

The logo for Stifel Financial News features a stylized blue 'SF' monogram on the left, followed by the words 'Stifel Financial' in a bold, blue, sans-serif font, and 'News' in a larger, blue, serif font on the right. A thin blue horizontal line runs beneath the text.

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For Immediate Release

**STIFEL FINANCIAL CORP. ANNOUNCES ACQUISITION OF
LEGG MASON CAPITAL MARKETS BUSINESS**

St. Louis, Missouri - December 1, 2005 - Stifel Financial Corp. (NYSE: "SF") announced today that it has closed on the acquisition of the Legg Mason Capital Markets business ("LM Capital Markets") from Citigroup Inc. The LM Capital Markets business was part of Legg Mason Wood Walker, Inc., which Citigroup acquired from Legg Mason, Inc. in a substantially simultaneous closing. The LM Capital Markets business acquired by Stifel includes the Investment Banking, Equity and Fixed Income Research, Equity Sales and Trading, and Taxable Fixed Income Sales and Trading Departments of Legg Mason and employs approximately 500 professional and support staff.

With the addition of the LM Capital Markets business, Stifel operates 113 offices in 25 states and the District of Columbia through its principal subsidiary, Stifel Nicolaus, and 3 European offices through Stifel Nicolaus Ltd. Stifel Nicolaus provides securities brokerage, investment banking, trading, investment advisory, and related financial services, primarily, to individual investors, professional money managers, businesses, and municipalities. To learn more about Stifel, please visit the company's web site at www.stifel.com.