

SOTHEBY'S HOLDINGS, INC. ANNOUNCES FIRST HALF AND SECOND QUARTER 1999 RESULTS

First Half 1999 Diluted Earnings Per Share of \$0.38

Second Quarter 1999 Diluted Earnings Per Share of \$0.53

First Half Total 1999 Revenues of \$209.2 Million

August 11, 1999, New York -- Sotheby's Holdings, Inc. (NYSE: BID; LSE), the parent company of Sotheby's worldwide auction, art-related financing and real estate activities, today announced results for the first half and second quarter ended June 30, 1999. For the first half of 1999 the Company reported total revenues of \$209.2 million, compared to \$215.1 million for the corresponding period of 1998. Net income for the first half of 1999 totaled \$22.2 million, or \$0.38 per diluted share, compared to net income for the first half of 1998 of \$27.3 million, or \$0.48 per diluted share. Internet related expenses for the first half of 1999 were \$10.8 million, or (\$0.12) per diluted share.

For the quarter ended June 30, 1999, the Company reported total revenues of \$146.0 million, compared to \$146.8 million for the corresponding period of 1998. Net income for the second quarter was \$31.7 million, or \$0.53 per diluted share, compared to net income for the second quarter of 1998 of \$33.6 million, or \$0.59 per diluted share. Internet related expenses for the second quarter ended June 30, 1999 were \$8.5 million, or (\$0.09) per diluted share.

"This is a time of exciting change for Sotheby's and a period in which we are making significant investments for our future," said Diana D. Brooks, President and CEO of Sotheby's Holdings, Inc. Our earnings for the first half and second quarter of 1999 were in line with our expectations. A strong spring auction market and several single owners sales in New York and London contributed to a 7% increase in first half 1999 auction sales, which totaled \$1,035.3 million (compared to \$967.6 million in 1998). Despite this growth, total operating revenues of \$209.2 million were down 3% compared to the first half of 1998, principally due to lower revenues in Financial Services, as a result of the prepayment of a major loan in the fourth quarter of 1998.

"Sotheby's sold the three most expensive paintings of the spring auction season, two in New York from the Whitney Collection and the third in London. Cézanne's Rideau, Cruchon et Compotier, a still-life circa 1893-94, sold for \$60.5 million (£36.9 million), not only a record for the artist but the fourth highest price for a painting sold at auction. Seurat's L'Île de la Grande-Jatte sold for \$35.2 million (£21.5 million), also a record for the artist. In London, Edgar Degas' magnificent pastel of a ballet dancer, Danseuse au repos, sold for £17.6 million (\$27.9 million), setting a record for the artist at auction and becoming the most expensive work on paper ever sold at auction.

"Developing a strong internet auction business has been Sotheby's most important corporate priority this year," continued Mrs. Brooks. "To this end, we have announced two major corporate initiatives: the formation of sothebys.com, a new Internet auction business for art, antiques, jewelry and collectibles; and a joint on-line auction site, sothebys.amazon.com, which we have formed in a ten-year alliance with Amazon.com, the world's leader in e-commerce. Our internet business is distinguished by the fact that all property will be guaranteed for authenticity and condition and will be sourced not only from our existing business but also from select professionals, including art dealers and other members of the art community. To date, more than 3000 dealers have already signed up to be our internet partners.

"sothebys.amazon.com is expected to launch in the autumn with a number of highlights, including property from the Barry Halper Collection of Baseball Memorabilia, following the live auction of this unique collection in late September. Among other highlights to be sold on sothebys.amazon.com, and also following a live auction, will be Highly Important United States Coins from the John and Rebecca Moores Collection, sold to benefit The Institute of Childhood and Neglected Diseases at The Scripps Research Institute."

Sotheby's has 107 offices located in 41 countries, with principal salesrooms in New York and London. The Company also regularly conducts auctions in salesrooms around the world, including Australia, Canada, Germany, Hong Kong, Israel, Italy, Monaco, the Netherlands, Switzerland, and Taiwan. In addition, the Company engages in art-related financing, insurance brokerage and other art-related services, as well as in the marketing and brokering of luxury real estate. Sotheby's Holdings, Inc. is listed on the New York Stock Exchange and the London Stock Exchange.

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Forward-Looking Statements

This release contains certain "forward-looking statements" (as such term is defined in the Securities and Exchange Act of 1934, as amended) relating to future events and the financial performance of the Company. Such statements are only predictions and involve risks and uncertainties, resulting in the possibility that the actual events or performance will differ materially from such predictions. Major factors which the Company believes could cause the actual results to differ materially from the predicted results in the "forward-looking statements" include the overall strength of the international economy and financial markets, competition with other auctioneers and art dealers, the volume of consigned property and the marketability at auction of such property, and the Company's success in developing and implementing its Internet auction strategy.

Financial Tables Follows

All Sotheby's Press Releases are published on our website at www.sothebys.com

If you would like to participate in Sotheby's Holdings, Inc.'s earnings conference call which is scheduled for 10:30 AM EST Wednesday, August 11th, 1999, please call Sotheby's Investor Relations at 212-508-8070 by 9:00 AM EST.