciplined focus on its core competencies
- Cowen has built an alternative investment management business that leverages the firm's healthcare industry expertise
 - Cowen Healthcare Royalty Partners (CHRP) has approximately \$500 million in AUM
- Core brokerage revenues ⁽¹⁾ have increased each year since 2005 despite the challenging commission environment



- Ramius is a diversified alternative asset management platform with multi-strategy, real estate and fund of funds businesses
- Under the leadership of industry veterans Peter Cohen, Jeff Solomon, Morgan Stark and Tom Strauss, Ramius has developed a leading, institutional-quality investment franchise
- Since inception in 1997, Ramius has generated a compounded annualized return on its equity capital of 8.9% versus S&P 500 return of 1.7%
- As of 4/1/09, Ramius' AUM was \$7.7 billion
 - Hedge Funds: \$3.0 billion
 - Fund of Funds: \$2.1 billion
 - Real Estate: \$1.6 billion
 - Cash Management: \$0.9 billion

The combination of Ramius and Cowen will create a well-capitalized, diversified financial services firm.

Note: AUM figures may not add due to rounding.

(1) Non-GAAP financial measure: Core brokerage revenue represents brokerage revenue excluding income or loss from warrants, asset management seed funds, convertible brokerage, restricted stock received in connection with the demutualization of certain exchanges and mutual fund investments held as a hedge against legacy deferred compensation obligations.



Transaction Overview

The combination of Ramius and Cowen forms a diversified financial services firm across asset management, investment banking, research and brokerage

- Combines Ramius' alternative investment platform with Cowen's focused research, brokerage and investment banking business
- Significant employee ownership and strong alignment of interests
- Complementary capabilities and relationships
- Strong balance sheet; significantly larger scale
- Broad platform to attract and retain talent
- Senior management team comprised of the leaders of each firm to drive revenue across businesses
- Presents opportunities for business line and revenue enhancements in fixed income, real estate and high net worth related products and services

COWEN
AND COMPANY

RAMIUS

Transaction Details

Transaction Structure

- 100% stock transaction
- Cowen creates a new public holding company ("NewCo")
- Ramius contributes substantially all of its assets and liabilities to a subsidiary of NewCo in exchange for stock in NewCo
- Cowen merges into a subsidiary of NewCo and outstanding Cowen stock is converted into NewCo stock

Consideration

- Cowen will issue 37.54 million shares to Ramius and 2.71 million shares to an affiliate of a third party investor in Ramius

Ownership

- Ramius and an affiliate of a third party investor in Ramius: 71.2%
- Cowen: 28.8%

Anticipated Closing

- Q4 2009

Approvals

- Cowen stockholder approval
- Customary regulatory approvals

Board

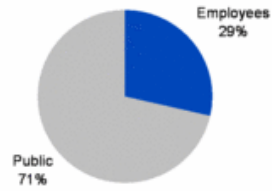
- 10 Board members – 5 appointed by Ramius, 4 appointed by Cowen and 1 nominated by a significant stakeholder in the combined entity

Share Lock-Up

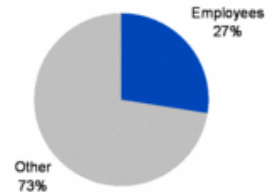
- Following closing, certain members of Ramius and key senior management employees at the combined company will be subject to restrictions on their ability to sell shares

Ownership

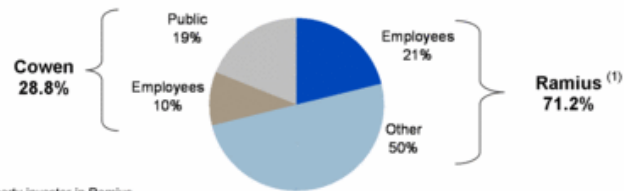
Cowen Current Ownership



Ramius Current Ownership



Pro Forma Ownership at Closing



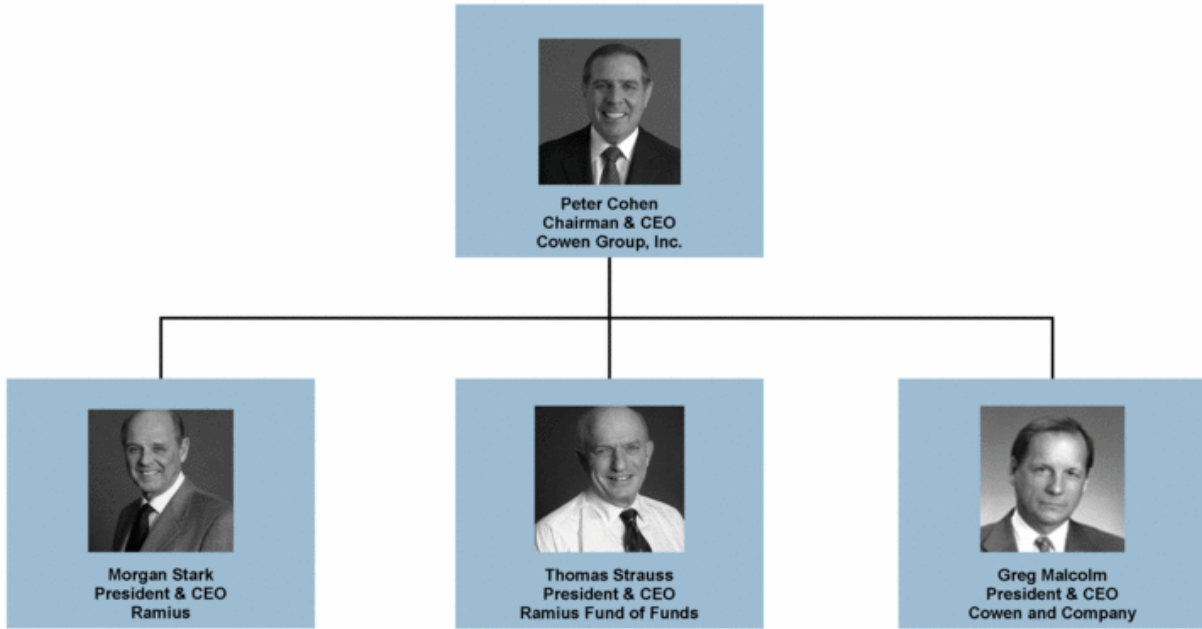
(1) Includes Ramius and an affiliate of a third party investor in Ramius

COWEN
AND COMPANY

RAMIUS

Organization Chart of Combined Company

Executive Committee



COWEN
AND COMPANY

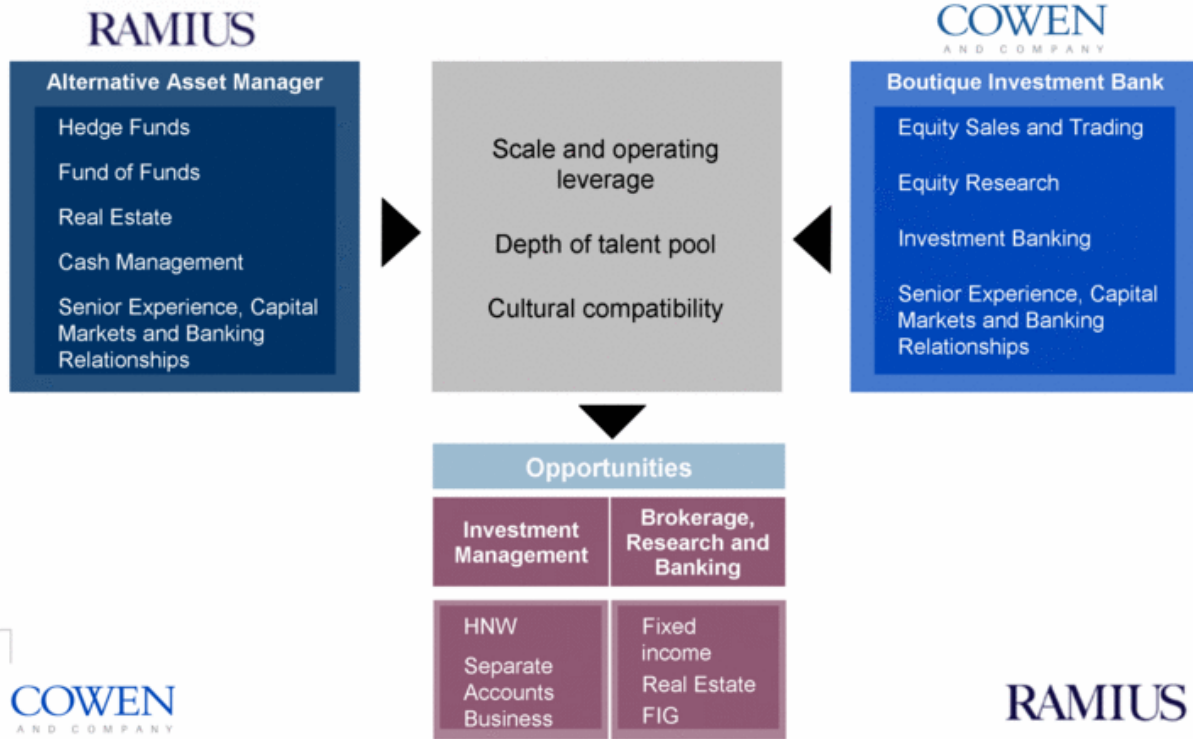
RAMIUS

Financial Rationale

- Combination diversifies revenue profile
- Significant embedded operating leverage
- Increased product breadth and cross-selling opportunities
- Collective deployment of firm capital is more efficient
- Targeted annual cost savings of at least \$10 million
- Expected to be accretive to earnings in first full year of combined operations

Strategic Rationale

The combined company will be well-positioned to serve corporate, institutional and HNW clients



Key Operating Metrics

	RAMIUS	COWEN AND COMPANY	RAMIUS + COWEN AND COMPANY
(\$ in millions except AUM, which is in billions)			
Assets Under Management ⁽¹⁾	\$7.7	\$0.5	\$8.2
Shareholders' Equity ⁽²⁾	\$325	\$139	\$476 ⁽⁴⁾
Employees ⁽³⁾	153	425	578
Investment assets plus cash ⁽²⁾	\$300	\$80	\$380

(1) Based on 4/1/09.

(2) Based on 3/31/09.

(3) As of 6/3/09.

(4) Adjusted to include \$23.5 million for the purchase by the combined entity of the remaining 50% of the Ramius Fund of Funds business and after (\$11.5) million in pre-closing distributions. Does not include consolidation adjustments.

COWEN
AND COMPANY

RAMIUS

Filed by Cowen Group, Inc.
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed under Rule 14a-12 of the Securities Act of 1934

Subject Company: Cowen Group, Inc.
Commission File No. 000-52048

FINAL TRANSCRIPT

Thomson StreetEvents™



Conference Call Transcript

****SARD - Ramius and Cowen Agree to Combine Announcement**

Event Date/Time: Jun. 04. 2009 / 9:00AM ET

Thomson StreetEvents

www.streetevents.com

[Contact Us](#)

© 2009 Thomson Financial. Republished with permission. No part of this publication may be reproduced or transmitted in any form or by any means without the prior written consent of Thomson Financial.

CORPORATE PARTICIPANTS

Peter Cohen

Ramius LLC - Founder

Greg Malcolm

Cowen and Company - CEO

CONFERENCE CALL PARTICIPANTS

David Trone

Fox Pitt Kelton - Analyst

Lauren Smith

Keefe, Bruyette & Woods - Analyst

PRESENTATION

Operator

Good morning, everyone, and thank you for joining today to discuss the Ramius and Cowen combination. Today's conference is being recorded. The speakers would like to direct the listeners to the forward looking statements and safe harbor provisions contained within today's press release and on the Cowen Group Incorporated website which can be accessed at www.cowen.com.

On the call today is Mr. Peter Cohen, Founder and managing member of Ramius, and Greg Malcolm, CEO of Cowen. They will provide prepared remarks about today's announcement, and following this there will be a Q&A session. Mr. Cohen, please go ahead, sir.

Peter Cohen — *Ramius LLC - Founder*

Thank you very much. Good morning, everyone. I'm extremely pleased to be here today and speak with you about the strategic combination of Ramius and Cowen, one that will create a new financial services company with what we believe is significant potential for long term growth and profitability.

As you all know, much has been written about the historic disruptions of 2008 and early 2009 and the subsequent recognition that the financial services landscape has undergone a vast and perhaps permanent change. Both Ramius and Cowen have emerged from this period as very focused and efficient organizations, but together we have a chance to create a firm for the future. In many respects I feel like this is a little bit of back to the future.

The history of our industry has shown that at the severe locations, great opportunities are presented. Those firms that have the right vision, the right objectives, and the right resources can seize those opportunities. So what is our vision? We believe that after the emotions and the disappointments of 2008 recede and portfolios are reassessed, both institutional and private investors will have the continuing and growing need for diverse high quality investment solutions, that's what Ramius has provided throughout its history.

In all instances, our objectives evolve from meeting the needs of our clients. We believe big market companies will need to restructure and will need financing and sound strategic advice in order to resume their growth in what is going to be a new and different kind of US economy.

We believe institutional fiduciaries will require better proprietary research trading execution in key sectors to optimize their portfolio performance. The latter capabilities have been provided by Cowen throughout its history.

Working as one firm, we believe we have exactly the right combination of resources to successfully pursue this vision. While many large over leveraged firms are being forced to downsize, not only their balance sheets, but also their future expectations, this transaction affords us the opportunity to do the opposite.

In making the decision to bring together our respective organizations, we are doing so with a shared vision and a shared conviction. As one we can help both investors in mid sized corporations go through the necessary steps of recovery from the recent turmoil and help them reposition for the future.

Although Ramius has been a private company, our management team has run public companies in the past, served on public company boards for generations, and is familiar with the discipline required and the opportunities presented by the public marketplace. We look forward to having the investment community learn more about our business from hedge funds and fund to funds to real estate and cash management as well as gaining insight on our institutional platform and the culture of our firm.

Even in these difficult times, Ramius stayed focused on investing in key people as well as new business and product opportunities. Technology and infrastructure have always been cornerstones of our strategy. All of these investments were made with the objective of meeting client needs and having an institutional platform. We know that Cowen has done so as well and believes these investments will be well rewarded.

And let me offer a few specific examples of how we can pursue our vision and accomplish our goals together. We intend to develop a fixed income business that will serve institutional and corporate clients building on Cowen's equity platform. In addition to growing our existing and multi and single hedge fund products, Ramius' global credit platform, both funds and separate accounts, is something new, significant and provides a very significant runway for growth.

Cowen's financial institution, sales and trading can further be expanded into research and investment banking functions. Ramius' existing expertise and long standing relationships in commercial real estate which are very substantial can contribute to the development of a full vertical in the REIT sector and provide the ability to explore other real estate opportunities that will be in the public marketplace.

Lastly, we are well positioned to take advantage of the growing needs of institutional investors for customized fund to funds programs and other investment strategies. Our growth opportunities are enhanced by the ongoing consolidation trend within the industry which we can pursue through the breadth of our platform and the strength of our combined balance sheet.

Looking ahead, investors will participate in a larger, more diversified business, with a more robust conservative balance sheet with enhanced future earnings potential and we strongly believe that the previous steps taken by respective firms have positioned us to successfully engage in such a transaction. The platform we are creating represents a new and unique organization with a global presence, proven internal skills, sector specific franchises and strong corporate and investor contacts.

On the other hand, we envision a culture of client driven teamwork that captures the best elements of this historical partnerships of the past, which when combined with the experienced management team and a disciplined approach, we believe the new Cowen will have the necessary tools to build a substantial share holder value over the long term.

And I want to especially ensure the Ramius Investment Management clients that while we are excited about our growth prospects as a result of this combination, we remain absolutely dedicated to meeting their investment objectives and providing client needs of the highest quality. Throughout this transaction we expect to deliver seamless business continuity. And with that, ladies and gentlemen, I'd like to turn this over to Greg Malcolm.

Greg Malcolm — *Cowen and Company - CEO*

Thank you, Peter and thank you for so ably describing the vision of the future that we all share. So why did Cowen enter into this transaction with Ramius and why is it the right match? Firstly, we believe the combination creates a complimentary balance of capabilities that will enable our company to build shareholder value by adopting a growth strategy that expands on the core competencies of both organizations.

We believe the business will greatly benefit from a significant recurring and diversified revenue stream created by our combined, but operationally separate, asset management and sales and trading businesses. We believe our investment banking advisory business will also be well positioned for better equity new issue markets, continued growth in the advisory revenue, and revenue streams generated from new business areas such as fixed income.

As we feel both firms have great cultural similarities, we believe this organization will truly be a unique platform to attract and retain talent across all of our business lines. Importantly, clients of both Ramius and Cowen will enjoy continuity in their investment management, research, advisory and brokerage relationships.

We will largely be continuing our work in our respective businesses. The businesses do not have any significant overlap in either revenue generation or in professional staff. Together, though, we anticipate a greater lever of oversight, transparency and service through all of our enhanced infrastructure.

Echoing some of Peter's comments, we have also made important decisions to make Cowen a stronger partner. In 2008 we addressed the effects of the downturn, particularly in investment banking and we're able to maintain relatively stable revenues in sales and trading due to our recognized sector expertise in research and trade execution.

Additionally, we doubled our advisory revenues from 2006 levels. In 2008 Cowen and its partners and Cowen Healthcare Royalty Partners closed a \$500 million fund to investment healthcare royalty streams. Despite the downturn, we have maintained a strong balance sheet and significantly reduced non-compensation costs.

In '08 we also acquired Latitude Capital Group, a boutique investment bank headquarter in Hong Kong, enhancing our activities in Asia and providing a platform for future growth of our sector focused banking strategy across the region. This capability complements Ramius' presence in Asia. For Cowen we bring strong brand recognition as well as a 90 year history that demonstrates our ability to adapt and grow our business. This was certainly attractive to Ramius.

In taking a step back and looking at our history, this represents the continued evolution of our business. In 2006 we were spun out of Société Générale through our IPO and believe we are positioning ourselves with Ramius for growth through this transaction.

Now, for details on the transaction itself, I would suggest that you go to the investor presentation that's on our website which was referenced earlier in this call and that will give you the details of — the specifics of the transaction.

There's tremendous upside to this transaction and we're ready to take full advantage of the recent and historic industry dislocations in order to secure a better future for all of our investors, employees, customers and clients. And with that, I'll turn the call back over to Peter.

Peter Cohen — *Ramius LLC - Founder*

Thanks, Greg. Now, we'd be very happy to take a few questions, ladies and gentlemen, and recognize that we'll be going into registration, so there will be limitations as to what we can talk about and I am surrounded by the legal police, so they're going to kick me if I start to wander off page.

QUESTION AND ANSWER

Operator

Thank you.

(Operator instructions)

We'll take our first question from David Trone of Fox Pitt.

David Trone — *Fox Pitt Kelton - Analyst*

Good morning. Any willingness or ability to talk about Newco's projected earnings?

Unidentified Company Representative

No, we can't really talk about projected earnings.

David Trone — Fox Pitt Kelton - Analyst

And you talked about fixed income with Cowen's customer base typically being higher growth segments, particularly the legacy strength and biotech, which isn't really eligible for fixed income. How is that going to work exactly?

Greg Malcolm — Cowen and Company - CEO

Hi, David, it's Greg. Your point's well taken. We think the fixed income business is very applicable to some legacy technology accounts, certainly our alternative energy business, certainly our consumer business and most appropriately we are for sure going to be building a REIT and real estate business predicated on Ramius' extensive real estate relationships and it would obviously fit like a glove with that.

Peter Cohen — Ramius LLC - Founder

Yes, let me just further add, our desire to build a fixed income platform is not just related to the verticals that Cowen has so successfully exploited over the years, but in the environment that we are in and going to be in for the long foreseeable future, there's going to be a massive amount of refinancing that's going to have to go on in this country, and while the US government is on this deficit tear, it's going to crowd out and make it difficult for corporate issuers to easily access the capital markets.

We have a very, very skilled fixed income credit platform inside our shop and we think it lends itself very well to an expanded sales and trading capability for the combined company and we're going to try and expend as much intellectual capital as we can on our side to sort of match up to theirs on their side to create a new vertical in the institutional sales and trading side, which we think is going to be — have a long runway of growth.

David Trone — Fox Pitt Kelton - Analyst

And in terms of one thing that's going to be very important to the, again, the investment community is Ramius obviously you mentioned this 7.7 billion in AUMs, what direction is that going? Is that being — I mean has that been relatively stable versus other asset managers, hedge funds, or any particular outflow problems or redemptions.

Peter Cohen — Ramius LLC - Founder

It's a good question. Our peak assets were higher than that, over probably about \$11.5 billion before this whole meltdown started to occur, but where we are now is stable and starting to grow back again. We're actually — we had redemptions, we had decline in asset values in the portfolios which are reflected in those aggregate numbers.

There is quite a bit of movement on the growth side of in credit where we are from the standing start raised a substantial amount of new credit assets. We launched one fund in the middle of December, and opened up a bunch of fairly substantial separate accounts for credit management. We're on the verge of closing a second fund. We have additional separate account mandates which are coming in so we think credit will be the growth — one of the growth engines while the rest of it settles down and we're looking at the landscape for new products and services that we'll be able to leverage off the intellectual capital of the Cowen organization.

And I think as Greg mentioned just a second ago, real estate where we have fairly substantial amount of locked up capital for investment in the future is going to go through a traumatic period of reorganization (inaudible - background noise) that we expect to be right in the middle of. We have a very extensive equity investing platform and debt lending platform in real estate and we're just getting into the early stages now of the complete refinancing of real estate in this country.

David Trone — Fox Pitt Kelton - Analyst

Okay, thank you.

Greg Malcolm — *Cowen and Company - CEO*

Thank you, David.

Operator

(Operator instructions)

Unidentified Company Representative

Lauren Smith, KBW

And we'll take our next question from Lauren Smith of KBW.

Lauren Smith — *Keefe, Bruyette & Woods - Analyst*

Hi, good morning.

Unidentified Company Representative

Morning, Lauren.

Lauren Smith — *Keefe, Bruyette & Woods - Analyst*

I guess in the press release you said 578 combined employees I guess at the end of 1Q count at 427. Can you just give us a little bit of color of how those 150 employees break up or are distributed across the different areas of your firm?

And just wanted to make sure — I missed the — sorry the very opening comments, but and I didn't see anything in the release, but there is no overlap so — right? So there's — we shouldn't expect there to be any pairing at all of headcount or any sort of merger or restructuring charges or anything of that nature?

Unidentified Company Representative

Well, all right you asked a bunch of questions, and so let me take them one at a time. Ramius' headcount is probably fairly evenly split between portfolio management analysis and then support functions and marketing. So there's approximately 75 people in portfolio management marketing and research and then accounting, IT, compliance, legal, operations represent the rest.

While there are really no overlaps on the professional side, there clearly are going to be benefits or synergies that we think we'll achieve on the administrative side. We both have very good IT departments, we both have very good compliance and legal functions, operations functions, and accounting functions.

Now we do believe that we will have certain economies of scale that we're going to be able to achieve. It's a little bit premature to try and sort of put an exact number on that, but I think the combined headcount when we're all done will be lower and there is the potential for restructuring charges because the opportunity is going to be available to consolidate real estate.

Cowen has relatively short leases. We have a longer term lease where we're located, and we're just in the process now of taking a careful review of what all of those opportunities will be. But I will make the statements that we intend to come out of this as a very, very clean balance sheet and very clean organization operationally, headcount wise and asset wise.

Lauren Smith — Keefe, Bruyette & Woods - Analyst

Okay. And then in just in terms of your footprint internationally, just want to get a sense of what kind of potential opportunities there are to broaden the geographic footprint going forward as a combined firm.

Unidentified Company Representative

Actually, that's a great question. We are located in New York. We're in Tokyo. We have a small office in Hong Kong and we have an office in London and Munich. Our client base is more — first of all, our client base is predominantly family office, pension endowment, it's an institutional client base and it's not a lot of individual high net worth clients, except through family offices in general. Now, our mix is more heavily weighted internationally than domestically.

We have a lot of international money and it comes from every corner, really, of the world where we have assets from Japan, from Southeast Asia, from the Gulf States, some from South America, though that's the least important, and Europe is very important in our asset mix. And so we think there are going to be opportunities to bring Cowen's capabilities to those institutional clients who do more than just give us money to manage but are also engaged in transactions that they would find the offerings of Cowen attractive.

And Cowen's got this wonderful new business of healthcare royalties, we would hope — we'll expand our combined marketing capabilities so that we'll be able to help raise assets for that and vice versa. Cowen will help marketing — some of our activities, and credit being one that I just mentioned. So we think that this will broaden our plate substantially or our footprint as a name that will extend beyond the shores of the United States substantially.

Lauren Smith — Keefe, Bruyette & Woods - Analyst

Great, thanks so much.

Unidentified Company Representative

You bet, Lauren.

Operator

(Operator instructions)

And as it appears that we have no further questions, this does conclude today's conference. Thank you for your participation.

DISCLAIMER

Thomson Financial reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES THOMSON FINANCIAL OR THE APPLICABLE COMPANY OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

© 2005, Thomson StreetEvents All Rights Reserved.

Filed by Cowen Group, Inc.
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed under Rule 14a-12 of the Securities Act of 1934

Subject Company: Cowen Group, Inc.
Commission File No. 000-52048



COMMUNICATION | COORDINATION | COOPERATION

June 4, 2009

Dear Colleagues:

I would like to inform you of some exciting news. This morning we announced that Cowen Group, Inc. and Ramius LLC have agreed to a combination that will create a diversified, financial services firm with opportunities in its defined areas of expertise what we believe is a solid foundation for future growth. Ramius is a global asset manager with approximately \$7.7 billion of assets under management. The firm is headed by Peter Cohen, the former CEO of Shearson Lehman Brothers.

From our perspective, the landscape in which we compete is changing before our eyes and it is clear that consolidation in our business will occur over the next 24 months. There are many people and firms that are looking forward with an eye toward how to fill the void left by the failure of some of our competitors and the consolidation of others. After thoughtful and careful consideration, we determined that a combination between Cowen and Ramius positioned ourselves not only to take advantage of the recent, and historic, industry dislocations, but to also create an enterprise well-positioned for the future.

The combination of Cowen's established investment banking, research and sales and trading businesses with Ramius' alternative investment business should enable the new company to leverage its professional resources and footprint in the interests of all of our stakeholders.

The combined company will possess a complementary balance of capabilities that we believe will enable the Company to adopt a growth strategy that expands on the core competencies of both organizations. We will benefit from a significant recurring and diversified revenue stream created by our combined asset management and sales and trading businesses, and our banking business will be well positioned for better equity new issue markets, and continued growth in advisory revenues. In addition, the combined firm's increased capital base will allow us to develop other complementary products and services such as a fixed income product.

Moreover, in our discussions and meetings with our counterparts at Ramius, we find great similarities and I am convinced that our firms have a tremendous cultural fit. Both firms share the same vision of a sizable asset manager coupled with a premier sales, trading, research and investment banking platform that can operate as an alternative to the smaller boutiques and the larger, unwieldy commercial banks. I believe that all of us are quite proud of our firm and its culture. I know that for me it is a compelling feature of Cowen.

Cowen and Ramius senior management are excited about the potential of our combined businesses and we look forward to working together to realize the combined company's full potential. The new company will retain the Cowen Group name for purposes of market consistency and recognition. Peter, Ramius' founder, will be the Chairman and CEO of the combined company and I will continue to run our broker-dealer business.

The transaction is expected to close in the fourth quarter of 2009. We will communicate regularly in the coming months to update you as much as we can throughout the process. In the meantime, it is important for all of us to remember that we will still operate as an independent company. We must remain committed to meeting the demands of our clients and the fundamental tenets that have served us so well — uncompromising service, time-honored ethics, and a dedication to helping investors capitalize on change.

Thank you for your continued hard work and focus in this difficult economic period. We look forward to completing this exciting transaction and working with you to grow our new business as a model for the industry.

Sincerely,

Greg

In connection with the proposed transaction, Cowen will file relevant materials with the SEC, including a registration statement on Form S-4 that will include a proxy statement of Cowen that also constitutes a prospectus of Cowen. Cowen will mail the final proxy statement/prospectus to its stockholders. **Investors and security holders are urged to read these documents (if and when they become available) and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information about Cowen and the proposed transaction.**

Investors and security holders may obtain these documents (and any other documents filed by Cowen with the SEC) free of charge at the SEC's website at www.sec.gov. In addition, the documents filed with the SEC by Cowen may be obtained free of charge by directing such request to: Investor Relations, 1221 Avenue of the Americas, New York, NY 10020 or from Cowen's Investor Relations page on its corporate website at www.cowen.com.

The directors, executive officers, and certain other members of management and employees of Cowen may be deemed to be participants in the solicitation of proxies in favor of the proposed transactions from the stockholders of Cowen.

Information about the executive officers and directors of Cowen is set forth in the proxy statement for Cowen's 2008 Annual Meeting of Stockholders, which was filed with the SEC on April 30, 2008.

Filed by Cowen Group, Inc.
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed under Rule 14a-12 of the Securities Act of 1934

Subject Company: Cowen Group, Inc.
Commission File No. 000-52048

Cowen Sales & Trading Client Letter

4 June 2009

Dear [Client]:

We are pleased to announce that Cowen Group, Inc. and Ramius LLC have agreed to a combination that will create a diversified financial services firm. As you may know, Ramius is a alternative investment firm with approximately \$7.7 billion of assets under management. The firm is headed by Peter Cohen, the former CEO of Shearson Lehman Brothers.

This combination brings together Ramius' hedge fund, fund of fund and real estate funds with Cowen's established investment banking, research and sales and trading business and focused healthcare royalty business, and creates a complementary balance of capabilities that we believe will enable the new company to adopt a growth strategy that expands on the core competencies of both organizations. We believe the new company will have a diverse platform with opportunities in our defined areas of expertise, a foundation for growth and significant employee ownership.

As you are aware, we are operating in an evolving environment. It is after thoughtful and careful consideration, that we determined that a combination between Cowen and Ramius was the ideal approach to position ourselves to take advantage of the recent, and historic, industry dislocations and to create an enterprise well-positioned for the future.

We value our relationship and want to stress that this transaction will not materially impact our business with you. Clients of both Cowen and Ramius will enjoy continuity in their investment management, research, advisory and brokerage relationships. Our client-facing businesses have no significant revenue generation or professional staff overlap, and as a result, we envision uninterrupted delivery of key services.

Additionally, with respect to trading services provided by both Cowen and Ramius specifically, we want to assure you that we will maintain a Chinese wall and physical separation. Each trading floor will operate in a different location. This is actually something Ramius is accustomed to, as their hedge fund and fund of funds businesses have operated separately for more than 10 years. Each group has no knowledge of the others' clients or activities. Simply put, no specifics are ever shared. We pledge to maintain the same level of privacy and discretion and we will continue to meet your needs as we have in the past.

Both Cowen and Ramius share the same vision of a sizable asset manager coupled with a premier sales, trading, research and investment banking platform that can operate as an alternative to other smaller boutiques and the larger unwieldy commercial banks.

We are excited about the opportunity to create a new company and expect the transaction to close in the fourth quarter of 2009. In the interim, Cowen and Ramius will continue to operate as separate companies and we do not expect any disruptions or changes to our business practices or strategic operations while completion of the transaction is pending.

Your business is extremely important to us and we look forward to building on our relationship as part of a stronger company.

For your convenience, attached is the press release we issued this morning. Should you have any questions, please feel free to contact me.

Thank you for your continued support.

Sincerely,

[name]

In connection with the proposed transaction, Cowen will file relevant materials with the SEC, including a registration statement on Form S-4 that will include a proxy statement of Cowen that also constitutes a prospectus of Cowen. Cowen will mail the final proxy statement/prospectus to its stockholders. **Investors and security holders are urged to read these documents (if and when they become available) and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information about Cowen and the proposed transaction.**

Investors and security holders may obtain these documents (and any other documents filed by Cowen with the SEC) free of charge at the SEC's website at www.sec.gov. In addition, the documents filed with the SEC by Cowen may be obtained free of charge by directing such request to: Investor Relations, 1221 Avenue of the Americas, New York, NY 10020 or from Cowen's Investor Relations page on its corporate website at www.cowen.com.

The directors, executive officers, and certain other members of management and employees of Cowen may be deemed to be participants in the solicitation of proxies in favor of the proposed transactions from the stockholders of Cowen. Information about the executive officers and directors of Cowen is set forth in the proxy statement for Cowen's 2008 Annual Meeting of Stockholders, which was filed with the SEC on April 30, 2008.

Filed by Cowen Group, Inc.
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed under Rule 14a-12 of the Securities Act of 1934

Subject Company: Cowen Group, Inc.
Commission File No. 000-52048

Cowen Investment Banking Client Letter

4 June 2009

Dear [Client]:

We are pleased to announce that Cowen Group, Inc. and Ramius LLC have agreed to a combination that will create a diversified financial services firm. As you may know, Ramius is an alternative investment firm with approximately \$7.7 billion of assets under management. The firm is headed by Peter Cohen, the former CEO of Shearson Lehman Brothers.

This combination brings together Ramius' hedge fund, fund of fund and real estate business with Cowen's established investment banking, research and sales and trading businesses and creates a complementary balance of capabilities that we believe will enable the new company to adopt a growth strategy that expands on the core competencies of both organizations. We believe the new company will have a diverse platform with opportunities in our defined areas of expertise, a foundation for growth and significant employee ownership.

As you are aware, we are operating in an evolving environment. It is after thoughtful and careful consideration, that we determined that a combination between Cowen and Ramius was the right approach to position ourselves to take advantage of the recent, and historic, industry dislocations and to create an enterprise well-positioned for the future.

We value our relationship and want to stress that this transaction will not materially impact our business with you. Clients of both Cowen and Ramius will enjoy continuity in their investment management, research, advisory and brokerage relationships. Our client-facing businesses have no significant revenue generation or professional staff overlap, and as a result, we envision uninterrupted delivery of key services.

Both Cowen and Ramius share the same vision of a sizable asset manager coupled with a premier sales, trading, research and investment banking platform that can operate as an alternative to other smaller boutiques and the larger unwieldy commercial banks.

We are excited about the opportunity to create a new company and expect the transaction to close in the fourth quarter of 2009. In the interim, Cowen and Ramius will continue to operate as separate companies and we do not expect any disruptions or changes to our business practices or strategic operations while completion of the transaction is pending.

Your business is extremely important to us and we look forward to building on our relationship as part of a stronger company.

For your convenience, attached is the press release we issued this morning. Should you have any questions, please feel free to contact me.

Thank you for your continued support.

Sincerely,

[name]

Filed by Cowen Group, Inc.
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed under Rule 14a-12 of the Securities Act of 1934

Subject Company: Cowen Group, Inc.
Commission File No. 000-52048

Cowen Research Client Letter

4 June 2009

Dear [Client]:

We are pleased to announce that Cowen Group, Inc. and Ramius LLC have agreed to a combination that will create a diversified financial services firm. As you may know, Ramius is an alternative investment firm with approximately \$7.7 billion of assets under management. The firm is headed by Peter Cohen, the former CEO of Shearson Lehman Brothers.

This combination brings together Ramius' hedge fund, fund of fund and real estate business with Cowen's established financial services and focused healthcare royalty business, and creates a complementary balance of capabilities that we believe will enable the new company to adopt a growth strategy that expands on the core competencies of both organizations. We believe the new company will have a diverse platform with opportunities in our defined areas of expertise, a foundation for growth and significant employee ownership.

As you are aware, we are operating in an evolving environment. It is after thoughtful and careful consideration, that we determined that a combination between Cowen and Ramius was the ideal approach to position ourselves to take advantage of the recent, and historic, industry dislocations and to create an enterprise well-positioned for the future.

We value our relationship and want to stress that this transaction will not materially impact our business with you. Clients of both Cowen and Ramius will enjoy continuity in their investment management, research, advisory and brokerage relationships. Our client-facing businesses have no significant revenue generation or professional staff overlap, and as a result, we envision uninterrupted delivery of key services.

Our client relationships are clearly very important to us and as such, we would like to make a few important points:

- In contrast to the outcome often seen in financial services combinations, we envision uninterrupted delivery of key services, given that there is no overlap in either revenue generation or in professional staff in our client facing businesses.
 - Additionally, this transaction will have no impact on our sales, research and trading operation. In fact, Ramius and Cowen's respective businesses will operate distinctly. We will maintain a Chinese wall and physical separation. Each trading floor will operate in a different location. This is actually something Ramius is accustomed to, as their hedge fund and fund of funds businesses have operated separately for more than 10 years. Each group has no knowledge of the others clients, investment strategy or allocations. Simply put, no specifics are ever shared. We pledge to maintain the same level of privacy and discretion and we will continue to meet your needs as we have in the past.
-

Both Cowen and Ramius share the same vision of a sizable asset manager coupled with a premier sales, trading, research and investment banking platform that can operate as an alternative to other smaller boutiques and the larger unwieldy commercial banks.

We are excited about the opportunity to create a new company and expect the transaction to close in the fourth quarter of 2009. In the interim, Cowen and Ramius will continue to operate as separate companies and we do not expect any disruptions or changes to our business practices or strategic operations while completion of the transaction is pending.

Your business is extremely important to us and we look forward to building on our relationship as part of a stronger company.

For your convenience, attached is the press release we issued this morning. Should you have any questions, please feel free to contact me.

Thank you for your continued support.

Sincerely,

[name]

In connection with the proposed transaction, Cowen will file relevant materials with the SEC, including a registration statement on Form S-4 that will include a proxy statement of Cowen that also constitutes a prospectus of Cowen. Cowen will mail the final proxy statement/prospectus to its stockholders. **Investors and security holders are urged to read these documents (if and when they become available) and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information about Cowen and the proposed transaction.**

Investors and security holders may obtain these documents (and any other documents filed by Cowen with the SEC) free of charge at the SEC's website at www.sec.gov. In addition, the documents filed with the SEC by Cowen may be obtained free of charge by directing such request to: Investor Relations, 1221 Avenue of the Americas, New York, NY 10020 or from Cowen's Investor Relations page on its corporate website at www.cowen.com.

The directors, executive officers, and certain other members of management and employees of Cowen may be deemed to be participants in the solicitation of proxies in favor of the proposed transactions from the stockholders of Cowen. Information about the executive officers and directors of Cowen is set forth in the proxy statement for Cowen's 2008 Annual Meeting of Stockholders, which was filed with the SEC on April 30, 2008.
