

Stifel Financial Corp.

March 2015

STIFEL

Forward-Looking Statements

This presentation may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that involve significant risks, assumptions, and uncertainties, including statements relating to the market opportunity and future business prospects of Stifel Financial Corp., as well as Stifel, Nicolaus & Company, Incorporated and its subsidiaries (collectively, “SF” or the “Company”). These statements can be identified by the use of the words “may,” “will,” “should,” “could,” “would,” “plan,” “potential,” “estimate,” “project,” “believe,” “intend,” “anticipate,” “expect,” and similar expressions. In particular, these statements may refer to our goals, intentions, and expectations, our business plans and growth strategies, our ability to integrate and manage our acquired businesses, estimates of our risks and future costs and benefits, and forecasted demographic and economic trends relating to our industry.

You should not place undue reliance on any forward-looking statements, which speak only as of the date they were made. We will not update these forward-looking statements, even though our situation may change in the future, unless we are obligated to do so under federal securities laws.

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 and include, among other things, changes in general economic and business conditions, actions of competitors, regulatory and legal actions, changes in legislation, and technology changes.

Use of Non-GAAP Financial Measures

The Company utilized non-GAAP calculations of presented net revenues, compensation and benefits, non-compensation operating expenses, income from continuing operations before income taxes, provision for income taxes, net income from continuing operations, net income, compensation and non-compensation operating expense ratios, pre-tax margin and diluted earnings per share as an additional measure to aid in understanding and analyzing the Company’s financial results for the three and twelve months ended December 31, 2014. Specifically, the Company believes that the non-GAAP measures provide useful information by excluding certain items that may not be indicative of the Company’s core operating results and business outlook. The Company believes that these non-GAAP measures will allow for a better evaluation of the operating performance of the business and facilitate a meaningful comparison of the Company’s results in the current period to those in prior periods and future periods. Reference to these non-GAAP measures should not be considered as a substitute for results that are presented in a manner consistent with GAAP. These non-GAAP measures are provided to enhance investors’ overall understanding of the Company’s financial performance.

Stifel Overview

Stifel – Premier Investment Bank and Full-Service Investment Firm

STIFEL

Stifel at a Glance

Core Net Revenue - \$2,213 million

Global Wealth Management (GWM)

Net Revenue - \$1,233 million

- Private Client
- Stifel Bank & Trust
- Margin and Securities-based Lending
- Asset Management

Institutional Group (IG)

Net Revenue - \$994 million

- Equity & Fixed Income Capital Raising
- M&A Advisory / Restructuring
- Institutional Equity and Fixed Income Brokerage
- Independent Research

- Low leverage (3.1x) ⁽¹⁾ ⁽²⁾, \$2.3 billion stockholders' equity ⁽²⁾ and \$3.7 billion market capitalization ⁽³⁾
- 34% Insider ownership aligns employees' interests with other shareholders ⁽⁴⁾
- Over 6,200 associates⁽²⁾
- Balanced business mix (55% GWM / 45% IG) (2014 net revenues)
- Over 2,100 financial advisors⁽²⁾ with \$187 billion in combined client assets⁽²⁾ – national presence
- Largest U.S. equity research platforms with over 1,400 stocks under coverage⁽²⁾
- Broad investment banking and institutional sales and trading capabilities – domestic and international

(1) Assets / equity (as adjusted).

(2) As of 12/31/2014.

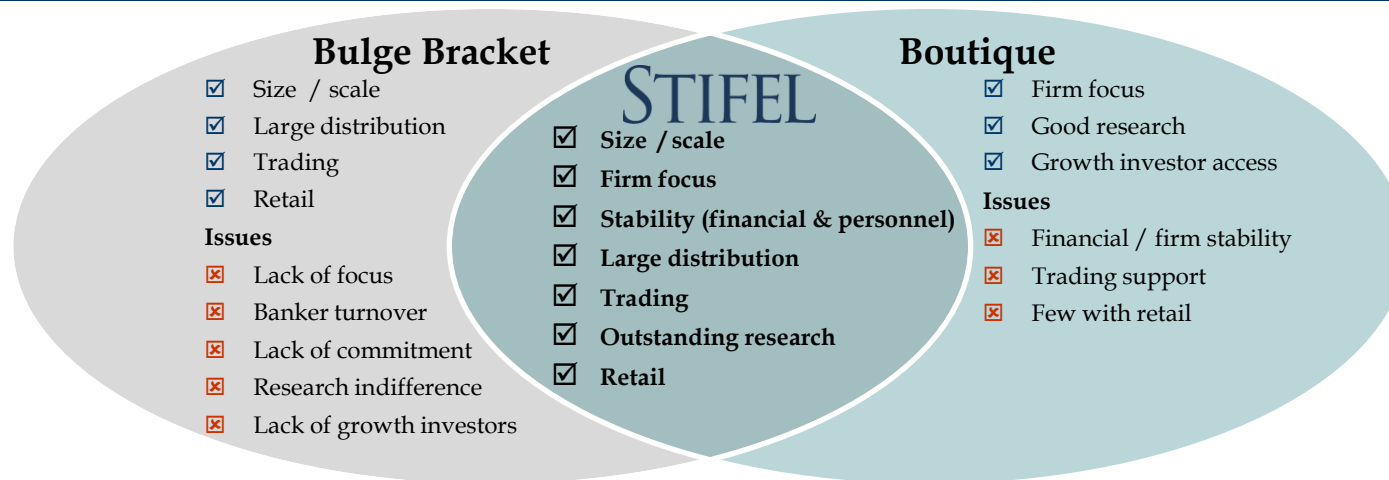
(3) As of 3/6/2015.

(4) Insider ownership percentage includes all fully diluted shares, units outstanding and options outstanding, as of 12/31/2014.

Leading broker-dealer providing wealth management and institutional services to consumers and companies

STIFEL

Stifel's Differentiated Value Proposition: Growth, Scale and Stability



Institutional

- **LARGEST** provider of U.S. equity research
- **2nd LARGEST** Equity trading platform in the U.S. outside of the Bulge Bracket firms⁽¹⁾
- **FULL SERVICE** investment banking with expertise across products and industry sectors
- **ACCESS TO** top ten private client platform

(1) Based on 2014 U.S. trading volume per Bloomberg.

(2) Source: SIFMA and publicly available information for U.S. brokerage networks. Includes investment banks only. Represents Wealth Management Americas segment only.

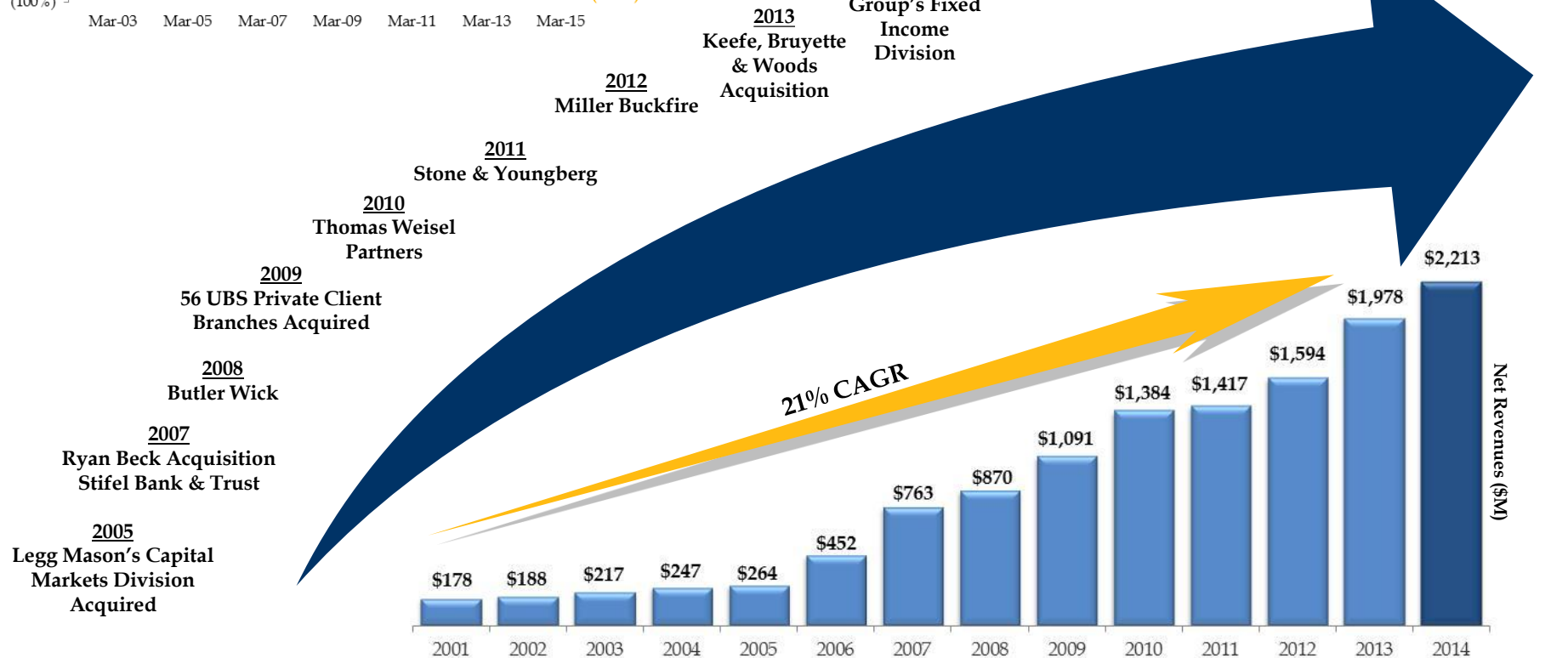
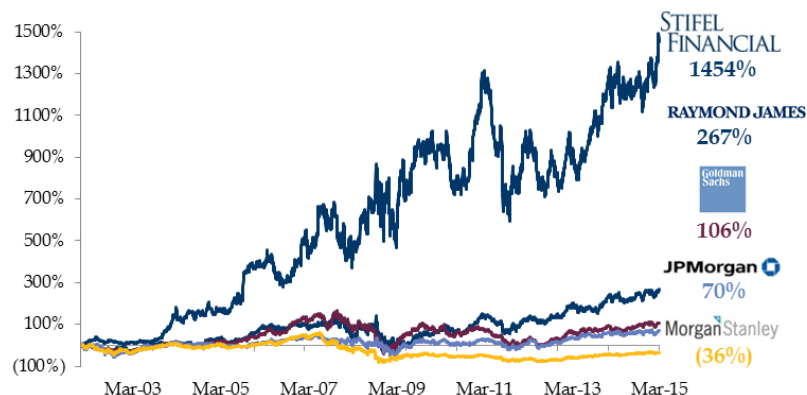
Wealth Management

Retail Brokerage by Number of Advisors⁽²⁾

Rank	Firm	Advisors
1	Morgan Stanley Wealth Management	16,162
2	Bank of America Merrill Lynch	15,900
3	Wells Fargo Securities	15,163
4	Raymond James	6,265
5	UBS	4,286
6	Stifel + Sterne Agee	2,833
	Stifel	2,103
7	RBC Capital Markets	1,900
8	Oppenheimer & Co Inc	1,390
9	JPMorgan	800
10	Deutsche Bank	772
11	Sterne Agee & Leach Inc	730
12	Janney Montgomery Scott	725
13	Robert W Baird & Co	709
14	Stephens Inc.	526
15	Southwest Securities Inc	464

Significant Growth

STIFEL



2005
Legg Mason's Capital
Markets Division
Acquired

2007
Ryan Beck Acquisition
Stifel Bank & Trust

2008
Butler Wick

2009
56 UBS Private Client
Branches Acquired

2010
Thomas Weisel
Partners

2011
Stone & Youngberg

2012
Miller Buckfire

2013
Keefe, Bruyette
& Woods
Acquisition

2013
Knight Capital
Group's Fixed
Income
Division

2013
Acacia Bank &
Ziegler Lotsoff

2014
De La Rosa,
Oriental Securities,
1919 Investment
Counsel,
Merchant Capital

2015
Sterne Agee (pending),
Sidoti Joint Venture,
Leumi Partners
Collaboration
Agreement

Each merger has been accretive to Stifel and retention remains high

MERCHANT CAPITAL
L.L.C.

- Public Finance
- December 2014



MILLER BUCKFIRE

- Restructuring advisory
- December 2012

19/19 INVESTMENT
COUNSEL

- Customized investment advisory and trust services
- November 2014



STONE & YOUNGBERG

- Fixed Income IB, Sales and Trading
- Private Client
- **Seamless & efficient integration**
- October 2011



- UK-based full service investment bank
- July 2014



- Growth Focused
- Investment Banking
- Research, Sales and Trading
- **Achieved cost efficiencies**
- July 2010



- California-based investment bank and bond underwriter
- April 2014

- **56 UBS Branches**
- **Revenue production has exceeded expectations**
- October 2009



- Asset Management
- Over \$4 billion in assets
- November 2013



- Private Client
- Public Finance
- **Seamless & efficient integration**
- December 2008



- Clean portfolio of 1-4 family residential mortgages
- October 2013



- Bank holding company
- Financial holding company
- **Grown assets from ~ \$100M to \$5.0B**
- April 2007

Knight
Fixed Income

- Fixed Income Sales and Trading - U.S. & Europe
- Fixed Income Research
- July 2013

RYAN BECK & CO.

- Private Client
- Capital Markets
- **Achieved cost savings objectives**
- February 2007



- FIG Investment Banking
- FIG Sales and Trading / Research
- **Exceeded expectations**
- February 2013



- **Significant enhancement to our Capital Markets business**
- Achieved cost savings objectives
- December 2005

MERCHANT CAPITAL
L.L.C.

- Closed December 31, 2014

19/19 INVESTMENT
COUNSEL

- Closed November 7, 2014
- Added approximately \$9 billion in client assets

 **Oriel**
SECURITIES

- Closed July 31, 2014 / Full-service broker-dealer based in London
- Integration and conversion efforts scheduled for Q1 2015

 **STONE & YOUNGBERG** +
 **DE LA ROSA**
INVESTMENT BANKERS

- Ranked #1 in municipal negotiated issues in 2014¹
- Ranked #1 in 2014 municipal negotiated:
 - K-12
 - TIF
 - Assessment District Financing
 - Multifamily Housing Financing

 **KBW**

- Stifel/KBW ranked #1 M&A advisor in the mid-market in 2014²
- Ranked #1 in bank M&A in 2014³
- Ranked #1 in bank & thrift IPOs in 2014⁴

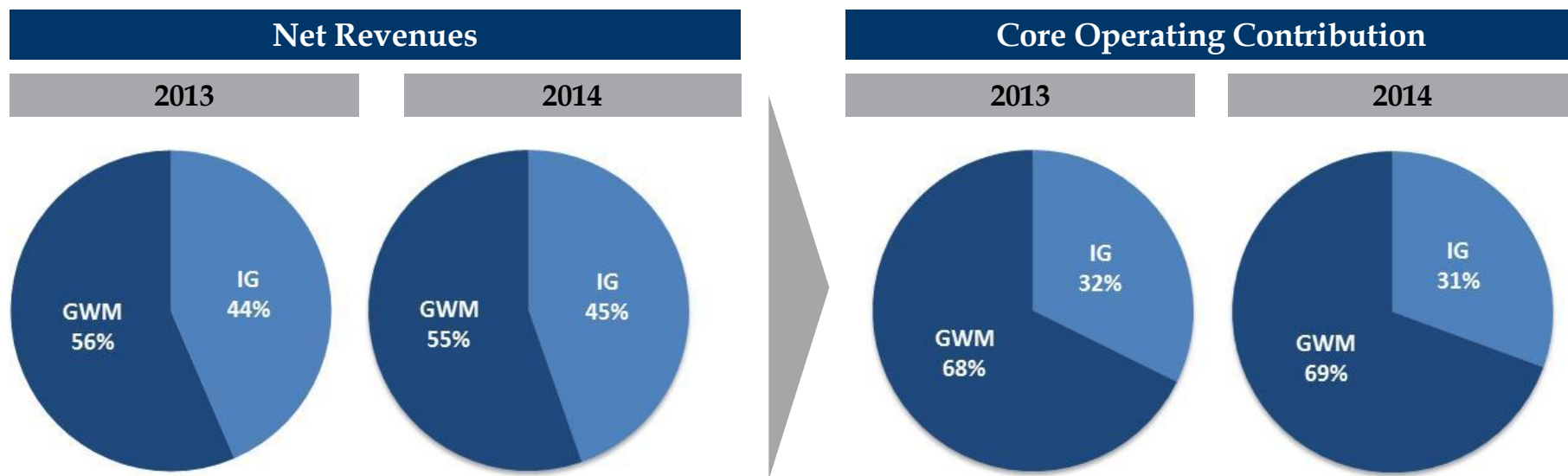
 **MILLER BUCKFIRE**

- Ranked #2 in bankruptcy cases for the fourth quarter of 2014⁵

Well-diversified, low risk business model with balanced retail and institutional exposure

STIFEL

- Unburdened by capital constraints
- Low leverage business model and conservative risk management
- Limited balance sheet risk
- Stable wealth management business is augmented by profitable and growing institutional business
- Drive revenue synergies by leveraging the wealth management and institutional business



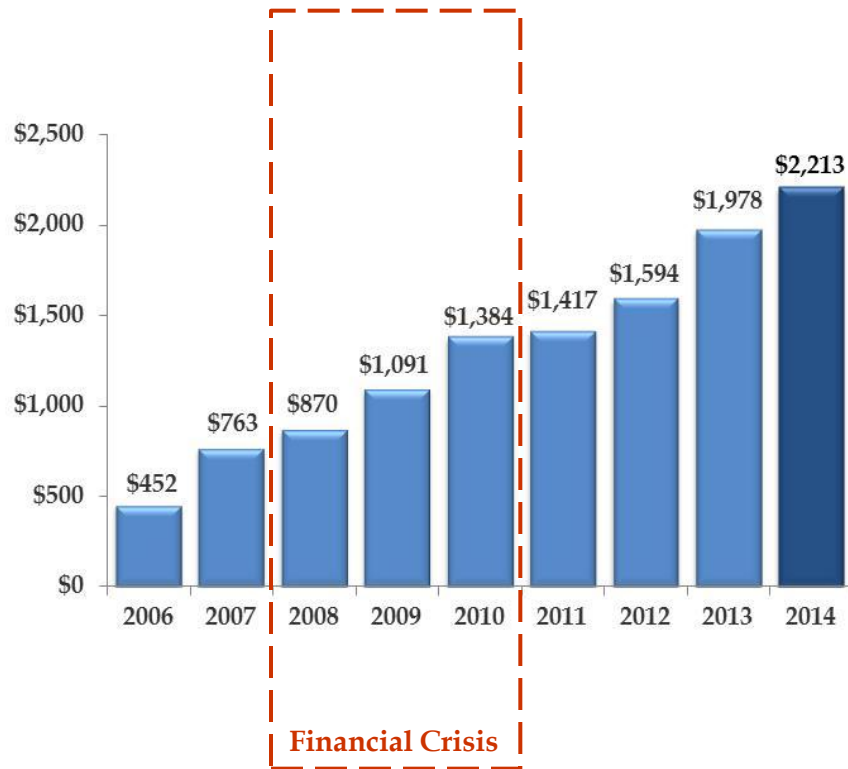
Balanced business model facilitates growth in all market environments

Demonstrated ability to grow through all market environments while maintaining solid profitability

STIFEL

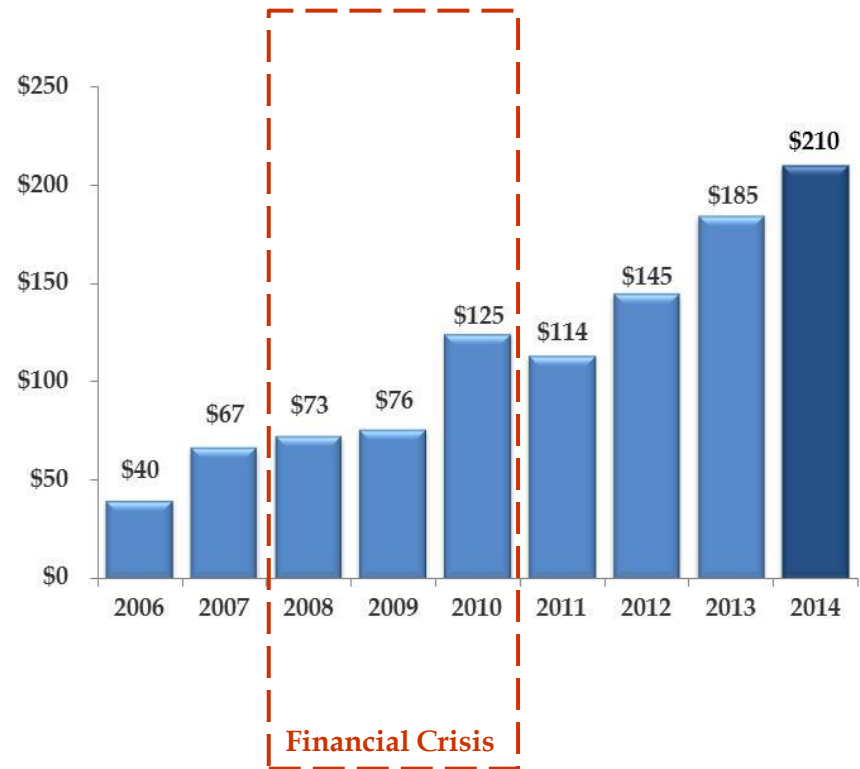
Core Net Revenues (\$MM)

CAGR: 22%



Core Net Income (\$MM)

CAGR: 24%



Segment Overview – Global Wealth Management

Global Wealth Management

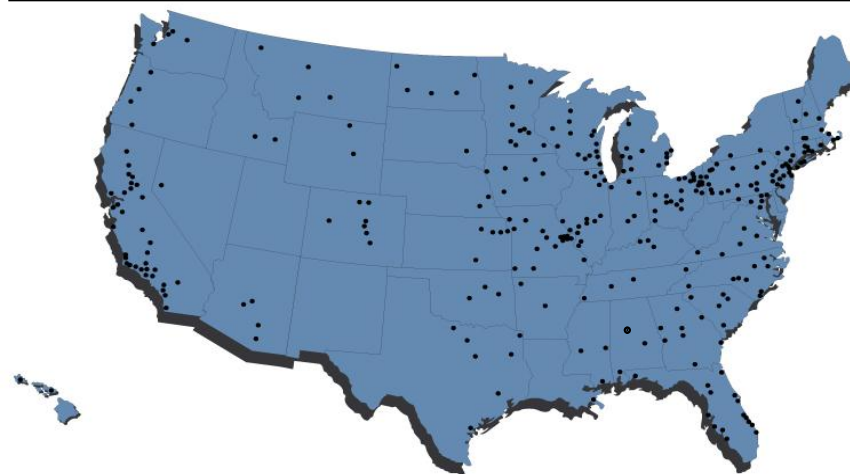
STIFEL

Provides Securities Brokerage Services and Stifel Bank Products

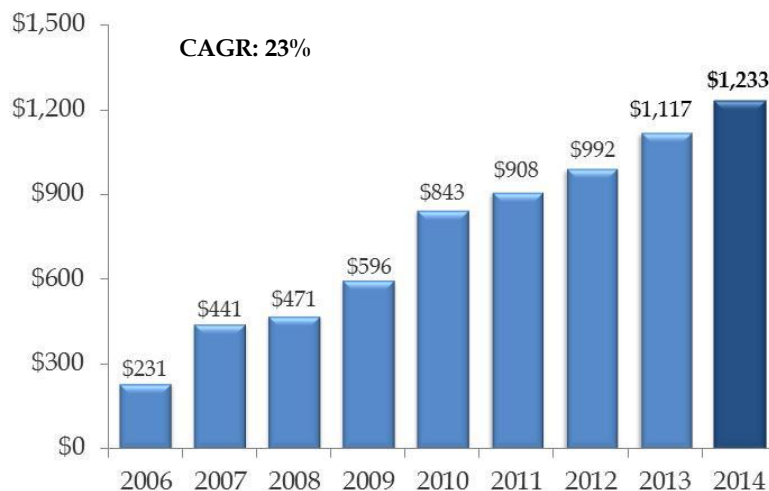
Overview

- Grown from 600+ financial advisors in 2005 to over 2,100⁽¹⁾ financial advisors currently
- Proven organic growth and acquirer of private client business
- Individual investors are generally mid- to long-term buyers
- Goal of providing price stability and support to the institutional order book
- Strategy of recruiting experienced advisors with established client relationships
- Expanding U.S. footprint

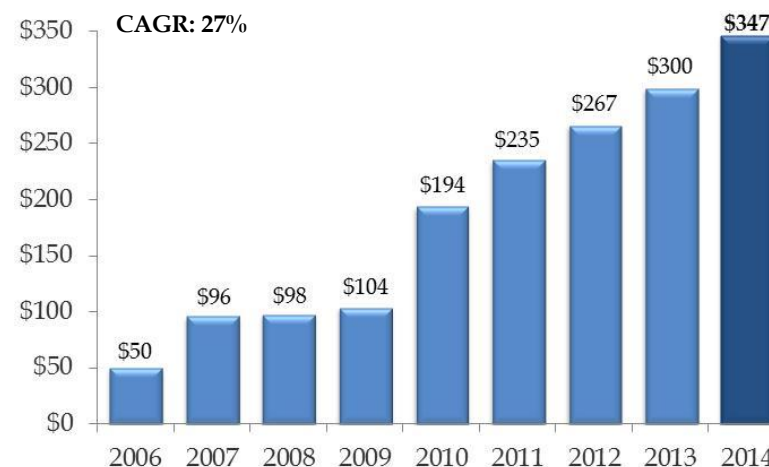
National Presence



Net Revenues (\$MM)



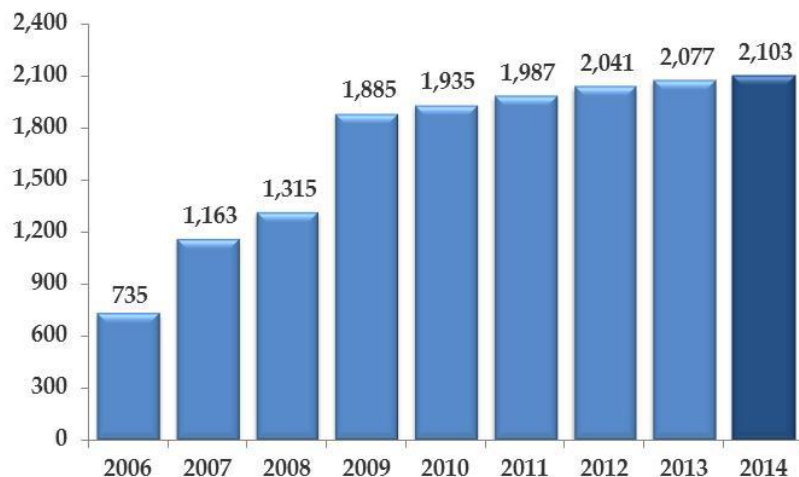
Core Operating Contribution (\$MM)



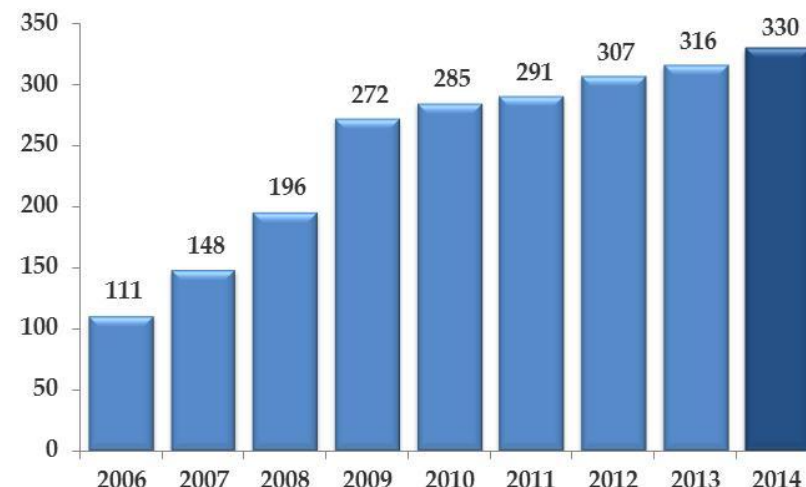
(1) Includes Independent Contractors.

Key Operating Metrics

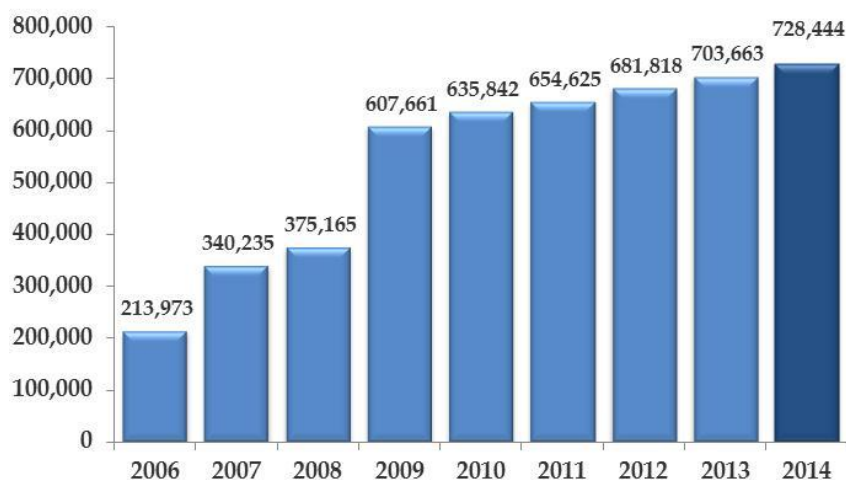
Financial Advisors ⁽¹⁾



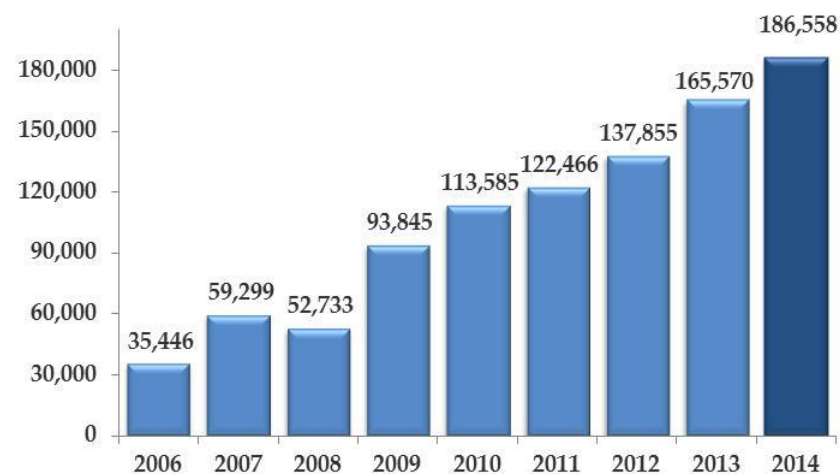
Branches



Accounts



Total Client Assets (\$MM)



(1) Includes Independent Contractors.

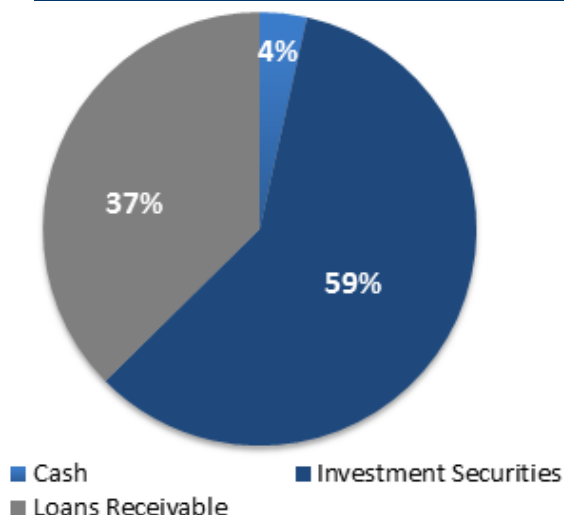
Overview

- Acquired FirstService Bank, a St. Louis-based, Missouri-chartered commercial bank, in April 2007
- Stifel Financial became a bank holding company and financial services holding company
- Balance sheet growth with low-risk assets
- Funded by Stifel Nicolaus client deposits
- Maintain high levels of liquidity

Strength of Brokerage Position

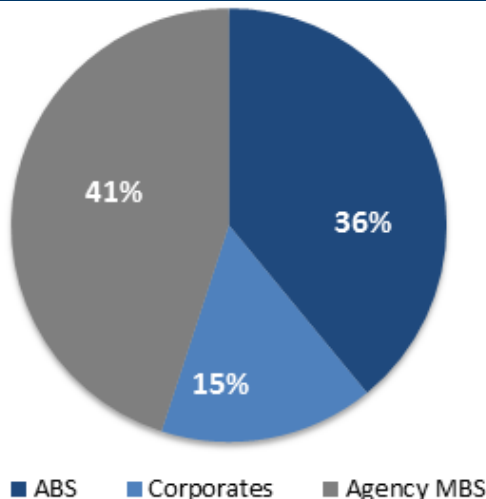
- Offers banking products (securities based loans and mortgage loans) within the GWM client base, including establishing trust services
 - Built-in source of business
 - High net worth clients
- Highly efficient due to lack of “brick and mortar” deposit focused facilities

Interest Earnings Assets⁽¹⁾



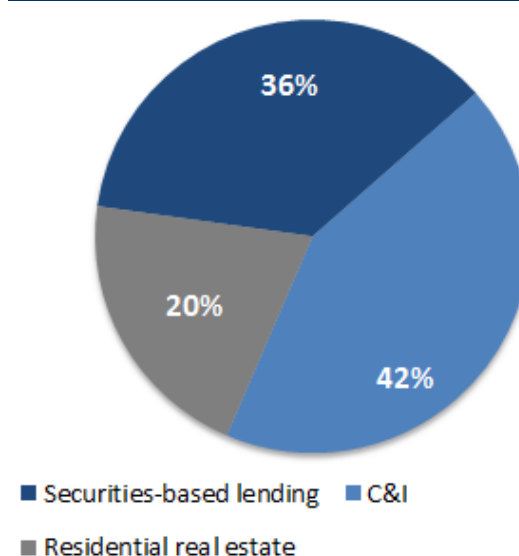
Total: \$4.9 Billion

Investment Portfolio



Total: \$2.7 Billion⁽²⁾

Loan Portfolio (Gross)



Total: \$2.1 Billion⁽³⁾

Note: Data as of 12/31/14

(1) Average interest earning assets as of 12/31/14.

(2) Non-agency MBS, Commercial MBS, and Munis make up less than 10% of Investment Portfolio.

(3) Commercial Real Estate and Home Equity Lines of Credit make up less than 1% of the loan portfolio.

Growing Asset Management Capabilities

STIFEL

Total Assets: \$20.1 Billion¹

	Assets ¹	Location
	\$10.0 Billion	Baltimore, New York, Cincinnati, Philadelphia
	\$6.0 Billion	Chicago, Milwaukee, St. Louis
	\$2.0 Billion	Baltimore, MD
	\$1.0 Billion	Portland, OR
	\$755 Million	Florham Park, NJ
	\$305 Million	San Francisco, CA

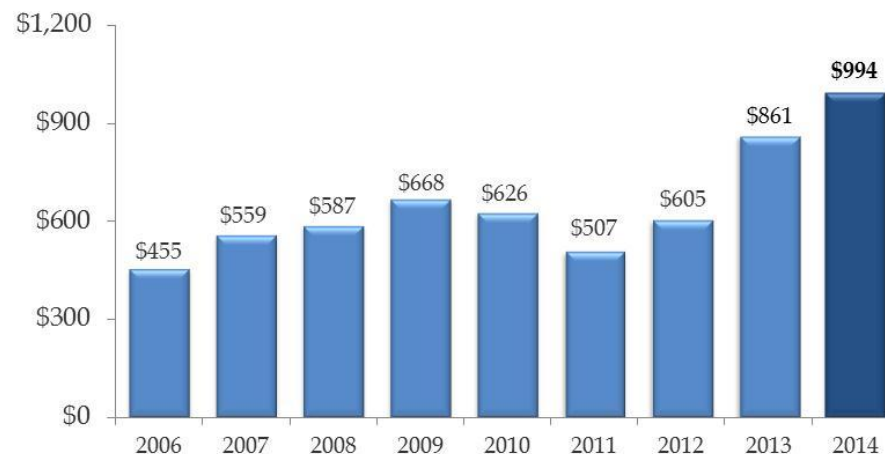
¹Asset as of December 31, 2014. Includes assets under advisement and assets under management. Excludes private equity funds.
Missouri Valley Partners merged with Ziegler Capital Management, LLC on 10/31/2014

Segment Overview – Institutional Group

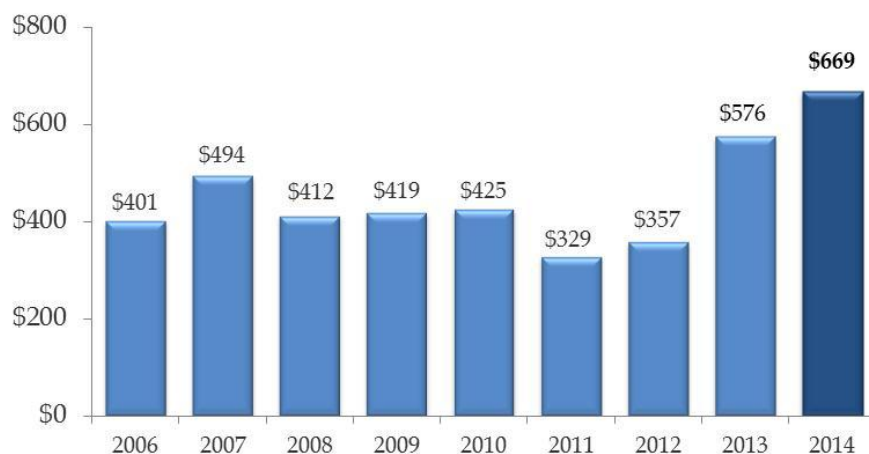
Overview

- Provides securities brokerage, trading, research, underwriting and corporate advisory services
- Largest provider of U.S. Equity Research
- 2nd largest Equity trading platform in the U.S. outside of the Bulge Bracket⁽¹⁾
- Full-service Investment Bank
- Comprehensive Fixed Income platform

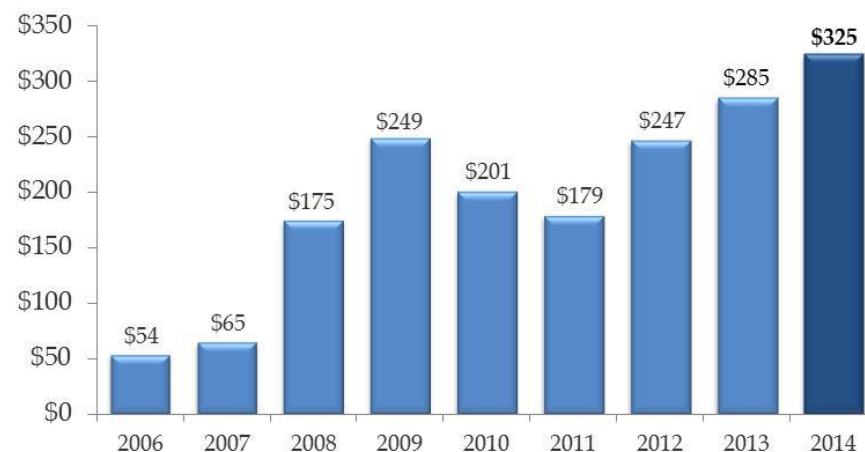
Net Revenues (\$MM)⁽²⁾⁽³⁾



Equity Brokerage + Investment Banking⁽²⁾



Fixed Income Brokerage + Investment Banking



(1) Based on 2014 U.S. trading volume per Bloomberg. (2) Includes Thomas Weisel historical investment banking revenues for years 2006 through September 30, 2010.

(3) 2012 includes realized and unrealized gains on the Company's investment in Knight Capital Group, Inc. of \$39.0 million.

Institutional Group – Research

STIFEL

Largest U.S. Equity Research Platform

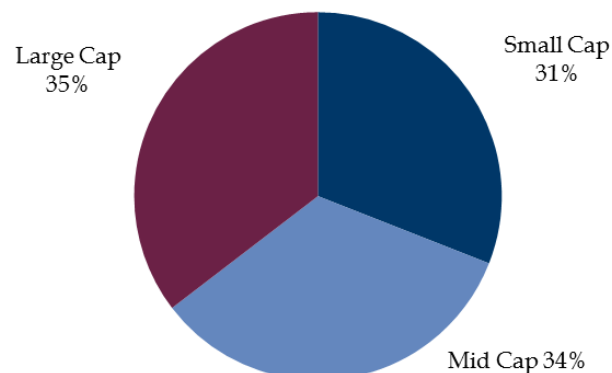
U.S. Equity Research Coverage ⁽¹⁾

Rank	Firm	Companies Under Coverage		
		Overall	Mid Cap ⁽²⁾	Small Cap ⁽²⁾
1	Stifel/KBW	1426	521	448
2	BofA Merrill Lynch	1169	450	140
3	Wells Fargo Securities	1095	413	182
4	JPMorgan	1070	396	127
5	Goldman Sachs	1021	356	75
6	Credit Suisse	969	303	155
7	Barclays	967	309	113
8	Raymond James	955	368	250
9	Morgan Stanley	953	312	91
10	RBC Capital Markets	934	329	133
11	Jefferies & Co.	924	319	177
12	Deutsche Bank Securities	893	287	123
13	Citi	860	283	107
14	UBS	780	221	83
15	Robert W. Baird & Co	667	244	137
16	Cowen And Company	639	202	168
17	BMO Capital Markets	630	195	104
18	William Blair & Company	588	208	156
19	Keybank Capital Markets	565	268	N/A
20	Evercore	559	N/A	N/A
21	Morningstar, Inc.	545	N/A	N/A
22	Piper Jaffray	540	180	175
23	Sterne, Agee & Leach	530	203	120
24	Suntrust Robinson Humphrey	524	213	112
25	Macquarie Group	509	182	77

Stifel Research Highlights

- Largest provider of U.S. Equity Research
- Largest provider of U.S. Small Cap Research
- 116 analysts globally across 12 sectors
- Largest provider of Financial Services coverage
- Ranked #5 in the FT/StarMine 2014 Survey

Coverage Balanced Across All Market Caps ⁽³⁾



(1) Source: StarMine rankings as of 3/3/15. Does not include Closed End Funds.

(2) Small Cap includes market caps less than \$1 billion; Mid Cap includes market caps less than \$5 billion.

Note: Bold font indicates middle-market firms.

(3) Research coverage distribution as of 1/27/15.

Powerful Platform Spanning North America and Europe

Institutional Equity Sales

- 103 person sales force, commission based
- Experts in small and mid cap growth and value
- Team based sales model with 2-4 sales people per account
- Team leaders have an average of 15 years experience
- Offices in all major institutional markets in North America & Europe
- Accounts range from large mutual funds to small industry focused investors
- Managed over 712 non-deal roadshow days in 2014
- Extensive experience with traditional and overnight corporate finance transactions

Equity Trading

- 92 sales traders located in
 - Baltimore, New York, Boston, Dallas, San Francisco, and London
- 28 position traders covering each major industry
- 8 specialized traders focused on: Option Trading, Convertible and ETF Trading
- Profitable model with advantages of scale

Extensive Distribution Network

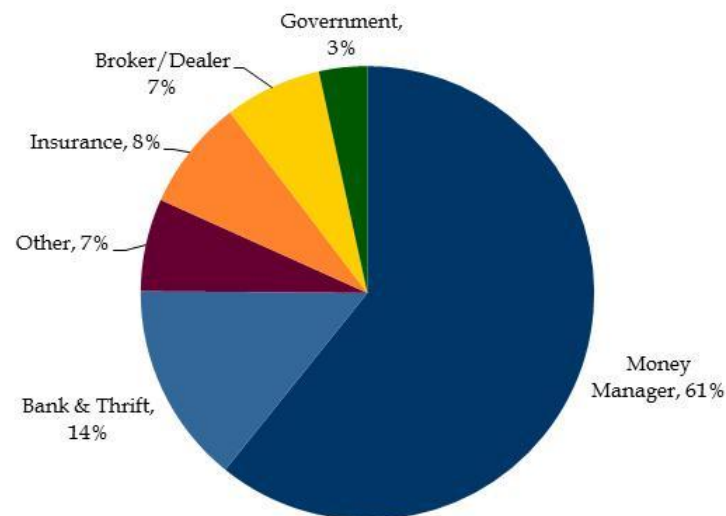
- Relationships with over 3,500 institutional accounts globally
- Active daily market maker in over 3,700 stocks
- Traded over 11.76 billion shares in 2014
- Complete coverage of North America and Europe for North American listed equities
- Major liquidity provider to largest equity money management complexes
- Multi-execution venues: high-touch, algorithms, program trading, and direct market access
- Dedicated convertible sales, trading, and research desk

Strong Fixed Income Brokerage Capabilities

Overview

- Comprehensive platform
 - 90 traders with annual client trade volume approaching \$400 billion
 - 28-person Fixed Income Research and Strategy Group
 - 7 person US Corporate Debt Capital Markets Group
- Widespread distribution
 - More than 200 Institutional sales professionals covering over 6,500 accounts
 - 40 institutional fixed income offices nationwide
 - European offices in London and Zurich

Client Distribution (1)(2)



Platform & Products

- | | | |
|---|--|---|
| ■ Customer-driven | ■ US Government and Agency Securities | ■ Municipal Sales and Trading and Public Finance |
| ■ Focus on long-only money managers and income funds versus hedge funds | ■ Investment Grade Credit | ■ UK Sales and Trading (former Knight Capital team) |
| ■ Consistency of execution | ■ Mortgage-Backed Securities (MBS) | ■ High Yield and Distressed Credit |
| ■ Identification of relative value through asset class/security selection | ■ Reverse MBS | ■ Loan Trading Group |
| | ■ Whole Loans | ■ Aircraft Finance & Credit Solutions |
| | ■ Government-Guaranteed Loans | ■ Hybrid Securities |
| | ■ Asset-Backed Securities (ABS) | ■ Emerging Markets |
| | ■ Commercial Mortgage-Backed Securities (CMBS) | ■ Structured Products |
| | ■ Certificates of Deposit | |

(1) Client Distribution is as of 11/30/2014.

(2) Other category includes: Credit Union, Corporation, Hedge Fund, Pension Fund, Trust Company, Foundation, Endowment, University & Non-Profit..

Overview

- Stifel has ranked in the top ten nationally for senior managed negotiated underwritings for the past three years, and Stifel has ranked number one nationally for senior managed K-12 negotiated underwritings since 2011.
- Stifel's Public Finance Group ranked #1 in municipal negotiated issues in 2014
- Total of 21 Public Finance offices
- 105 Public Finance professionals
- Specialty sectors:
 - Education
 - Local Government/Municipal
 - Healthcare
 - Public-Private Partnerships/Development
 - Housing

Public Finance Underwritings

Negotiated	2014		2013		2012	
	Number	Par Amount	Number	Par Amount	Number	Par Amount
Senior Manager/Private Placement	630	\$11,859,513,756	598	\$9,928,173,963	559	\$9,989,033,787
Co-Manager	174	\$34,775,092,051	151	\$41,793,904,000	162	\$53,169,398,000
Total	804	\$46,634,605,807	749	\$51,722,077,963	721	\$63,158,431,787

Competitive	2014		2013		2012	
	Number	Par Amount	Number	Par Amount	Number	Par Amount
Senior Manager	65	\$3,357,904,999	73	\$587,723,000	114	\$803,240,000
Co-Manager	345	\$9,258,771,169	268	\$3,138,960,000	299	\$4,586,264,000
Total	410	\$12,616,676,168	341	\$3,726,683,000	413	\$5,389,504,000

National K-12 2014 Negotiated Deal Rankings

Rank	Book Runner	Par Amount (US\$ mil)	Mkt. Share	# of Issues
1	Stifel Nicolaus & Co Inc	4,704.3	11.4	295
2	J P Morgan Securities LLC	4,365.9	10.6	23
3	RBC Capital Markets	4,289.9	10.4	241
4	Piper Jaffray & Co	3,366.0	8.2	149
5	Raymond James	2,537.2	6.2	123
6	Bank of America Merrill Lynch	2,484.8	6.0	20
7	Robert W Baird & Co Inc	1,737.3	4.2	159
8	Citi	1,490.1	3.6	28
9	BOSC Inc	1,325.8	3.2	61
10	D A Davidson & Co	1,290.7	3.1	130
11	George K Baum & Company Inc	1,213.7	3.0	103
12	Fifth Third Securities Inc	1,149.0	2.8	74
13	Morgan Stanley	1,136.5	2.8	22
14	Wells Fargo & Co	973.2	2.4	18
15	PNC Financial Services Group Inc	660.6	1.6	38
16	FirstSouthwest	606.4	1.5	33
17	Roosevelt & Cross Inc	539.8	1.3	77
18	Southwest Securities	455.1	1.1	25
19	City Securities Corporation	426.3	1.0	33
20	Janney Montgomery Scott LLC	382.1	.9	46

Investment Banking

STIFEL

Accomplished U.S. Equity Underwriting Franchise – All Equity Transactions

All Managed Equity Deals Since 2010

(\$ in billions)		# of Deals	\$ Volume
Rank	Firm		
1	Bank of America Merrill Lynch	1,175	\$661.7
2	JPMorgan	1,148	\$661.8
3	Citi	1,063	\$657.5
4	Morgan Stanley	1,041	\$640.8
5	Barclays	959	\$546.7
6	Wells Fargo Securities	931	\$497.1
7	Credit Suisse	921	\$543.3
8	Deutsche Bank	898	\$535.1
9	Stifel/KBW	878	\$320.9
10	Goldman Sachs	844	\$565.4
11	RBC Capital Markets	833	\$398.8
12	UBS	689	\$384.5
13	Raymond James	604	\$306.2
14	Jefferies LLC	469	\$110.2
15	Robert W Baird & Co	468	\$132.7
16	Piper Jaffray & Co	459	\$192.2
17	JMP Securities LLC	409	\$76.8
18	Oppenheimer & Co Inc	402	\$102.3
19	Cowen & Co LLC	366	\$73.7
20	KeyBanc Capital Markets	364	\$161.5
21	William Blair & Co LLC	345	\$91.4
22	BMO Capital Markets	308	\$115.4
23	Canaccord Genuity Corp	290	\$34.8
24	Janney Montgomery Scott	253	\$43.0
25	Ladenburg Thalmann & Co Inc	245	\$36.0

Bookrun Equity Deals Since 2010

(\$ in billions)		# of Deals	\$ Volume
Rank	Firm		
1	Bank of America Merrill Lynch	1,083	\$126.2
2	JPMorgan	1,028	\$132.1
3	Morgan Stanley	964	\$140.2
4	Citi	937	\$126.9
5	Barclays	810	\$110.5
6	Goldman Sachs	767	\$123.4
7	Credit Suisse	756	\$94.3
8	Deutsche Bank	717	\$80.2
9	Wells Fargo Securities	654	\$51.1
10	UBS	489	\$47.7
11	Jefferies LLC	377	\$20.8
12	RBC Capital Markets	375	\$27.6
13	Stifel/KBW	292	\$14.9
14	Raymond James	185	\$9.1
15	Piper Jaffray & Co	170	\$7.1
16	Cowen & Co LLC	153	\$5.1
17	Roth Capital Partners	115	\$2.2
18	Robert W Baird & Co	114	\$4.7
19	Leerink Partners LLC	111	\$4.8
20	BMO Capital Markets	92	\$5.7
21	Aegis Capital Corp	85	\$1.2
22	KeyBanc Capital Markets	73	\$4.6
23	Sandler O'Neill & Partners	70	\$5.7
24	William Blair & Co LLC	69	\$2.7
25	Lazard Capital Markets	64	\$1.8

Source: Dealogic. Rank eligible SEC registered IPOs and Follow-On offerings since 2010. Includes demutualizations. As of 2/28/15. Overlapping deals between Stifel and its acquired firms have been removed.
 Note: \$ Volume represents full credit to underwriter for All Managed Equity Deals and apportioned credit to bookrunner for Bookrun Equity Deals. Bold font indicates middle-market firms.

Financial Overview

Stifel Financial Results

STIFEL

Three months ended December 31, 2014

	Three Months Ended December 31, 2014			Three Months Ended			
	Non-GAAP	Non-Core ⁽¹⁾	GAAP	12/31/13 ⁽²⁾	% Change	9/30/14 ⁽²⁾	% Change
(\$ in thousands, except per share amounts)							
Total revenues	\$ 590,675	\$ (39)	\$ 590,636	\$ 576,236	2.5%	\$ 536,241	10.2%
Interest expense	12,560	-	12,560	11,555	8.7%	11,516	9.1%
Net revenues	578,115	(39)	578,076	564,681	2.4%	524,725	10.2%
Compensation and benefits	355,584	14,870	370,454	347,263	2.4%	324,193	9.7%
Non-comp operating expenses	132,792	5,452	138,244	126,990	4.6%	122,501	8.4%
Total non-interest expenses	488,376	20,322	508,698	474,253	3.0%	446,694	9.3%
Income from continuing operations before income taxes	89,739	(20,361)	69,378	90,428	(0.8%)	78,031	15.0%
Provision for income taxes	31,299	(7,409)	23,890	30,609	2.3%	29,333	6.7%
Net income from continuing operations	\$ 58,440	\$ (12,952)	\$ 45,488	\$ 59,819	(2.3%)	\$ 48,698	20.0%
Discontinued operations:							
Loss from discontinued operations, net of tax	-	(306)	(306)	-		-	
Net income	\$ 58,440	\$ (13,258)	\$ 45,182	\$ 59,819	(2.3%)	\$ 48,698	20.0%
<u>Earnings per diluted common share:</u>							
Income from continuing operations	\$ 0.75	\$ (0.16)	\$ 0.59	\$ 0.79	(5.1%)	\$ 0.64	17.2%
Loss from discontinued operations	-	(0.01)	(0.01)	-		-	
Earnings per diluted common share	\$ 0.75	\$ (0.17)	\$ 0.58	\$ 0.79	(5.1%)	\$ 0.64	17.2%
<u>Weighted average number of shares outstanding:</u>							
Diluted	77,540			75,495	2.7%	76,681	1.1%
<u>Ratios to net revenues :</u>							
Compensation and benefits	61.5%		64.1%	61.5%		61.8%	
Non-comp operating expenses	23.0%		23.9%	22.5%		23.3%	
Income from continuing operations before income taxes	15.5%		12.0%	16.0%		14.9%	

(1) Non-core adjustments consist of merger-related revenues and expenses associated with our acquisitions and discontinued operations of SN Canada.

(2) Results for the three months ended December 31, 2013 and September 30, 2014 are Core (non-GAAP).

Stifel Financial Results

STIFEL

Year ended December 31, 2014

(\$ in thousands, except per share amounts)

	Year Ended December 31, 2014			Year Ended	
	Non-GAAP	Non-Core ⁽¹⁾	GAAP	12/31/13 ⁽²⁾	% Change
Total revenues	\$ 2,254,747	\$ (5,063)	\$ 2,249,684	\$ 2,024,538	11.4%
Interest expense	41,977	(717)	41,260	46,198	(9.1%)
Net revenues	2,212,770	(4,346)	2,208,424	1,978,340	11.8%
Compensation and benefits	1,378,018	25,914	1,403,932	1,236,991	11.4%
Non-comp operating expenses	497,480	16,218	513,698	446,265	11.5%
Total non-interest expenses	1,875,498	42,132	1,917,630	1,683,256	11.4%
Income from continuing operations before income taxes	337,272	(46,478)	290,794	295,084	14.3%
Provision for income taxes	126,840	(15,176)	111,664	110,426	14.9%
Net income from continuing operations	\$ 210,432	\$ (31,302)	\$ 179,130	\$ 184,658	14.0%
Discontinued operations:					
Loss from discontinued operations, net	-	(3,063)	(3,063)	-	
Net income	\$ 210,432	\$ (34,365)	\$ 176,067	\$ 184,658	14.0%
<u>Earnings per diluted common share:</u>					
Income from continuing operations	\$ 2.76	\$ (0.41)	\$ 2.35	\$ 2.51	10.0%
Loss from discontinued operations, net	-	(0.04)	(0.04)	-	
Earnings per diluted common share	\$ 2.76	\$ (0.45)	\$ 2.31	\$ 2.51	10.0%
<u>Weighted average number of shares outstanding:</u>					
Diluted	76,376			73,504	3.9%
<u>Ratios to net revenues :</u>					
Compensation and benefits	62.3%		63.6%	62.5%	
Non-comp operating expenses	22.5%		23.3%	22.6%	
Income from continuing operations before income taxes	15.2%		13.2%	14.9%	

(1) Non-core adjustments consist of merger-related revenues and expenses associated with our acquisitions and discontinued operations of SN Canada.

(2) Results for the year ended December 31, 2013 are Core (non-GAAP).

Sources of Revenues

STIFEL

	Three Months Ended					Year Ended		
	12/31/14	12/31/13	% Change	9/30/14	% Change	12/31/14	12/31/13	% Change
<i>(\$ in thousands)</i>								
Commissions	\$ 174,990	\$ 163,715	6.9%	\$ 162,814	7.5%	\$ 674,418	\$ 640,287	5.3%
Principal transactions	94,109	105,393	(10.7%)	94,915	(0.8%)	409,823	408,954	0.2%
Brokerage revenues	269,099	269,108	(0.0%)	257,729	4.4%	1,084,241	1,049,241	3.3%
Capital raising	71,178	73,537	(3.2%)	72,478	(1.8%)	305,198	256,307	19.1%
Advisory	103,423	87,481	18.2%	50,939	103.0%	273,491	201,429	35.8%
Investment banking	174,601	161,018	8.4%	123,417	41.5%	578,689	457,736	26.4%
Asset mgt and service fees	105,962	83,928	26.3%	96,638	9.6%	386,001	305,639	26.3%
Other	(3,960)	19,391	(120.4%)	4,803	(182.4%)	14,785	64,659	(77.1%)
Total operating revenues	545,702	533,445	2.3%	482,587	13.1%	2,063,716	1,877,275	9.9%
Interest revenue	44,934	40,711	10.4%	52,096	(13.7%)	185,969	142,539	30.5%
Total revenues	590,636	574,156	2.9%	534,683	10.5%	2,249,685	2,019,814	11.4%
Interest expense	12,560	11,630	8.0%	11,228	11.9%	41,261	46,368	(11.0%)
Net revenues	\$ 578,076	\$ 562,526	2.8%	\$ 523,455	10.4%	\$ 2,208,424	\$ 1,973,446	11.9%

Brokerage & Investment Banking Revenues

STIFEL

	Three Months Ended					Year Ended		
<i>(\$ in thousands)</i>	12/31/14	12/31/13	% Change	9/30/14	% Change	12/31/14	12/31/13	% Change
Global Wealth Management	\$ 160,022	\$ 159,114	0.6%	\$ 157,595	1.5%	\$ 638,206	\$ 632,804	0.9%
Institutional Group								
Equity brokerage	67,273	59,259	13.5%	57,371	17.3%	249,845	228,755	9.2%
Fixed income brokerage	41,804	50,735	(17.6%)	42,763	(2.2%)	196,191	187,683	4.5%
Total Institutional Group	109,077	109,994	(0.8%)	100,134	8.9%	446,036	416,438	7.1%
Total brokerage revenues	269,099	269,108	0.0%	257,729	4.4%	1,084,242	1,049,242	3.3%
Investment Banking:								
Capital raising								
Equity	49,866	57,335	(13.0%)	56,413	(11.6%)	232,454	183,307	26.8%
Fixed income	21,311	16,122	32.2%	16,066	32.6%	72,744	72,706	0.1%
Total capital raising	71,177	73,457	(3.1%)	72,479	(1.8%)	305,198	256,013	19.2%
Advisory fees	103,424	87,561	18.1%	50,938	103.0%	273,491	201,723	35.6%
Total investment banking	\$ 174,601	\$ 161,018	8.4%	\$ 123,417	41.5%	\$ 578,689	\$ 457,736	26.4%

Core Non-Interest Expenses

Three months ended December 31, 2014

	Three Months Ended					% of Net revenues		
	12/31/14 ⁽¹⁾	12/31/13	% Change	9/30/14	% Change	12/31/14 ⁽¹⁾	12/31/13	9/30/14
(\$ in thousands)								
Net revenues	\$ 578,115	\$ 564,681	2.4%	\$ 524,725	10.2%	100.0%	100.0%	100.0%
Compensation and benefits	332,364	324,569	2.4%	297,340	11.8%	57.5%	57.5%	56.7%
Transition pay ⁽²⁾	23,220	22,694	2.3%	26,853	(13.5%)	4.0%	4.0%	5.1%
Total compensation and benefits	355,584	347,263	2.4%	324,193	9.7%	61.5%	61.5%	61.8%
Occupancy and equipment rental	42,550	40,892	4.1%	40,421	5.3%	7.4%	7.2%	7.7%
Communication and office supplies	28,449	24,974	13.9%	27,448	3.6%	4.9%	4.4%	5.2%
Commissions and floor brokerage	8,308	8,213	1.2%	9,971	(16.7%)	1.4%	1.5%	1.9%
Other operating expenses	53,485	52,911	1.1%	44,661	19.8%	9.3%	9.4%	8.5%
Total non-comp operating expenses	132,792	126,990	4.6%	122,501	8.4%	23.0%	22.5%	23.3%
Total non-interest expense	488,376	474,253	3.0%	446,694	9.3%	84.5%	84.0%	85.1%
Income from continuing operations before income taxes	89,739	90,428	(0.8%)	78,031	15.0%	15.5%	16.0%	14.9%
Provision for income taxes	31,299	30,609	2.3%	29,333	6.7%	5.4%	5.4%	5.6%
Non-GAAP net income from continuing operations	\$ 58,440	\$ 59,819	(2.3%)	\$ 48,698	20.0%	10.1%	10.6%	9.3%
Non-core expenses (after-tax)	(12,952)	(7,693)		(8,605)				
GAAP net income from continuing operations	\$ 45,488	\$ 52,126		\$ 40,093				

(1) Excludes non-core adjustments consisting of merger-related revenues and expenses associated with our acquisitions and discontinued operations of SN Canada.

(2) Transition pay includes amortization of retention awards, signing bonuses, and upfront notes.

Core Non-Interest Expenses

Year ended December 31, 2014

	Year Ended			% of Net revenues	
	12/31/14 ⁽¹⁾	12/31/13	% Change	12/31/14 ⁽¹⁾	12/31/13
(\$ in thousands)					
Net revenues	\$ 2,212,770	\$ 1,978,340	11.8%	100.0%	100.0%
Compensation and benefits	1,279,119	1,150,883	11.1%	57.8%	58.2%
Transition pay ⁽²⁾	98,899	86,108	14.9%	4.5%	4.3%
Total compensation and benefits	1,378,018	1,236,991	11.4%	62.3%	62.5%
Occupancy and equipment rental	163,033	149,488	9.1%	7.4%	7.6%
Communication and office supplies	106,389	95,539	11.4%	4.8%	4.8%
Commissions and floor brokerage	36,556	35,812	2.1%	1.7%	1.8%
Other operating expenses	191,502	165,426	15.8%	8.6%	8.4%
Total non-comp operating expenses	497,480	446,265	11.5%	22.5%	22.6%
Total non-interest expense	1,875,498	1,683,256	11.4%	84.8%	85.1%
Income from continuing operations before income taxes	337,272	295,084	14.3%	15.2%	14.9%
Provision for income taxes	126,840	110,426	14.9%	5.7%	5.6%
Non-GAAP net income from continuing operations	\$ 210,432	\$ 184,658	14.0%	9.5%	9.3%
Non-core expenses (after-tax)	(31,302)	(11,751)			
GAAP net income from continuing operations	\$ 179,130	\$ 172,907			

(1) Excludes non-core adjustments consisting of merger-related revenues and expenses associated with our acquisitions and discontinued operations of SN Canada.

(2) Transition pay includes amortization of retention awards, signing bonuses, and upfront notes.

Segment Comparison - Core

Three and nine months ended December 31, 2014

	Three Months Ended					Year Ended		
	12/31/14	12/31/13	% Change	9/30/14	% Change	12/31/14	12/31/13	% Change
(\$ in thousands)								
Net revenues:								
Global Wealth Management	\$ 310,980	\$ 292,836	6.2%	\$ 317,241	(2.0%)	\$ 1,232,651	\$ 1,117,179	10.3%
Institutional Group	272,732	267,282	2.0%	215,160	26.8%	993,581	861,158	15.4%
Other	(5,597)	4,563	nm	(7,676)	nm	(13,462)	3	nm
	<u>\$ 578,115</u>	<u>\$ 564,681</u>	<u>2.4%</u>	<u>\$ 524,725</u>	<u>10.2%</u>	<u>\$ 2,212,770</u>	<u>\$ 1,978,340</u>	<u>11.8%</u>
Operating contribution:								
Global Wealth Management	\$ 84,178	\$ 79,022	6.5%	\$ 94,026	(10.5%)	\$ 346,978	\$ 299,572	15.8%
Institutional Group	35,093	48,590	(27.8%)	29,500	19.0%	152,905	142,889	7.0%
Other	(29,532)	(37,184)	(20.6%)	(45,495)	(35.1%)	(162,611)	(147,377)	10.3%
	<u>\$ 89,739</u>	<u>\$ 90,428</u>	<u>(0.8%)</u>	<u>\$ 78,031</u>	<u>15.0%</u>	<u>\$ 337,272</u>	<u>\$ 295,084</u>	<u>14.3%</u>
As a percentage of net revenues: ⁽¹⁾								
Operating contribution								
Global Wealth Management	27.1	27.0		29.6		28.1	26.8	
Institutional Group	12.9	18.2		13.7		15.4	16.6	
	<u>15.5</u>	<u>16.0</u>		<u>14.9</u>		<u>15.2</u>	<u>14.9</u>	

(1) Excludes the other segment.

An Operating Unit of GWM

	As of 12/31/14		As of 12/31/13		% Change	As of 9/30/14		% Change
	Actual (\$)	Yield (%)	Actual (\$)	Yield (%)		Actual (\$)	Yield (%)	
Assets								
Cash	119,501	0.31	318,920	0.25	(62.5%)	142,444	0.39	(16.1%)
Investment securities ⁽¹⁾	2,684,947	2.61	3,062,602	2.19	(12.3%)	2,720,860	2.39	(1.3%)
Bank loans ⁽²⁾	2,298,929	5.18	1,530,389	3.31	50.2%	1,988,076	4.82	15.6%
Total interest earning assets	5,103,377	2.92	4,911,911	2.42	3.9%	4,851,380	3.24	5.2%
Other assets (non-interest earning)	134,593		126,803			125,814		7.0%
Total assets	5,237,970		5,038,714		4.0%	4,977,194		5.2%
Liabilities								
Deposits	4,790,084	0.08	4,666,789	0.66	2.6%	4,552,524	0.15	5.2%
Other liabilities (non-interest bearing)	41,867		53,340		(21.5%)	35,348		18.4%
Total liabilities	4,831,951		4,720,129		2.4%	4,587,872		5.3%
Net interest margin		2.75		2.14			3.10	
Allowance for loan losses	\$ 20,731		\$ 12,668		63.6%	\$ 18,996		9.1%
Allowance as a percentage of loans	0.94 %		0.89 %			1.01 %		
Non-performing assets as a percentage of total assets	0.11 %		0.03 %			0.07 %		

Note: Actual amounts presented above are as of period-end and yields are based off of quarter-to-date averages.

(1) Investment securities includes available-for-sale and held-to-maturity securities.

(2) Includes loans held for sale.

Capital Structure

STIFEL

As of December 31, 2014

(\$ in thousands)

Total Assets	9,518,151
Stockholders' Equity	2,322,038

6.70% senior notes, due 2022	\$ 175,000
5.375% senior notes, due 2022	150,000
4.250% senior notes, due 2024	300,000
Debentures to Stifel Financial Capital Trusts II, III, & IV	82,500
Total Capitalization	\$ 3,029,538

Ratios:

Debt to Equity ⁽¹⁾	30.5%
Pro Forma Debt to Equity ⁽²⁾	22.9%
Tier 1 Leverage Ratio	16.5%
Tier 1 Risk Based Capital Ratio	25.0%

(1) Debt to equity ratio includes the debentures to Stifel Financial Capital Trusts (\$82.5m) and Senior Notes (\$625.0m) divided by stockholders' equity.

(2) Pro forma debt to equity ratio excludes the 6.70% senior notes, due 2022, that were redeemed by the Company on January 15, 2015.

Other Financial Data

	As of			As of	
	12/31/14	12/31/13	% Change	9/30/14	% Change
Total assets (000s):					
Stifel Nicolaus & Stifel Financial	\$ 4,296,803	\$ 3,986,927	7.8%	\$ 4,365,545	(1.6%)
Stifel Bank	5,221,348	5,021,943	4.0%	4,960,572	5.3%
Total assets	9,518,151	\$ 9,008,870	5.7%	\$ 9,326,117	2.1%
Total shareholders' equity (000s):					
Stifel Nicolaus & Stifel Financial	\$ 1,916,019	\$ 1,740,264	10.1%	\$ 1,849,227	3.6%
Stifel Bank	406,019	318,585	27.4%	389,322	4.3%
Total shareholders' equity	2,322,038	\$ 2,058,849	12.8%	\$ 2,238,549	3.7%
Leverage ratio:					
Stifel Nicolaus & Stifel Financial	1.6	1.9	(11.8%)	1.7	(4.1%)
Stifel Bank	12.9	15.8	(18.4%)	12.7	0.9%
Total leverage ratio	3.1	3.7	(14.0%)	3.2	(0.8%)
Book value per share	\$ 35.00	\$ 32.30	8.4%	\$ 33.92	3.2%
Financial advisors ⁽¹⁾	2,103	2,077	1.3%	2,096	0.3%
Full-time associates	6,223	5,862	6.2%	6,083	2.3%
Locations	367	357	2.8%	360	1.9%
Total client assets (000s)	\$ 186,558,000	\$ 165,570,000	12.7%	\$ 172,742,000	8.0%

(1) Includes 138, 143, and 139 independent contractors as of December 31, 2014, December 31, 2013, and September 30, 2014.

Sterne Agee Merger

This transaction brings together two companies with a shared goal of building the preeminent wealth management and investment banking firm

Leverages both the Wealth Management and Institutional Platforms

Significantly Increases Financial Advisors and Independent Representatives Nationwide in a Challenging Recruiting Environment

Highly Complementary Fixed Income Platforms

Accretive to Stifel

Global Wealth Management

Private Client

Over 130 financial advisors in 23 branches with \$10B in AUM and \$1.4B in managed fee based accounts

\$85M
Revenue

Independent Advisors

Over 600 independent reps in 40 states with \$10B in AUM

\$90M
Revenue

Trust

Private trust company offering the full range of trust services

\$6M
Revenue

Clearing

Top 10 clearing firm in the U.S. with over \$27B in assets under custody

\$5M
Revenue

Institutional

Fixed Income

Over 200 professionals with minimal overlap between the platforms

\$130M
Revenue

Strategic Evaluation

FBC Mortgage

Agreement with founders to sell the business back to them

\$65M
Revenue

ECM

Committed to finding the right partner or spinning off as a separate stand-alone entity

\$115
Revenue

Acquired business lines bring \$300 - \$325 million in annual gross revenues with an expected after-tax contribution of approximately \$28 - \$38 million after cost savings are fully phased-in

Purchase Price:	▪ \$150 million , based upon a premium to tangible book at closing
Consideration Mix:	<ul style="list-style-type: none">▪ At closing, a minimum of 1.42 million shares of Stifel common stock valued at \$51.55, and up to a maximum of 1.62 million shares▪ Approximately \$77 million, based on the minimum number of shares issued, or \$66 million, based on the maximum number of shares issued, to be paid in cash (subject to adjustments at closing based on shareholder elections)
Retention:	▪ Expected retention payments of \$58 million, comprised of cash & RSUs
Expected EPS Impact:	• Approximately 6% - 8% accretive to core EPS, with full implementation of cost savings
Required Approvals:	▪ Subject to customary regulatory approvals and Sterne Agee shareholder approval
Anticipated Closing:	▪ 2 nd Quarter of 2015

Attractive Returns Based on Conservative Modeling

Stifel's Investment (\$M)

Uses of Capital (Initial Estimate)

Economic Investment

Purchase Price	\$150
<u>Plus: Income Statement Expenses (after-tax)</u>	
Retention	35
Restructuring and One-Time Expenses	15
Duplicative Corporate Overhead	32
Income Statement Expenses	81
Less: Estimated Tangible Book Value @ Close	(40)
Total Uses (Economic Investment)	<u>\$191</u>

Sources of Capital (Initial Estimate)

Equity

Equity Issued (assume 1.42M shares)	\$73
Retention (stock portion after tax)	18
Equity Investment	<u>\$91</u>

Debt on Balance Sheet

Debt	<u>\$100</u>
Total Sources	<u>\$191</u>

Conservatively Modeled

- Potential gross revenue range for acquired business lines of \$300 to \$325 million
- Expected after-tax net income contribution of between \$28 and \$38 million, including full realization of cost savings and net of the cost of financing
- Expenses of \$136 million pre-tax, or \$81 million after-tax, comprised of retention, restructuring and duplicative corporate overhead will flow through income

Attractive Returns

- Return on Economic Investment of 15% - 20%, unlevered
- Return on Equity Investment of 30% - 40%
- Approximately 6% - 8% accretive to EPS, with full implementation of cost savings

Significant Private Client Group Expansion

sterne
agee

STIFEL

Sterne Agee's Private Client Overview

- \$10 billion in retail assets under management, including \$1.4 billion in managed fee based accounts
- More than 130 financial advisors in 23 branches

Sterne Agee's Financial Services (Independent) Overview

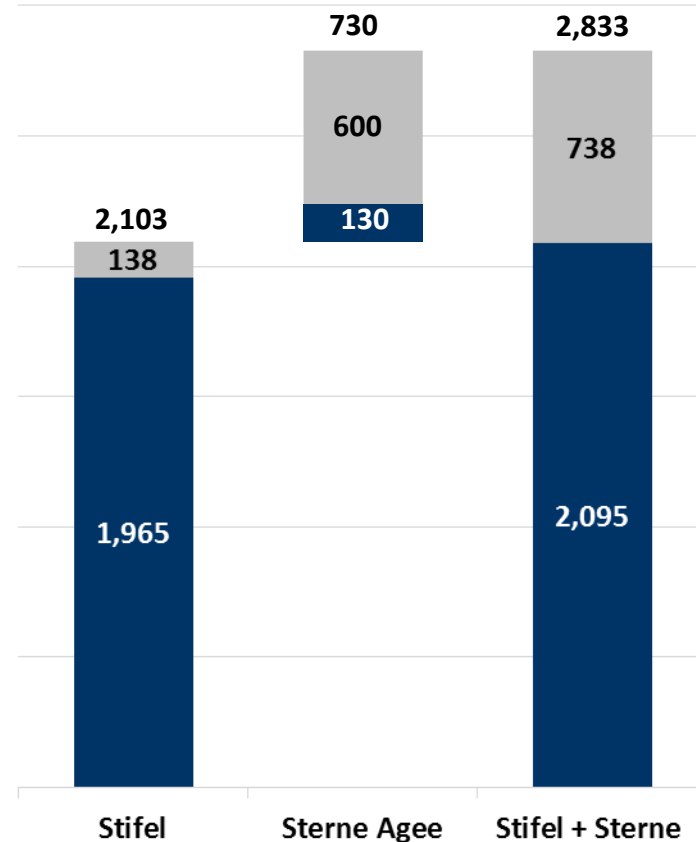
- Over 600 independent representatives
- Over \$10 billion in assets under management
- Branches in 40 states
- Serving clients in all 50 states

Increases Advisor Count by 35%

Total Advisors

Independent
Reps

Financial
Advisors



#6 Largest Private Client Franchise

sterne
agee

STIFEL

Retail Brokerage By Number of Advisors/Reps¹

Rank	Firm	Advisors
1	Morgan Stanley Wealth Management	16,162
2	Bank of America Merrill Lynch	15,900
3	Wells Fargo Securities	15,163
4	Raymond James	6,265
5	UBS	4,286
6	Stifel + Sterne Agee	2,833
	Stifel	2,103
7	RBC Capital Markets	1,900
8	Oppenheimer & Co Inc	1,390
9	JPMorgan	800
10	Deutsche Bank	772
11	Sterne Agee & Leach Inc	730
12	Janney Montgomery Scott	725
13	Robert W Baird & Co	709
14	Stephens Inc.	526
15	Southwest Securities Inc	464
16	Canaccord Genuity Corp	425
17	Wedbush Securities Inc	400
18	DA Davidson & Co	320
19	Barclays Capital	250
20	Lazard Capital Markets	235

Pro Forma Franchise

- Over \$200 billion in total client assets
- More than 2,800 financial advisors (including independent professionals)

Pro Forma Office Locations



¹Source: SIFMA and publicly available information. Broker table includes investment banks only.

Trust Company Overview

Offers a full range of trust services:

- Investment Management
- Estate Administration
- Personal and Charitable Trusts
- Retirement Plan Services

A Focus on:

- Protecting and preserving client assets
- Meeting current and future income needs
- Providing for the distribution of wealth to future generations

Clearing Overview

- 9th Largest Clearing Firm in the Country¹
- Over 85 broker/dealers clear through Sterne Agee
- Over \$27 billion in assets under custody
- 54,000+ customer accounts
- 51,000+ trades per month

InvestmentNews
The Leading Information Source for Financial Advisers

Rank	Firm	# of clients
1	Pershing LLC	811
2	National Financial Services LLC	253
3	Merrill Lynch Professional Clearing Corp. & Broadcort	201
4	RBC Correspondent Services	180
5	Southwest Securities Inc.	145
6	Wedbush Securities Inc.	120
7	COR Clearing LLC	105
8	Goldman Sachs Execution and Clearing LP	91
9	Sterne Agee Clearing Inc.	87
10	FirstSouthwest	84
11	Apex Clearing Corp.	80
12	First Clearing LLC	80
13	Raymond James & Associates Inc.	37
14	LPL Financial LLC	6

- Sterne Agee's fixed income capabilities will add over 200 individuals to Stifel's platform.
- Limited overlap across accounts due to Sterne Agee's "Tier 1" account focus.

Sterne Agee's Fixed Income Overview

Offices throughout the U.S. providing :
Sales, Trading, Strategies, Analytics, and Research

Sterne Agee furnishes investment products that address the unique needs of its clients in two broad fixed income categories:

- Rate Products
 - Agencies
 - Mortgage Backed Securities
 - Municipals
- Credit Products
 - Structured Products
 - Investment Grade Corporates
 - High Yield Securities
 - Convertibles

Pro Forma

- Over 700 professionals
- Pro forma revenues expected to exceed \$450 million annually
- Full suite of products and services
- Widespread distribution capabilities
- Offices in the U.S., London and Zurich

Non-Core Deal Costs

STIFEL

(\$ in thousands)	Three months ended									
	Actual				Estimate					
	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16
Existing acquisitions										
Stock-based compensation:										
1919 Investment Counsel	\$ -	\$ -	\$ -	\$ 11,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Oriel Securities Holding Limited	-	-	6,771	-	-	-	-	-	-	-
Duplicative operating expenses:										
Acacia Federal Savings Bank	1,723	2,762	1,227	10	-	-	-	-	-	-
De La Rosa & Co., Inc.	130	733	132	459	120	120	120	-	-	-
Keefe, Bruyette & Woods, Inc.	445	432	23	108	-	-	-	-	-	-
Knight Fixed Income	2,407	94	9	2,684	2,600	2,600	2,600	2,600	2,600	-
1919 Investment Counsel	-	328	373	958	300	300	200	200	-	-
Miller Buckfire & Co., LLC	1,172	1,233	1,182	1,441	1,400	1,400	-	-	-	-
Oriel Securities Holding Limited	-	557	589	1,116	1,000	1,000	500	-	-	-
Ziegler Capital Management	4	11	229	39	-	-	-	-	-	-
Intangible amortization	563	1,257	1,730	2,377	1,600	1,600	2,200	2,200	2,200	2,200
Sterne Agee										
Stock-based compensation	-	-	-	-	-	30,500	-	-	-	-
Duplicative operating expenses	-	-	-	-	-	32,200	18,700	15,200	11,700	8,200
Sterne Agee costs (pre-tax)	-	-	-	-	-	62,700	18,700	15,200	11,700	8,200
Total Deal Costs (pre-tax)	6,444	7,407	12,265	20,361	7,020	69,720	24,320	20,200	16,500	10,400
Total Deal Costs (after-tax) (1)	\$ 4,055	\$ 5,689	\$ 8,605	\$ 12,952	\$ 4,212	\$ 41,832	\$ 14,592	\$ 12,120	\$ 9,900	\$ 6,240

(1) Assumes an effective income tax rate of 40.0%.