

STIFEL

FINANCIAL

A large, light blue graphic element consisting of several horizontal, slightly curved lines that form a stylized, abstract shape, possibly representing a wing or a stylized letter 'S'. It is positioned behind the word 'FINANCIAL'.

**3rd Quarter 2008 Fiscal Year
Earnings Conference Call**

November 3, 2008

Forward Statements

This presentation may contain “forward-looking statements” that involve risks and uncertainties, including statements relating to the market opportunity and future business prospects of Stifel Financial Corp. and Stifel Nicolaus (“SF” or the “Company”).

Actual results may differ materially and reported results should not be considered as an indication of future performance. Factors that could cause actual results to differ are included in the Company’s Annual and Quarterly Reports and from time to time in other reports filed by the Company with the Securities and Exchange Commission.

To supplement our financial statements presented in accordance with GAAP, the 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.



3Q08 Highlights

- Record Net Revenues of \$218.9 million, up 20% from 3Q07.
 - Revenue growth in PCG, ECM and Stifel Bank was offset by Investment Banking weakness
- GAAP net income of \$12.8 million, or \$0.46 per diluted share, a 59% increase over 3Q07.
 - Balanced business model continues to thrive in uncertain times
- Core net income of \$16.7 million, or \$0.60 per diluted share, a 17% increase over 3Q07
 - Core earnings pretax margin was 13%.
 - Core earnings, annualized return on average equity was 14% with only 3x leverage.
- On September 29, 2008, the Company successfully completed the public offering of 1,495,000 new shares of Company common stock at an offering price of \$45.00 per share.



YTD Highlights

- Record nine month revenues of \$639.4 million, a 16 % increase compared to 2007.
 - PCG record revenue, up 11%, FICM record revenue, up 185%.
- GAAP net income of \$39.5 million, or \$1.44 per diluted share, a 115% increase for the nine months as compared to 2007.
- Book value per common share increased to \$22.21 as of September 30, 2008, a 22% increase from December 31, 2007.
- Core net income of \$51.4 million, or \$1.88 per diluted share, an 11% increase for the year as compared to 2007.
 - For the nine months ended September 30, 2008, utilizing Core earnings, pre-tax margin was 13%.
 - For the nine months ended September 30, 2008, utilizing Core earnings, annualized return on average equity was 15%.



Summary Income Statements

(\$ in thousands)	Quarters Ended			YTD		
	9/30/08	9/30/07	% Change	9/30/08	9/30/07	% Change
Core Net Revenues	\$ 218,927	\$ 183,000	20%	\$ 639,355	\$ 551,209	16%
Compensation and Benefits	143,743	119,566	20%	421,903	360,891	17%
Non-Comp Operating Expenses	47,584	40,263	18%	132,631	112,664	18%
Total non-interest expenses	191,327	159,829	20%	554,534	473,555	17%
Income before income taxes	27,600	23,171	19%	84,821	77,654	9%
Provision for income taxes	10,886	8,905	22%	33,469	31,357	7%
Core Net Income	16,714	14,266	17%	51,352	46,297	11%
Acquisition Related net of taxes	(3,937)	(6,208)	-37%	(11,896)	(27,962)	-57%
GAAP Net Income	\$ 12,777	\$ 8,058	59%	\$ 39,456	\$ 18,335	115%
Core Diluted EPS	\$0.60	\$0.53	13%	\$1.88	\$1.83	3%
GAAP Diluted EPS	\$0.46	\$0.30	53%	\$1.44	\$0.73	97%
<i>Ratios to Net Revenues (Core)</i>						
Compensation & Benefits	66%	65%		66%	65%	
Operating expenses	22%	22%		21%	20%	
Income before income taxes	13%	13%		13%	14%	

See Press Release for Non-GAAP Financial Measure discussion and reconciliation.



Growth Strategy

- Disruption in Private Client Market presents significant opportunities
 - Wachovia+WFC, Merrill+BOA, Lehman Bros. bankruptcy, and the collapse of Bear Stearns has caused thousands of Financial Advisors to ponder their future.
- The Wall Street principal business model under scrutiny
 - Deleveraging removes the major advantage of our competitors and significantly hampers their existing business models.
- Global turmoil creates opportunity to enhance Capital Markets platform
 - While firms fight for survival, cut staff, and contemplate the new world, we are growing.
 - Stifel is already regulated by the Fed while peers “plan” for new future.
- Successful Equity raise in 3Q08 will fund further expansion plans



2008 Growth

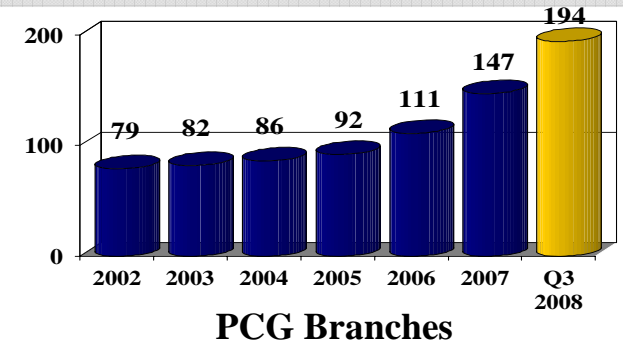
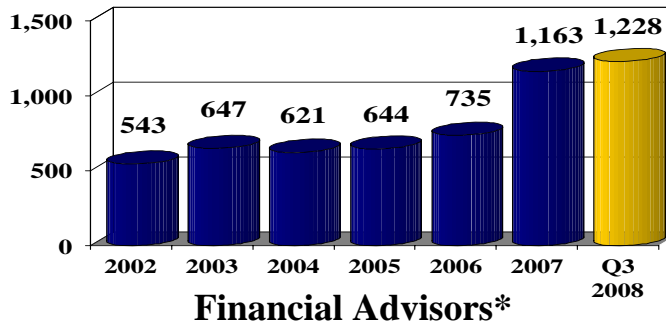
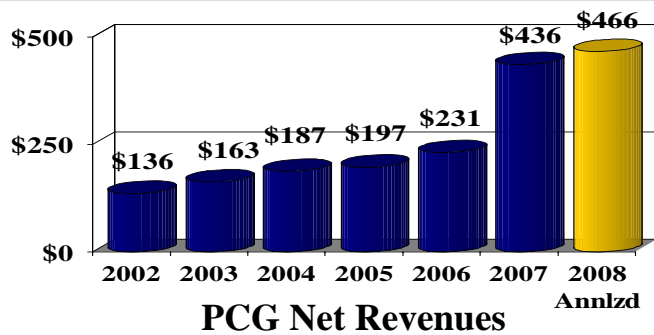
Business Units	2008 Additions	Total As of 9/30/2008
Private Client Group		
Financial Advisors*	140	1,228
Offices	21	194
Equity Capital Markets		
Equity Sales & Trading Professionals	20	112
Investment Banking Professionals	38	134
Fixed Income Capital Markets		
Fixed Income Sales & Trading Professionals	27	137
Public Finance Professionals	25	46
Banking		
Stifel Bank & Trust Associates	49	73

*Includes all retail Financial Advisors.



Market Turmoil = Opportunity

➤ Stifel has one of the fastest growing Private Wealth Management businesses in the industry.



*Includes all retail Financial Advisors.

➤ Stifel Equity Research is 6th largest research department in the U.S. and the 2nd largest provider of small cap coverage. (1)

Overall Region Coverage		Small Cap Region Coverage	
Competitor	Stocks	Competitor	Stocks
J.P. Morgan	1221	J.P. Morgan	560
Goldman Sachs	988	Stifel Nicolaus & Company, Inc.	507
Merrill Lynch	918	Sidoti & Company LLC	465
Citigroup	912	Raymond James	423
Barclays Capital	890	RBC Capital Markets	412
Stifel Nicolaus & Company, Inc.	826	Oppenheimer & Co.	395
Deutsche Bank Securities	819	Goldman Sachs	392
UBS	813	Jefferies & Co.	364
Credit Suisse	773	Wachovia Capital Markets, Llc	351
Wachovia Capital Markets, Llc	722	Merrill Lynch	343
Raymond James	700	Deutsche Bank Securities	340
Argus Research Company	669	Citigroup	335
RBC Capital Markets	662	Piper Jaffray	333
Oppenheimer & Co.	628	Barclays Capital	322
Jefferies & Co.	607	Robert W. Baird & Co., Inc.	305
Banc Of America Securities	595	Credit Suisse	284
Morgan Stanley	579	UBS	271

(1) Source: StarMine



Source of Revenues

Revenues

(\$ in thousands)

	Three Months Ended					Nine Months Ended				
	9/30/08	% of Net Revenues	9/30/07	% of Net Revenues	% Change	9/30/08	% of Net Revenues	9/30/07	% of Net Revenues	% Change
Commissions	\$ 88,727	40.5%	\$ 82,917	45.3%	7%	\$ 257,491	40.3%	\$ 224,930	40.8%	14%
Principal transactions	68,182	31.1%	31,711	17.3%	115%	200,793	31.4%	91,578	16.6%	119%
Investment banking	25,156	11.5%	30,966	16.9%	-19%	67,935	10.6%	137,964	25.0%	-51%
Asset management and service fees	30,336	13.9%	27,108	14.8%	12%	90,580	14.2%	72,018	13.1%	26%
Other	(1,391)	-0.6%	2,165	1.2%	n/a	(883)	-0.1%	4,107	0.7%	n/a
Total operating revenues	211,010	96.4%	174,867	95.6%	21%	615,916	96.3%	530,597	96.3%	16%
Interest revenue	12,819	5.8%	15,972	8.7%	-20%	39,175	6.1%	43,371	7.9%	-10%
Total revenues	223,829	102.2%	190,839	104.3%	17%	655,091	102.5%	573,968	104.2%	14%
Less: Interest expense	4,906	2.2%	7,856	4.3%	-38%	15,740	2.5%	23,089	4.2%	-32%
Net revenues	218,923	100.0%	182,983	100.0%	20%	639,351	100.0%	550,879	100.0%	16%



Principal Transactions

(\$ in thousands)

	Three Months Ended					Nine Months Ended				
	9/30/08	% of Total	9/30/07	% of Total	% Change	9/30/08	% of Total	9/30/07	% of Total	% Change
Principal transactions										
Taxable Debt	\$ 39,197	57.5%	\$ 17,221	54.3%	128%	\$ 124,696	62.1%	\$ 53,973	58.9%	131%
Muni Debt	10,993	16.1%	5,841	18.4%	88%	31,395	15.6%	16,107	17.6%	95%
Equities	11,793	17.3%	6,013	19.0%	96%	27,703	13.8%	15,463	16.9%	79%
Other	6,199	9.1%	2,636	8.3%	135%	16,999	8.5%	6,035	6.6%	182%
Total Principal Transactions	\$ 68,182	100.0%	\$ 31,711	100.0%	115%	\$ 200,793	100.0%	\$ 91,578	100.0%	119%



Volatility of Investment Account

(\$ in thousands)	Quarters Ended			YTD		
	9/30/08	9/30/07	% Change	9/30/08	9/30/07	% Change
Deferred Comp Hedge	\$ (1,899)	\$ 859	-321%	\$ (2,446)	\$ 1,090	-324%
NYSE Euronext	(245)	119	-306%	(1,039)	(385)	170%
Stifel CAPCO	(532)	(283)	88%	(1,379)	(673)	105%
Other Investments	(281)	262	-207%	(1,033)	608	-270%
Gains/(Losses)-Investments	\$ (2,957)	\$ 957	-409%	\$ (5,897)	\$ 640	-1021%

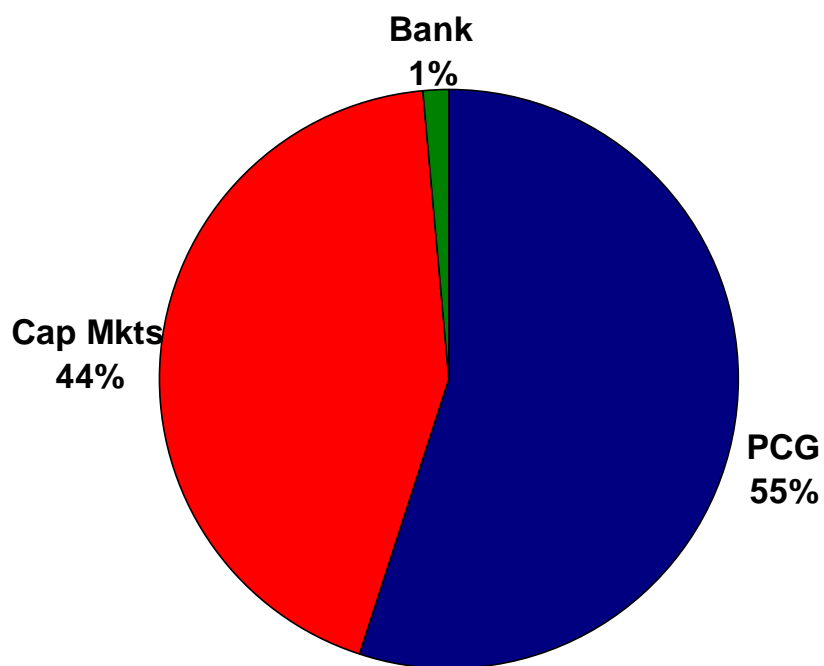
	9/30/08	9/30/07
Deferred compensation hedge	26,700	31,605
U.S. Treasury	26,929	29,108
Investments	26,865	11,404
Net investments, at market	\$ 80,494	\$ 72,117



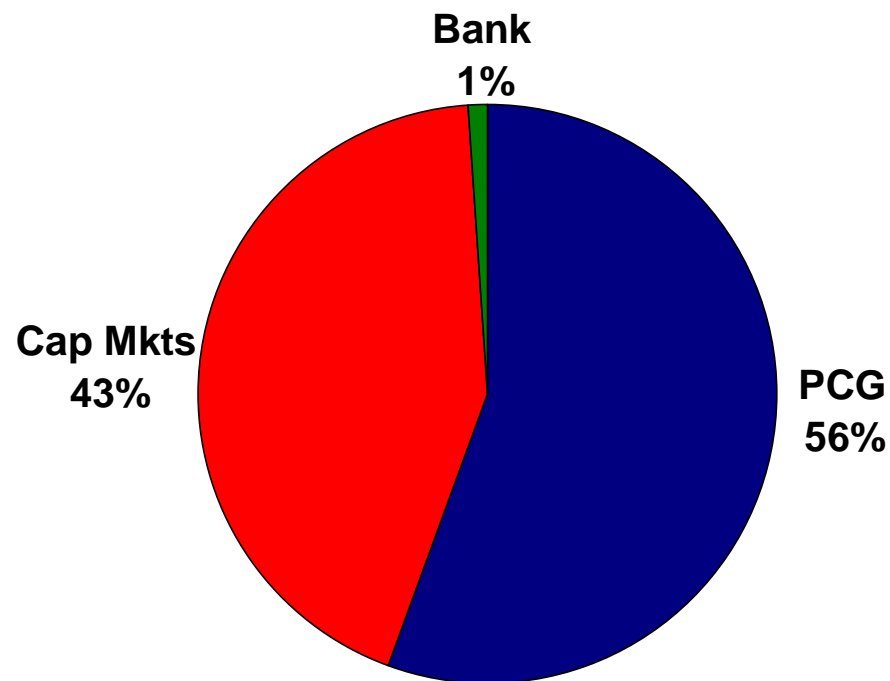
YTD 2008 Segment Comparison (Ex Acquisitions)

- Balanced business model facilitates growth during volatile markets
 - Stable PCG business is augmented by profitable and growing Capital Markets.

% of Revenues



% of Op Profit



Segment Comparison

Excluding Acquisitions

- Total net revenues increased 20% despite unprecedented equity & credit market dislocations.
- Revenues increased in each vertical and margins improved in 3 out of 4 operating segments

	Quarters Ended		% Change	YTD		% Change
	9/30/08	9/30/07		9/30/08	9/30/07	
Net Revenues						
Private Client	\$ 113,976	\$ 112,650	1%	\$ 349,828	\$ 316,451	11%
Equity Capital Markets	63,405	47,703	33%	160,644	178,643	-10%
Fixed Income Capital Markets	38,193	15,962	139%	116,904	41,073	185%
Stifel Bank	3,175	1,839	73%	8,494	2,929	190%
Other	178	4,846	-96%	3,485	12,113	-71%
Total Net Revenues	\$ 218,927	\$ 183,000	20%	\$ 639,355	\$ 551,209	16%
Operating Contribution						
Private Client	\$ 22,801	\$ 23,401	-3%	\$ 78,262	\$ 67,869	15%
Equity Capital Markets	11,775	8,499	39%	22,286	42,445	-47%
Fixed Income Capital Markets	12,014	2,133	463%	38,713	3,406	1037%
Stifel Bank	732	369	98%	1,463	643	128%
Other	(19,722)	(11,231)	76%	(55,903)	(36,709)	52%
Total Operating Contribution	\$ 27,600	\$ 23,171	19%	\$ 84,821	\$ 77,654	9%



Private Client Group

Income Statements

- Strong commission & fee growth was offset by a weaker syndicate calendar
- Margins were modestly lower due to the opening of 21 new offices in 2008

<i>(\$ in thousands)</i>	<u>Quarters Ended</u>		<u>% Change</u>	<u>YTD</u>		<u>% Change</u>
	<u>9/30/08</u>	<u>9/30/07</u>		<u>9/30/08</u>	<u>9/30/07</u>	
<u>Revenues:</u>						
Commissions and principal transactions	\$ 78,031	\$ 71,766	9%	\$ 237,523	\$ 199,421	19%
Investment banking	3,371	10,068	-67%	13,690	35,366	-61%
Asset management and service fees	30,111	26,833	12%	90,199	71,550	26%
Net interest & other	2,463	3,983	-38%	8,416	10,114	-17%
Total Net Revenues	113,976	112,650	1%	349,828	316,451	11%
<u>Non-interest expenses:</u>						
Employee compensation & benefits	70,343	72,177	-3%	215,879	201,964	7%
Other non-interest expenses	20,832	17,072	22%	55,687	46,618	19%
Total non-interest expenses	91,175	89,249	2%	271,566	248,582	9%
Income before income taxes	\$ 22,801	\$ 23,401	-3%	\$ 78,262	\$ 67,869	15%
<u>Ratios to Net Revenues</u>						
Employee compensation & benefits	62%	64%		62%	64%	
Other non-interest expenses	18%	15%		16%	15%	
Net Margins	20%	21%		22%	21%	



New Branches

	Trailing 12	%	Proforma	%
Net Revenue	\$10.3	100%	\$39.1	100%
Comp and Benefits	\$7.4	72%	\$21.9	56%
Operating Expenses	\$3.7	36%	\$6.3	16%
Preliminary Contribution (Loss)	<u>(\$0.8)</u>	-8%	<u>\$10.9</u>	28%
One time Expenses	\$3.1	30%	\$0.0	0%
Transition Pay	\$1.4	14%	\$4.7	12%
Contribution (Loss)	<u>(\$5.3)</u>	-51%	<u>\$6.3</u>	16%

Pro forma represents the projected annual results using estimated revenues and expenses. The Company also estimated the amount of net interest and fee revenues for the trailing twelve months. The pro forma results are based upon company standards. Because of these and other uncertainties, our actual future results may be materially different from the results indicated by these forward-looking statements.



Equity Capital Markets

Income Statements

- Record quarterly flow business (cash equities)
 - Variable cost business model leaves room for continued margin expansion

	Quarters Ended		% Change	YTD		% Change
	9/30/08	9/30/07		9/30/08	9/30/07	
<i>(\$ in thousands)</i>						
Revenues:						
Commissions and principal transactions	\$ 44,827	\$ 31,020	45%	\$ 115,361	\$ 85,104	36%
Capital raising	5,408	6,525	-17%	16,725	37,521	-55%
Advisory fees	12,827	10,133	27%	27,645	55,233	-50%
Investment banking	18,235	16,658	9%	44,370	92,754	-52%
Other	343	25	1272%	913	785	16%
Total Net Revenues	63,405	47,703	33%	160,644	178,643	-10%
Non-interest expenses:						
Employee compensation & benefits	39,139	28,235	39%	103,383	105,619	-2%
Other non-interest expenses	12,491	10,969	14%	34,975	30,579	14%
Total non-interest expenses	51,630	39,204	32%	138,358	136,198	2%
Income before income taxes	\$ 11,775	\$ 8,499	39%	\$ 22,286	\$ 42,445	-47%
Ratios to Net Revenues						
Employee compensation & benefits	62%	59%		64%	59%	
Other non-interest expenses	20%	23%		22%	17%	
Net Margins	19%	18%		14%	24%	



Fixed Income Capital Markets

Income Statements

- Volatility, expanded distribution and client focused model drive record results
 - Opened more than 375 new institutional accounts YTD in 2008

	Quarters Ended		% Change	YTD		% Change
	9/30/08	9/30/07		9/30/08	9/30/07	
<i>(\$ in thousands)</i>						
Revenues:						
Commissions & principal transactions	\$ 34,050	\$ 11,840	188%	\$ 105,399	\$ 31,939	230%
Investment banking	3,550	4,241	-16%	9,875	10,076	-2%
Other	593	(119)	n/a	1,630	(942)	n/a
Total Net Revenues	38,193	15,962	139%	116,904	41,073	185%
Non-Interest Expenses:						
Employee compensation and benefits	22,891	10,576	116%	68,492	28,623	139%
Operating expenses	3,288	3,253	1%	9,699	9,044	7%
Total non-interest expenses	26,179	13,829	89%	78,191	37,667	108%
Income before income taxes	\$ 12,014	\$ 2,133	463%	\$ 38,713	\$ 3,406	1037%
Ratios to Net Revenues						
Employee compensation & benefits	60%	66%		59%	70%	
Other non-interest expenses	9%	20%		8%	22%	
Net Margins	31%	13%		33%	8%	



Stifel Bank & Trust

Income Statements

➤ Continued build-out to serve Stifel Nicolaus clients and potential clients.

	Quarters Ended		% Change	YTD		% Change
	9/30/08	9/30/07		9/30/08	9/30/07	
<i>(\$ in thousands)</i>						
Revenues:						
Interest	\$ 4,129	\$ 3,231	28%	\$ 11,491	\$ 5,823	97%
Other	493	423	17%	1,602	559	187%
Total Revenues	4,622	3,654	26%	13,093	6,382	105%
Less: Interest expense	1,447	1,815	-20%	4,599	3,453	33%
Total Net Revenues	3,175	1,839	73%	8,494	2,929	190%
Non-interest expenses:						
Employee compensation and benefits	1,045	516	103%	2,782	863	222%
Other non-interest expenses	1,398	954	47%	4,249	1,423	199%
Total non-interest expenses	2,443	1,470	66%	7,031	2,286	208%
Income before income taxes	\$ 732	\$ 369	98%	\$ 1,463	\$ 643	128%
Total assets	\$ 327,279	\$ 229,231	43%			
Total retained loans, net	\$ 203,181	\$ 110,614	84%			
Total loans held for sale, net	\$ 11,370	\$ -	n/a			
Total deposits	\$ 261,018	\$ 171,411	52%			
Total capital	\$ 40,445	\$ 38,336	6%			
Allowance for loan losses as a % of loans	1.22%	1.43%				
Total Non-Performing Loans as a % of Loans	0.09%	0.59%				



Reconciliation of GAAP to Core Earnings



GAAP to Core Earnings

	Quarters Ended		% Change	YTD		% Change
	9/30/08	9/30/07		9/30/08	9/30/07	
<i>(\$ in thousands)</i>						
Core Net Income	\$ 16,714	\$ 14,266	17%	\$ 51,352	\$ 46,297	11%
Acquisiton Related Expenses-net of tax	(3,937)	(6,208)	-37%	(11,896)	(27,962)	-57%
GAAP Net Income	\$ 12,777	\$ 8,058	59%	\$ 39,456	\$ 18,335	115%
Core Diluted EPS	\$0.60	\$0.53	13%	\$1.88	\$1.83	3%
Non-Core Diluted EPS	(\$0.14)	(\$0.23)	-39%	(\$0.44)	(\$1.10)	-60%
GAAP Diluted EPS	\$0.46	\$0.30	53%	\$1.44	\$0.73	97%

See Press Release for Non-GAAP Financial Measure discussion and reconciliation.

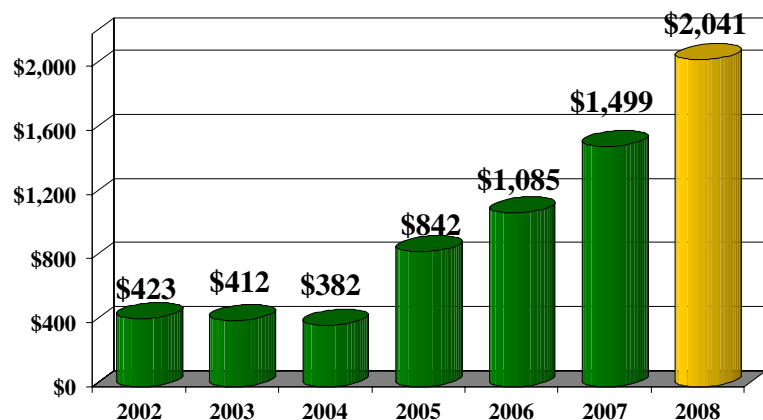


Income Statement Impact

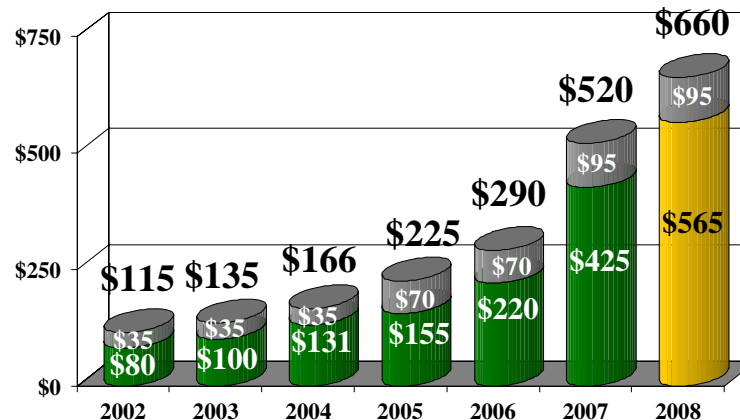
	Actual Q1 2008	Actual Q2 2008	Actual Q3 2008	YTD	Estimated Q4 2008	Estimated Full Year 2008	2009
<u>Acquisition Related Expenses</u>							
<i>(\$ in thousands)</i>							
LM Capital Markets Acquisition	\$ 6,306	\$ 6,380	\$ 6,476	\$ 19,162	\$ 6,400	\$ 25,562	\$ -
Ryan Beck Acquisition	325	134	30	489	100	589	-
Pre Tax Acquisition Charges	<u>6,631</u>	<u>6,514</u>	<u>6,506</u>	<u>19,651</u>	<u>6,500</u>	<u>26,151</u>	<u>-</u>
After Tax Impact	<u>\$ (3,971)</u>	<u>\$ (3,987)</u>	<u>\$ (3,937)</u>	<u>\$ (11,896)</u>	<u>\$ (3,932)</u>	<u>\$ (15,827)</u>	<u>\$ -</u>
Diluted EPS Impact	(\$0.15)	(\$0.15)	(\$0.14)	(\$0.44)	(\$0.14)	(\$0.58)	\$0.00



Stifel Financial Balance Sheet Graphs

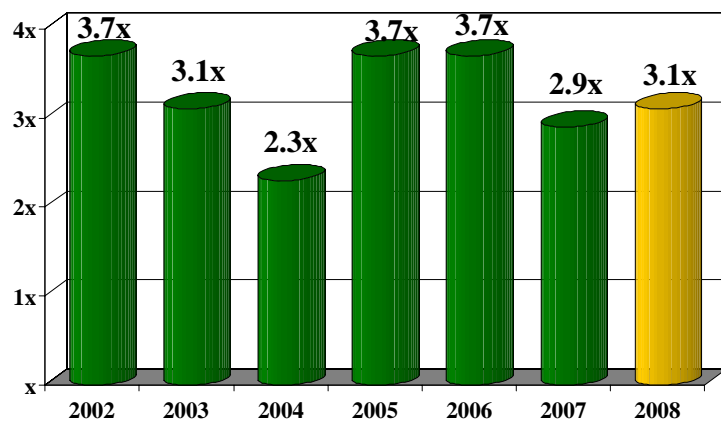


Total Assets (\$ millions)

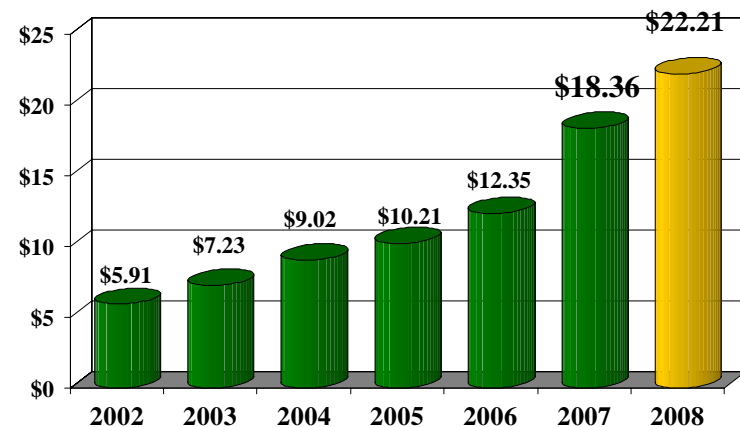


Total Capitalization (\$ millions)

Defined as stockholder's equity plus the trust preferred securities.



Capitalization Ratio



Book Value Per Share



Capital Structure

(\$ in thousands)

Total Assets	\$ 2,041,425
Stockholders' Equity	\$ 565,387
Debentures to:	
Stifel Financial Capital Trust II - LIBOR plus 1.70% (fixed at 6.38% until 9/30/10), due 9/30/35	35,000
Stifel Financial Capital Trust III - LIBOR plus 1.85% (fixed at 6.79% until 6/6/12), due 6/6/37	35,000
Stifel Financial Capital Trust IV - LIBOR plus 1.85% (fixed at 6.78% until 9/6/12), due 9/6/37	25,000
<i>Total Debentures (average 6.64% per annum)</i>	95,000
Total Capitalization	\$ 660,387

Ratios:

Leverage Ratio (assets / equity)	3.6x
Capitalization Ratio (assets / total capitalization)	3.1x



Other Financial Data

Other Data	Quarterly Data			% Change	
	9/30/2008	6/30/2008	9/30/2007	vs Q2 2008	vs Q3 2007
Bank Assets	\$327,279	\$301,511	\$229,231	9%	43%
SN & SF Assets	\$1,714,146	\$1,384,326	\$1,270,210	24%	35%
Total Assets (000's)	\$2,041,425	\$1,685,837	\$1,499,441	21%	36%
Stockholders Equity (000's)	\$565,387	\$465,071	\$424,638	22%	33%
Book value Per Share	\$22.21	\$19.75	\$18.08	12%	23%
Financial Advisors *	1,228	1,178	1,155	4%	6%
Full Time Employees	3,038	2,922	2,722	4%	12%
Locations	194	185	177	5%	10%

*Includes all retail Financial Advisors.



Q & A