

# *Stifel Financial Investor Presentation*

**September 2010**

STIFEL  
FINANCIAL

## 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.

## I. Stifel Financial Overview

# Stifel Financial Overview

## Key Points of Differentiation

- **Proven ability to build Global Wealth Management Business**
  - Grown from 86 branches and 621 Financial Advisors in 2004 to 278 branches and 1,916 Financial Advisors in 2010.
  - Proven Integrator of Acquisitions
- **Middle-market focus**
  - Research driven, industry specialist approach
  - Commitment to small/mid-cap companies
- **Independent advisor**
  - Primarily a client-facing agency business
  - No proprietary trading desks
- **Broad product portfolio**
  - Equities, Fixed Income, M&A Advisory
  - Commitment to private equity and venture investors
- **Proven growth, stability and scale**
  - \$1.0 billion in equity capital<sup>(1)</sup>
  - \$1.4 billion in annual revenues<sup>(2)</sup>

## Firm at a Glance

### Global Wealth Management (GWM)

- Private Client
- Stifel Bank & Trust  
Assets \$1.4BN<sup>1</sup>
- Customer Financing
- Asset Management

### Institutional Group (IG)

- Equity & Convertible Capital Raising
- Debt
- M&A Advisory
- Institutional Brokerage

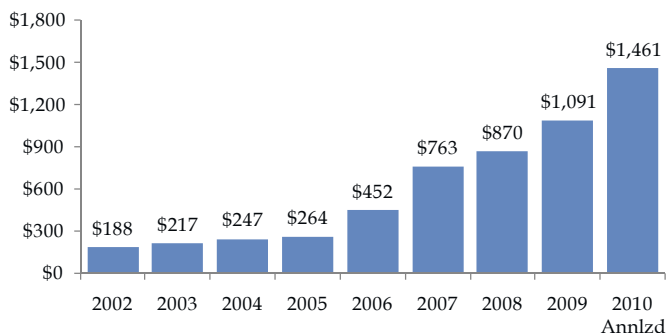
- \$1.6 billion market capitalization
- One of the largest U.S. equity research platforms with over 1,000 stocks under coverage
- Over 1,900 Financial Advisors with over \$100 billion in combined client assets – national presence
- Broad industry expertise

# Stifel Financial Overview

## A Growth Story...

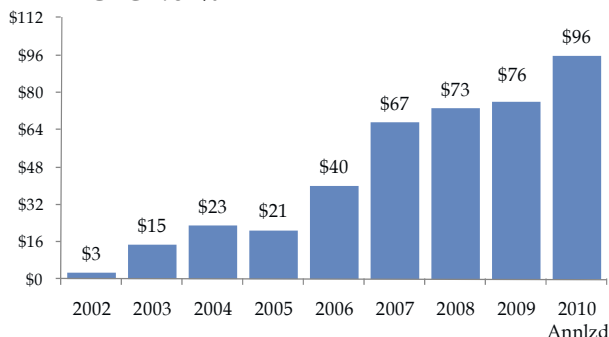
### Net Revenues (\$MM) <sup>(1)</sup>

CAGR: 29%



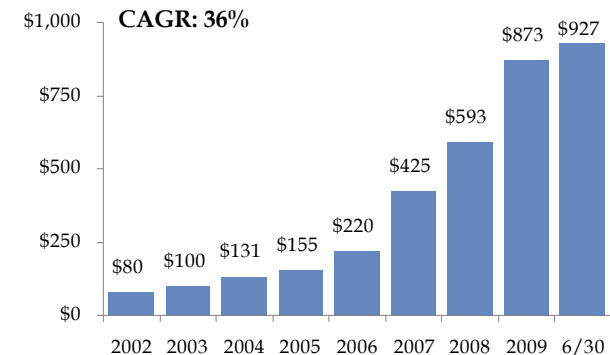
### Core Net Income (\$MM) <sup>(2)</sup>

CAGR: 54%



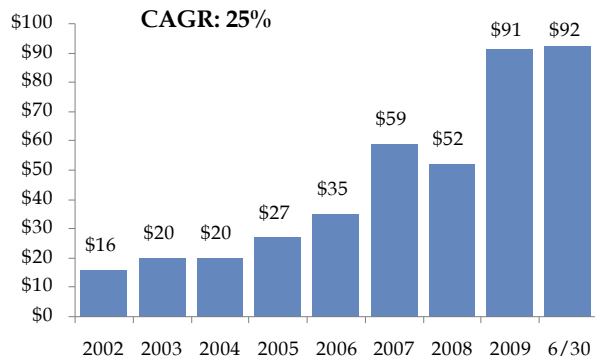
### Total Equity (\$MM)

CAGR: 36%



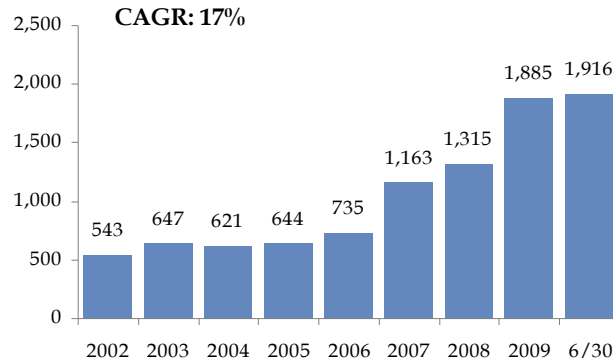
### Total Client Assets (\$BN)

CAGR: 25%



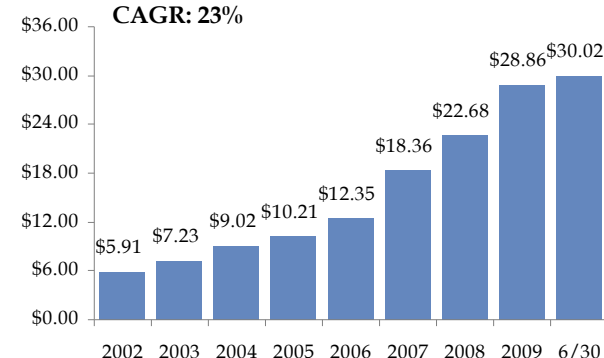
### Financial Advisors <sup>(3)</sup>

CAGR: 17%



### Book Value Per Share

CAGR: 23%

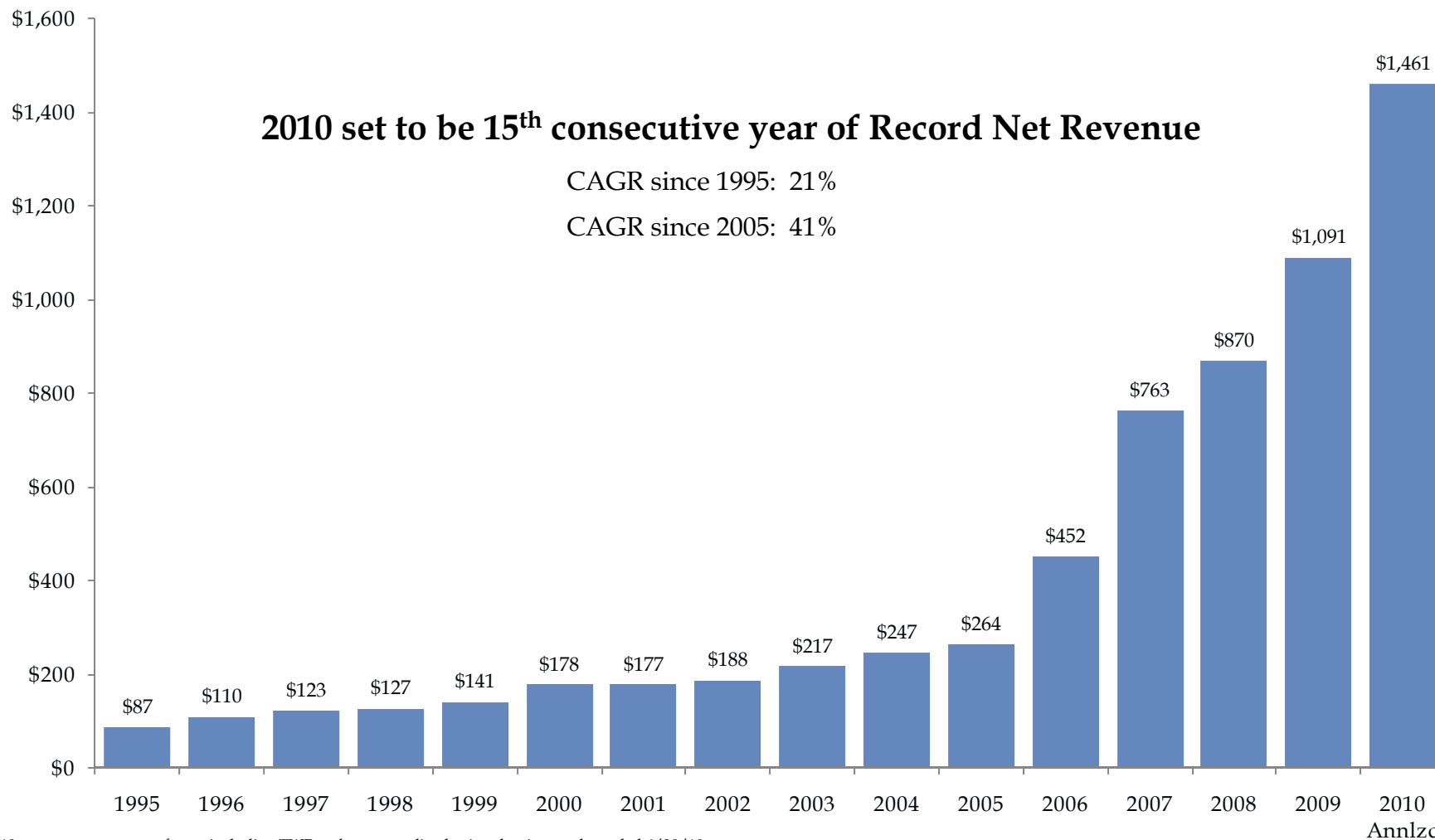


(1) 2010 net revenues are pro forma including Thomas Weisel Partners Group (TWPG) and are annualized using the six months ended 6/30/10. (2) Core Net Income includes Stifel Financial Corp and 2010 is annualized using the six months ended 6/30/10 and excludes merger-related equity compensation expenses and restructuring charges. (3) Includes Independent Contractors. CAGR reflects years 2002 to 2010.

# Stifel Financial Overview

## 15 Years of Growth

1995 - 2010E Net Revenue (\$MM)

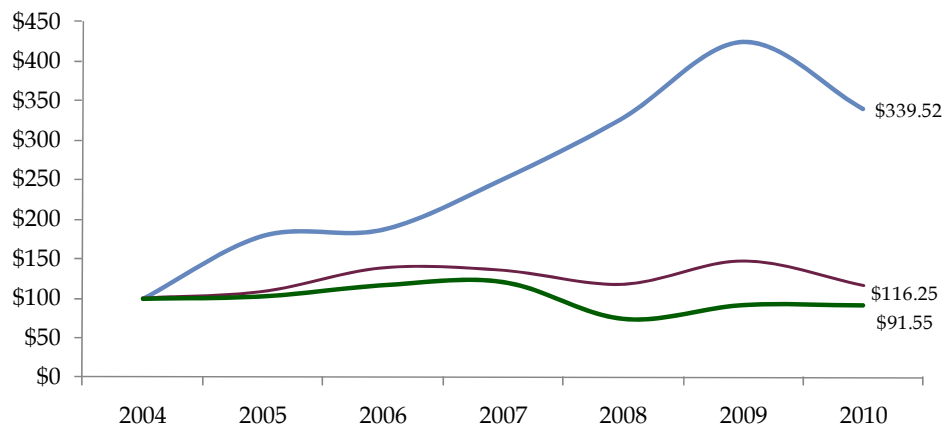


2010 net revenues are pro forma including TWP and are annualized using the six months ended 6/30/10.

# Stifel Financial Overview

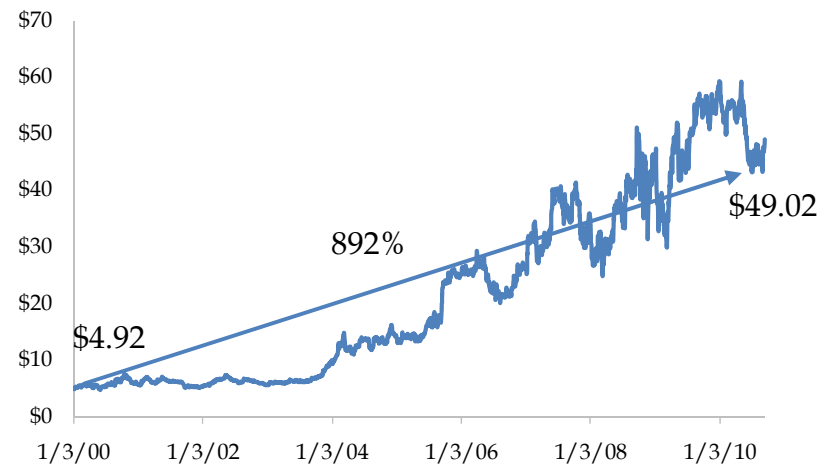
## Stifel's Peer Analysis Shows Continued Strength

### Peer Analysis



- Stifel Financial Corp (26.0% CAGR)
- Peer Group (1.8% CAGR)
- S&P 500 (-2.8% CAGR)

### SF Stock Price - 2000 to Present



## Stifel Financial Overview – Cumulative Price Appreciation

*As of September 13, 2010*

Since 12/31/07 – 3 Years		Since 12/31/05 – 5 Years		Since 12/31/00 – 10 Years	
Stifel Financial Corp.	39.9%	Stifel Financial Corp.	95.61%	Stifel Financial Corp.	761.89%
Evercore Partners Inc.	36.19%	Greenhill & Co Inc.	43.71%	Jefferies Group Inc.	215.78%
Greenhill & Co Inc.	21.40%	Oppenheimer Holdings	28.86%	Raymond James Financia	62.58%
Jefferies Group Inc.	7.03%	Goldman Sachs Group	20.88%	Goldman Sachs Group	44.36%
KBW Inc	-0.78%	Jefferies Group Inc.	9.69%	Sanders Morris Harris	32.00%
Lazard Ltd.	-15.88%	Lazard Ltd.	7.27%	<b>MEDIAN</b>	32.00%
Raymond James Financia	-22.84%	<b>MEDIAN</b>	3.81%	Oppenheimer Holdings	6.89%
JMP Group Inc.	-27.59%	Raymond James Financia	0.35%	Legg Mason Inc.	-20.46%
<b>MEDIAN</b>	-27.91%	Piper Jaffray Companies	-22.85%	SWS Group Inc.	-52.11%
Goldman Sachs Group	-28.22%	SWS Group Inc.	-46.20%	Morgan Stanley	-64.96%
Piper Jaffray Companies	-32.71%	Morgan Stanley	-51.06%	Cowen Group	NM
Oppenheimer Holdings	-39.17%	Sanders Morris Harris	-65.77%	FBR Capital Markets	NM
SWS Group Inc.	-40.73%	Legg Mason Inc.	-75.85%	JMP	NM
Sanders Morris Harris	-45.27%	Cowen Group	NM	KBW	NM
Morgan Stanley	-47.71%	FBR Capital Markets	NM	Piper Jaffray	NM
Legg Mason Inc.	-60.49%	JMP	NM	Evercore Partners	NM
FBR Capital Markets Cor]	-62.11%	KBW	NM	Greenhill & Co.	NM



## Stifel Financial Overview

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*Consolidation and Industry Retrenchments Drive our Growth...*

### Stifel Strategy

- Continue to build client facing agency-only businesses in financial services
- Expand private client footprint in the U.S.
- Expand institutional equity business both domestically and internationally
- Grow investment banking
- Focus on asset generation within banking operations
- Enhance and accelerate Stifel Bank and Trust strategy
- Approach acquisition opportunities with discipline

## Stifel Financial Overview

### *Stifel's Track Record in Integrating Transactions: Low Risk Opportunity*



#### **Thomas Weisel Partners**

*Experts in Growth*

- Builds the premier middle-market investment bank with the scale and diversification to become a top-tier player
- Complementary fit with minimal overlap in research and investment banking
- Fast tracks growth in investment banking through expanded industry, product and geographic coverage
- Creates one of the largest U.S. equity research platforms
- Closed on July 1, 2010



(56 branches from UBS  
Financial Services)

- Successfully integrated UBS' private client group
- Revenue production in-line with expectations
- Achieving synergy objectives
- Last closing October 16, 2009

#### **RYAN BECK & CO.**

- Successfully integrated Ryan Beck's private client group and investment banking platforms
- Achieved cost savings objectives
- Closed February 28, 2007



- Successfully integrated Legg's sales and trading, research and investment banking platforms
- Majority of Legg Mason Investment Banking Managing Directors remain with Stifel today
- Achieved cost savings objectives
- Remains core of Institutional Capital Markets business
- Closed December 1, 2005

## II. Global Wealth Management

# Global Wealth Management

*Provides Securities Brokerage Services and Stifel Bank Products*

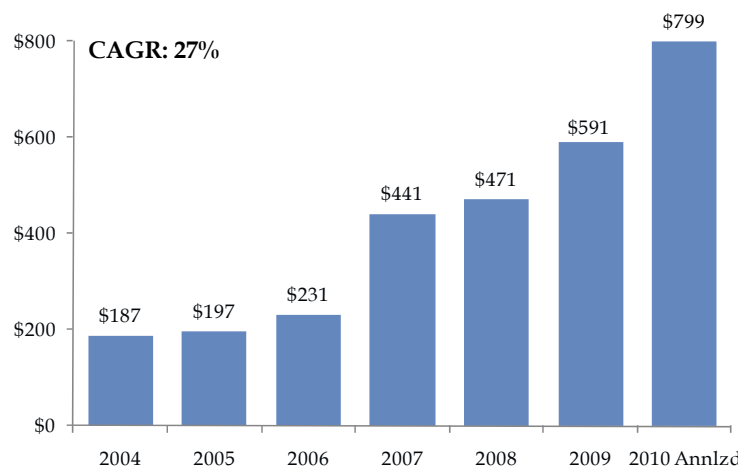
## Overview

- Stifel has grown from 600+ financial advisors in 2005 to over 1,900 financial advisors<sup>(4)</sup>
- Average 85% retention of shares distributed<sup>(3)</sup>
  - Stifel's retail 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 and further expanding U.S. footprint

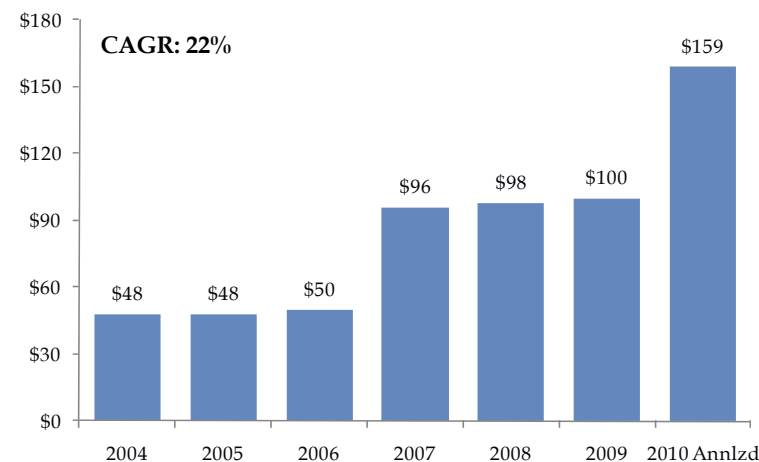
## Strength of Stifel's Brokerage Position

Rank	Company	Headquarters	RRs <sup>(1)</sup>	Client Assets <sup>(2)</sup>
1	Citigroup/Smith Barney	New York, NY	19,296	\$1,034
2	Wells Fargo Securities	St. Louis, MO	16,678	1,000+
3	Merrill Lynch & Co	New York, NY	15,880	1,475
4	Edward D. Jones	St. Louis, MO	10,532	400
5	UBS Financial Services, Inc.	Weehawken, NJ	8,182	537
6	RBC Dain Rauscher	Minneapolis, MN	2,157	177
7	Stifel Proforma <sup>(5)</sup>	St. Louis, MO	1,916	100
8	Oppenheimer	New York, NY	1,395	NA
9	Raymond James Financial	New York, NY	1,218	170
10	Morgan Keegan & Co.	Memphis, TN	1,075	NA
11	Janney Montgomery	Philadelphia, PA	857	NA
12	Robert Baird	Milwaukee, WI	591	NA
13	Hilliard Lyons	Louisville, KY	410	NA

## Net Revenue (\$MM)



## Operating Contribution (\$MM)

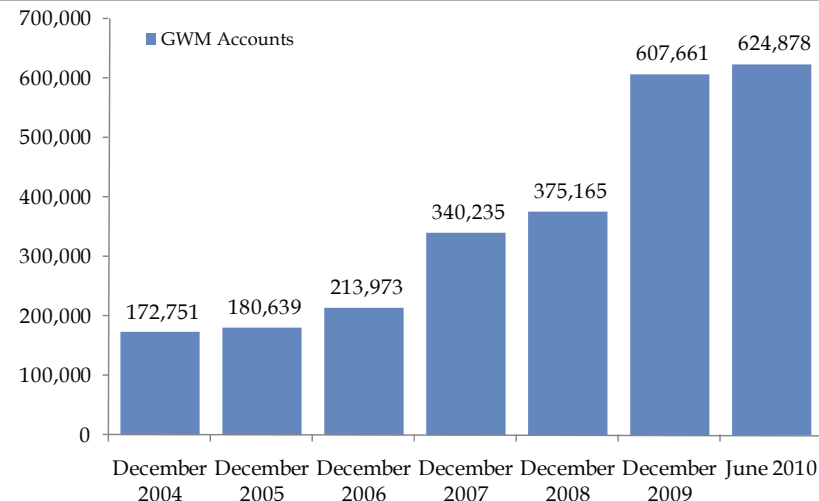


(1) Source: SIFMA 2008 Year Book Retail RR. (2) Source: Company Data, Goldman Sachs Research. \$ in billions. (3) Based on a 30-day period post transaction. 1H10 RR or run rate represents the first six months of 2010 annualized. (4) Includes Independent Contractors. (5) Stifel data is as of 6/30/2010

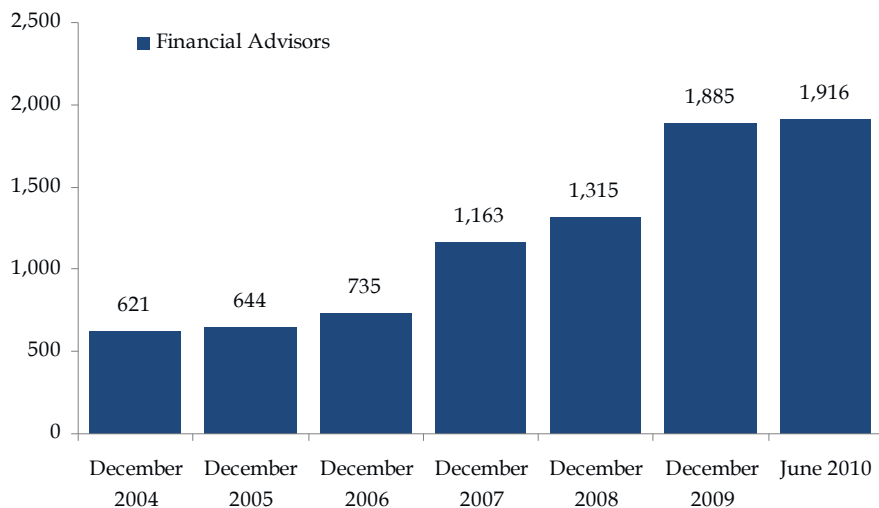
# Global Wealth Management

- Since the acquisition of Butler Wick, 728 Financial Advisors have joined Stifel, 397 through both the Butler Wick and UBS acquisitions
- Stifel expects to see opportunities resulting from continued dislocation from competitors mergers

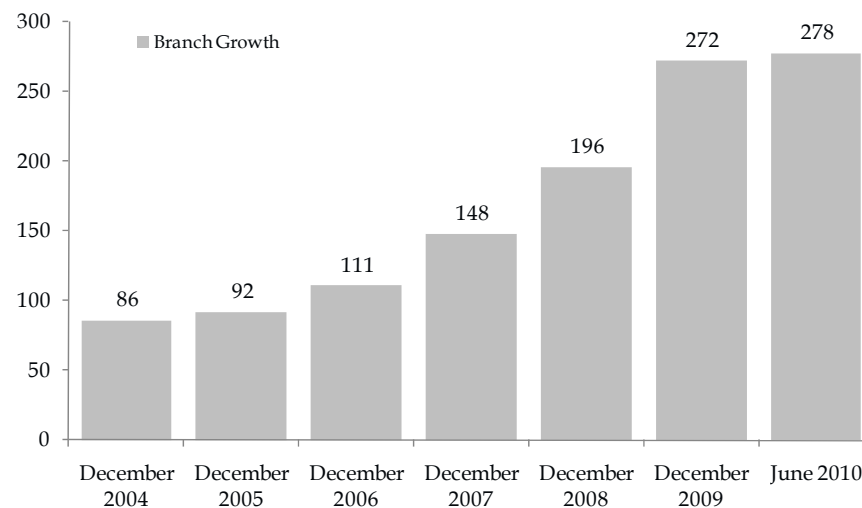
## GWM Account Growth



## GWM Broker Growth <sup>(1)</sup>



## GWM Branch Growth



(1) Includes Independent Contractors.

## Stifel Bank & Trust Overview

### Low Risk Asset Growth

- Assets of \$1.40 billion, up 22% from the prior year-end balance of \$1.14 billion
- Investment portfolio of \$740 million, up 28% from the prior year-end balance of \$579 million
- Loan portfolio of \$436 million, up 9% from prior year-end balance of \$401 million
- Deposits of \$1.26 billion, up 22% from prior year balance of \$1.03 billion

### Strategy & Opportunity

- Maintain solid asset quality:
  - Non-performing loans to gross loans of 0.24%
  - Non-performing assets to total assets of 0.16%
  - \$1.1 million LTM losses on \$1.4 billion in assets
- Offer banking products (securities based loans and mortgage loans) within the GWM client base, including establishing trust services
- Maintain high levels of liquidity to capitalize on opportunities

### Interest Earning Assets

(\$ in thousands)	As of			Percent of total		
	6/30/10	12/31/09	6/30/09	6/30/10	12/31/09	6/30/09
Agency investments	\$ 590,611	\$ 434,031	\$ 28,536	50.2%	44.3%	7.9%
Consumer	235,785	226,648	30,025	20.0%	23.1%	8.3%
Non-agency investments	149,510	144,457	104,702	12.7%	14.7%	29.0%
Mortgage	146,825	143,443	123,705	12.5%	14.6%	34.3%
Commercial	54,353	30,993	73,823	4.6%	3.2%	20.5%
	<u>\$ 1,177,084</u>	<u>\$ 979,572</u>	<u>\$ 360,791</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

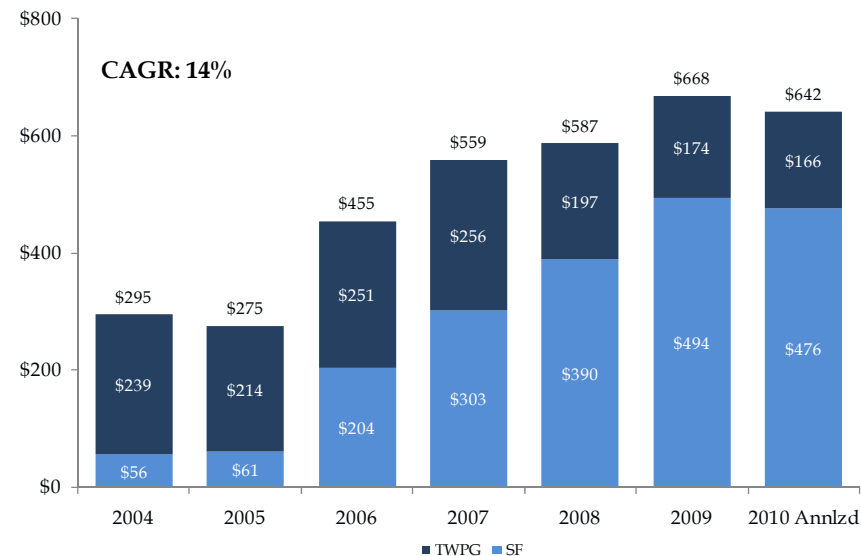
### III. Institutional Group

# Institutional Group

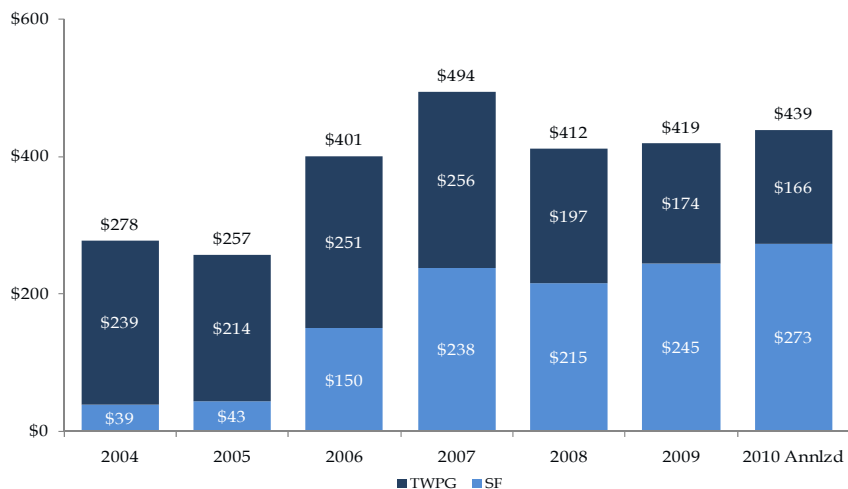
## Overview

- Provides securities brokerage, trading, research services, as well as underwriting and corporate advisory
- SF has opportunistically expanded talent pool
  - Victor Nesi, Director of Investment Banking and Co-Director of Capital Markets (June 2009)
  - William Heinzerling, Head of Fixed Income Capital Markets (May 2009)
  - Hired 11-person sales & trading team from Bear Stearns, a four-person convertible securities team from Banc of America, and strategic hires from Wachovia, JPMorgan, Barclays and other top firms
- TWPG acquisition is highly complementary
- Recognized industry expertise and execution capabilities

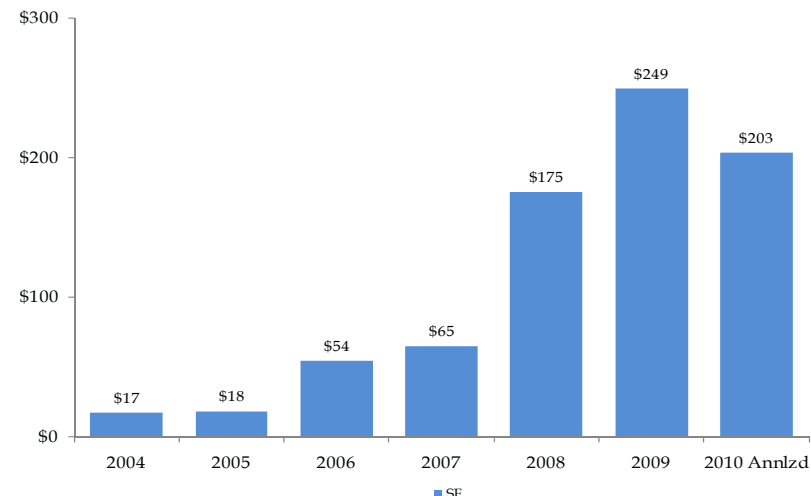
## Net Revenues (\$MM)<sup>(1)</sup>



## Equity Capital Markets (\$MM)



## Fixed Income (\$MM)



(1) Excludes TWPG Asset Management revenues. 2010 represents the first six months annualized.



# Institutional Group

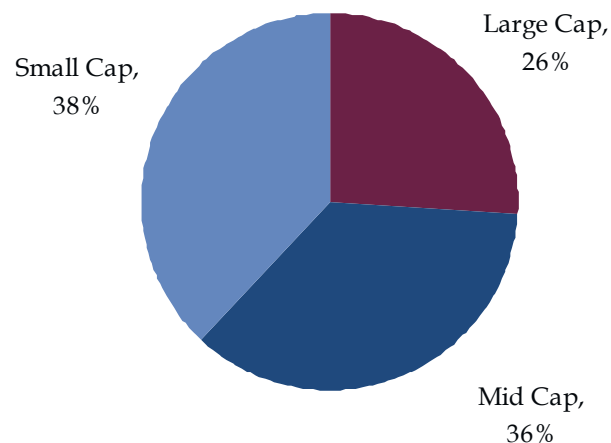
*One of the Largest U.S. Equity Research Platforms*

## #1 U.S. Equity Research Coverage

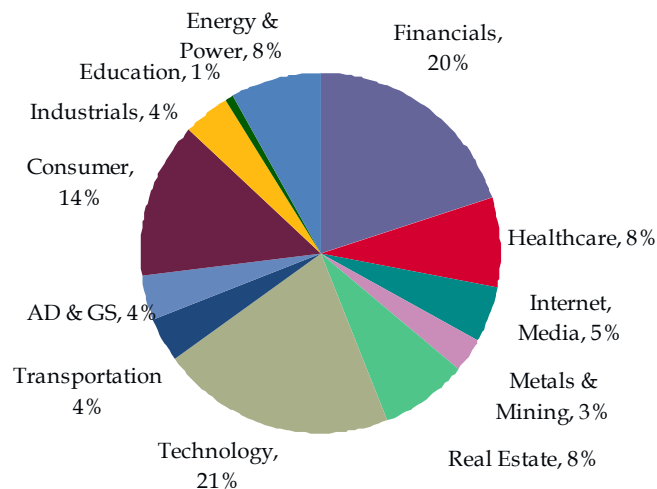
Rank	Firm	Companies Under Coverage	
		Overall	Small Cap
1	JP Morgan	1,086	247
2	<b>Stifel Nicolaus &amp; Co.</b>	<b>1,073</b>	<b>405</b>
3	BofA Merrill Lynch	994	194
4	Barclays Capital	916	160
5	Deutsche Bank Securities	837	235
6	Goldman Sachs	796	186
7	Credit Suisse	776	143
8	RBC Capital Markets	775	186
9	<b>Raymond James</b>	<b>772</b>	<b>306</b>
10	Citi	753	181
11	UBS	724	151
12	Morgan Stanley	687	190
13	<b>Jefferies &amp; Co.</b>	<b>674</b>	<b>238</b>
14	<b>Robert W. Baird &amp; Co., Inc.</b>	<b>602</b>	<b>214</b>
14	Wells Fargo Securities, LLC.	602	154
16	<b>Oppenheimer &amp; Co.</b>	<b>559</b>	<b>200</b>
17	Sidoti & Company LLC	534	360
18	<b>Macquarie Research Equities</b>	<b>533</b>	<b>NA</b>
19	BMO Capital Markets	501	NA
20	<b>Piper Jaffray</b>	<b>493</b>	<b>217</b>
21	Morningstar, Inc.	440	NA
22	Argus Research Company	420	NA
23	<b>Keefe, Bruyette &amp; Woods</b>	<b>418</b>	<b>211</b>
24	<b>FBR Capital Markets</b>	<b>391</b>	<b>NA</b>
25	<b>Keybank Capital Markets</b>	<b>389</b>	<b>152</b>

\*Bold italics indicates middle-market firms.

## Significant Coverage Across All Market Caps <sup>(1)</sup>



## Breadth Of Coverage Across Industry Sectors



# Institutional Group

## Research Accolades

### #1 in WSJ "Best on the Street" Survey <sup>(1)</sup>

Rank	Broker	# of Awards
<b>1</b>	<b>Stifel</b>	<b>14</b>
2	Credit Suisse	8
3	Deutsche Bank	7
3	J.P. Morgan Chase	7
3	UBS	7
6	BofA Merrill Lynch	6
<b>6</b>	<b>Raymond James</b>	<b>6</b>
6	Wells Fargo	6
9	Barclays Capital	5
9	Citigroup	5
<b>9</b>	<b>Keefe Bruyette &amp; Woods</b>	<b>5</b>
<b>9</b>	<b>KeyBanc Capital Markets</b>	<b>5</b>
<b>9</b>	<b>Oppenheimer &amp; Co.</b>	<b>5</b>
9	Standard & Poor's	5
15	BMO Capital Markets	4
15	CL Kin & Associates	4
<b>15</b>	<b>Cowen &amp; Co.</b>	<b>4</b>
15	Goldman Sachs	4
<b>15</b>	<b>Jefferies</b>	<b>4</b>
<b>15</b>	<b>JMP Securities</b>	<b>4</b>
15	Morgan Stanley	4
<b>15</b>	<b>William Blair</b>	<b>4</b>

### Highlights

- #1 ranked research group of investment banks by awards in 2010 Wall Street Journal poll with 14 analysts
- #2 U.S. Ranking for 2009 FT/StarMine World's Top Analysts
- #1 ranked equity research group for earnings estimate accuracy in StarMine's 2008 and 2007 domestic rankings
- First firm to be ranked #1 by Starmine for both earnings accuracy and stock picking
- Cover approximately 50% of the S&P 500

### Analyst Profile

- > 50% of Analysts worked in the field they cover
- > 50% of Analysts started as Stifel Associates
- Average sell side experience is > 10 Years and more than 33% of Analysts are CFA's

### StarMine Broker Rankings <sup>(2)</sup>

Rank	Broker	# of Awards
1	Goldman Sachs	23
<b>2</b>	<b>Stifel</b>	<b>17</b>
3	BofA Merrill Lynch	15
4	Citigroup	13
4	Credit Suisse	13
<b>4</b>	<b>Robert W. Baird</b>	<b>13</b>
7	Barclays Capital	12
7	RBC Capital Markets	12
7	UBS	12
<b>10</b>	<b>Raymond James</b>	<b>11</b>

(1) Source: Wall Street Journal, 2010 "Best on the Street" Survey; includes Stifel and TWP. (2) Source: StarMine Monitor.  
Note: Bold italics indicates middle-market firms.

## Institutional Group

### *Powerful Institutional Equity Sales and Trading Platform*

#### Institutional Equity Sales

- 120 person sales force, commission based
- Experts in small and mid cap growth and value
- Team based sales model with 2-4 coverage 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 800 non-deal roadshow days in 2009
- Extensive experience with traditional and overnight corporate finance transactions

#### Equity Trading

- 35 coverage traders located in Baltimore, New York, Boston, Dallas, San Francisco, Denver, Cleveland and London
- 20 position traders covering each major industry
- Agent model - no proprietary trading or prime brokerage
- Profitable model with advantages of scale

#### U.S. Trading Volume: Middle Market Banks <sup>(1)</sup>

Rank	Firm	Shares in Millions
1	Jefferies	19,502
2	<b>Stifel Nicolaus</b>	<b>12,784</b>
3	Cowen	7,423
4	Oppenheimer	6,823
5	Cantor Fitzgerald	6,556
6	HSBC	6,038
7	Raymond James & Associates	5,357
8	Robert W. Baird	5,344
9	Friedman Billings Ramsey	5,069
10	Piper Jaffray	4,868
11	Wells Fargo	3,816
12	Keefe Bruyette Woods	3,329
13	Natexis Bleichroeder	3,291
14	Hapoalim Securities	3,035
15	Jesup & Lamont	3,030
16	Noble Financial Group	2,895
17	Brown Brothers Harrman	2,743
18	William Blair	2,559
19	Leerink Swann	2,115
20	Morgan Keegan	2,043
21	Sterne Agee	1,911
22	Macquarie	1,873
23	BMO Capital Markets	1,732
24	JMP Securities	1,672
25	Keybank Capital Markets	1,621

(1) 2009 U.S. Trading Volume per Bloomberg. Ranking reflects rank among middle-market investment banks.

# Institutional Group

## Strong Fixed Income Capital Markets Capabilities

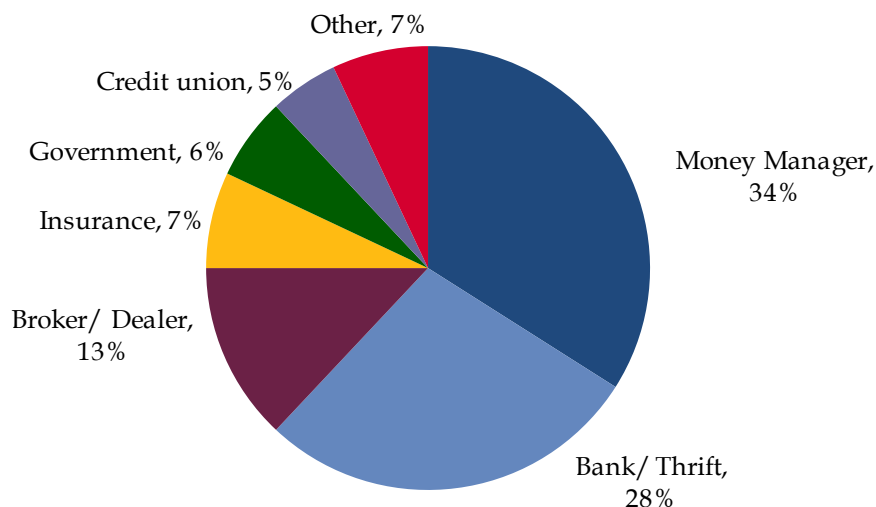
### Overview

- Comprehensive platform
  - Approximately 50 traders averaging 14 years of experience
  - Annual client trade volume approaching \$200 billion
- *Institutional Investor All-Star* nominated team
- Widespread distribution
  - Over 100 fixed income sales professionals covering over 3,200 accounts
  - 30 institutional fixed income offices nationwide

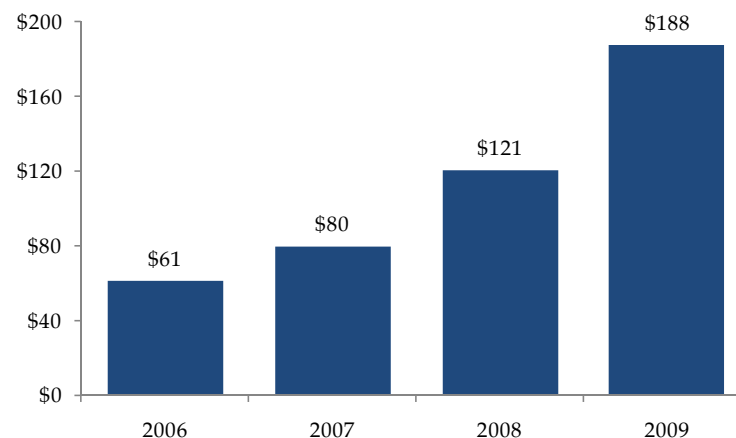
### Platform & Products

- Focus on long-only money managers and income funds versus hedge funds
- Consistency of execution
- Identification of relative value through security selection
- Agency/Gov't Securities
- Aircraft Finance & Credit Solutions
- Asset-Backed Securities
- Emerging Markets
- High Yield Credit
- Investment Grade Credit
- Money Markets
- Mortgages
- Municipals
- Structured Products
- Whole Loans

### Client Distribution



### Total Trading Volume (\$BN)



# Institutional Group

## Investment Banking Overview

- Full-Service, Industry-Focused Middle-Market Investment Bank
- Over 250 Investment Banking Professionals

### Investment Banking Product Areas

#### Capital Markets

- Equity & Convertible
  - Initial public offerings
  - Follow-on offerings
  - At-the-market offerings
  - PIPEs, registered directs, confidentially marketed offerings
  - Convertible securities
  - Special situations block trading and buybacks
  - Stock distributions for fund LPs
  - U.S. & Canadian listings
- Fixed Income
  - High yield debt
  - Investment grade debt
  - Preferred securities
  - Corporate banking
  - Structured finance
  - Asset-backed securities

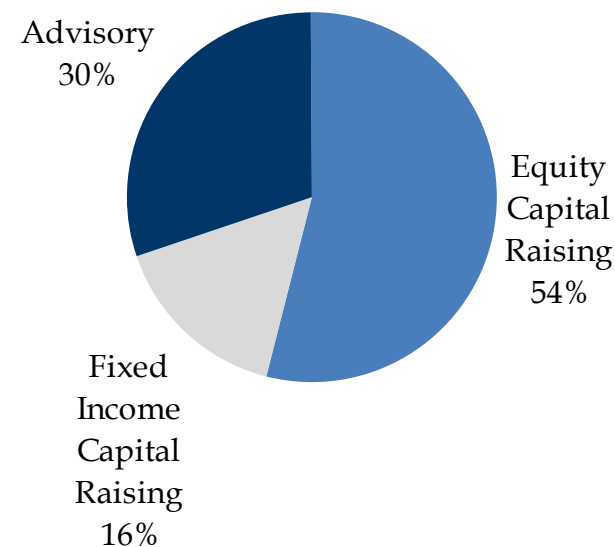
#### M&A Advisory

- Sale & acquisition advisory
- Recapitalizations
- Restructurings
- Corporate divestitures
- Buyouts/take privates
- Fairness opinions & valuations

#### Private Placements

- Common stock
- Preferred stock
- Preferred securities
- Term loans
- Secured debt
- Unsecured debt
- Convertible Securities
- Sub debt
- High yield debt

### 1H 2010 Investment Banking Revenues



# Institutional Group

## Leadership in the Venture Capital Community

### Selected Venture Capital-Backed IPOs

<p>\$86,250,000</p>  <p>Initial Public Offering Joint Bookrunning Manager <i>Pending</i></p>	<p>\$75,000,000</p>  <p>Initial Public Offering Joint Bookrunning Manager <i>Pending</i></p>	<p>\$115,000,000</p>  <p>Initial Public Offering Co-Manager <i>Pending</i></p>	<p>\$57,500,000</p>  <p>Initial Public Offering Co-Manager <i>August 2010</i></p>
<p>\$143,000,000</p>  <p>Initial Public Offering Co-Manager <i>August 2010</i></p>	<p>\$63,000,000</p>  <p>Initial Public Offering Co-Manager <i>July 2010</i></p>	<p>\$128,800,000</p>  <p>Initial Public Offering Co-Manager <i>July 2010</i></p>	<p>\$230,000,000</p>  <p>Initial Public Offering Co-Manager <i>July 2010</i></p>
<p>\$88,800,000</p>  <p>Initial Public Offering Co-Manager <i>June 2010</i></p>	<p>\$53,123,733</p>  <p>Initial Public Offering Joint Bookrunning Manager <i>April 2010</i></p>	<p>\$91,547,730</p>  <p>Initial Public Offering Co-Manager <i>April 2010</i></p>	<p>\$56,534,376</p>  <p>Initial Public Offering Sole Bookrunning Manager <i>April 2010</i></p>
<p>\$103,749,996</p>  <p>Initial Public Offering Co-Manager <i>March 2010</i></p>	<p>\$79,800,000</p>  <p>Initial Public Offering Co-Manager <i>October 2009</i></p>	<p>\$122,666,672</p>  <p>Initial Public Offering Co-Manager <i>June 2009</i></p>	<p>\$69,000,000</p>  <p>Initial Public Offering Co-Manager <i>May 2009</i></p>

### 2004 - 2010YTD U.S. Venture-Backed IPOs

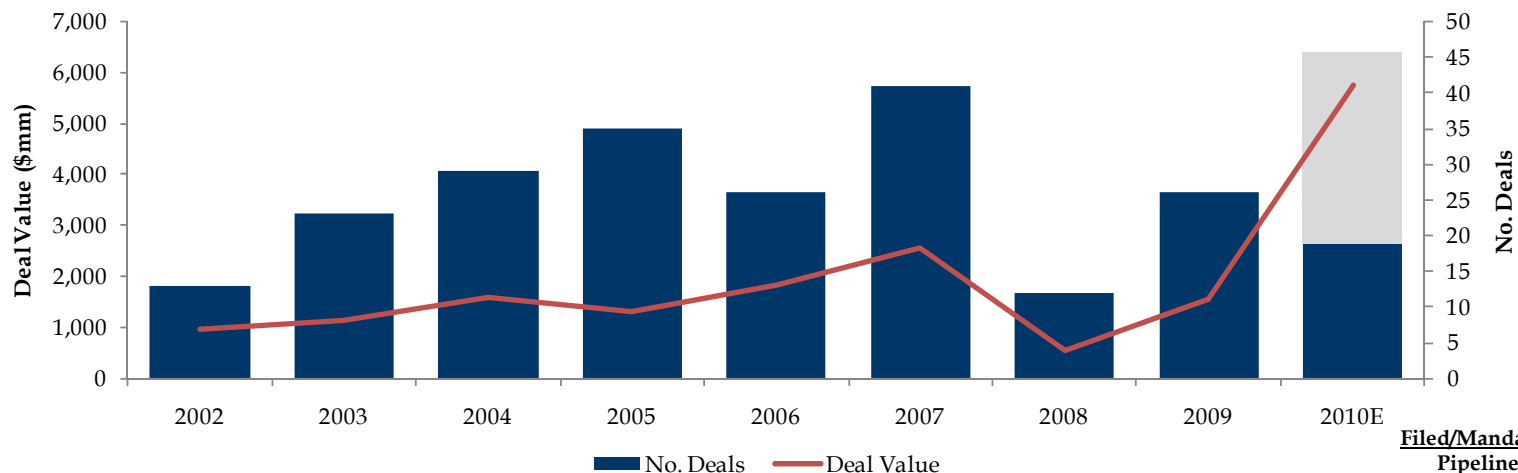
(\$ in millions)		# of	\$
Rank	Firm	Deals	Volume
<b>1</b>	<b><i>Stifel Nicolaus Weisel</i></b>	<b>99</b>	<b>14,329</b>
2	BofA Merrill Lynch	83	12,624
3	J.P. Morgan	77	12,065
<b>4</b>	<b><i>Piper Jaffray</i></b>	<b>75</b>	<b>7,150</b>
5	Morgan Stanley	68	10,757
<b>5</b>	<b><i>Cowen</i></b>	<b>68</b>	<b>6,343</b>
7	Credit Suisse	57	8,372
8	Wells Fargo	50	5,921
9	Deutsche Bank	47	6,627
10	Goldman Sachs	42	7,206
<b>11</b>	<b><i>Jefferies</i></b>	<b>39</b>	<b>4,708</b>
12	Barclays	38	5,271
12	CIBC	38	2,757
14	UBS	32	7,583
15	RBC Capital Markets	30	2,672
<b>16</b>	<b><i>JMP Securities</i></b>	<b>28</b>	<b>2,213</b>
17	Citigroup	24	5,266
<b>18</b>	<b><i>Needham</i></b>	<b>21</b>	<b>1,468</b>
<b>19</b>	<b><i>William Blair</i></b>	<b>19</b>	<b>1,684</b>
<b>20</b>	<b><i>Lazard Capital Markets</i></b>	<b>18</b>	<b>1,486</b>
<b>20</b>	<b><i>Pacific Growth Equities</i></b>	<b>18</b>	<b>992</b>
<b>22</b>	<b><i>Raymond James</i></b>	<b>13</b>	<b>2,930</b>
<b>23</b>	<b><i>First Albany Capital</i></b>	<b>11</b>	<b>607</b>
<b>24</b>	<b><i>Robert W Baird</i></b>	<b>10</b>	<b>1,072</b>
<b>24</b>	<b><i>WR Hambrecht</i></b>	<b>10</b>	<b>2,289</b>
<b>24</b>	<b><i>ThinkEquity Partners</i></b>	<b>10</b>	<b>1,227</b>

Source: Venture backed IPOs rankings based on Dealogic and Thomson One data as of 6/30/10.

Note: Bold italics indicates middle-market firms.

# Investment Banking

## Strong Momentum and Track Record as Bookrunner



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010E
% of Deals Bookrun	17%	23%	19%	24%	17%	26%	16%	20%	28%
Filed/Mandated Pipeline									55%

<p>\$86,250,000</p> <p>Initial Public Offering Joint Bookrunning Manager Pending</p>	<p>\$75,000,000</p> <p>Initial Public Offering Joint Bookrunning Manager Pending</p>	<p>\$143,750,000</p> <p>Initial Public Offering Joint Bookrunning Manager Pending</p>	<p>\$50,000,000</p> <p>Initial Public Offering Sole Bookrunning Manager Pending</p>	<p>\$75,000,000</p> <p>Initial Public Offering Sole Bookrunning Manager Pending</p>	<p>\$75,000,000</p> <p>Initial Public Offering Joint Bookrunning Manager Pending</p>	<p>\$100,000,000</p> <p>Initial Public Offering Joint Bookrunning Manager Pending</p>	<p>\$413,632,140</p> <p>Common Stock Financial Advisor and Sole Bookrunning Manager June 2010</p>	<p>\$15,000,000</p> <p>Common Stock Registered Direct Sole Placement Agent June 2010</p>
<p>\$87,125,000</p> <p>Common Stock Financial Advisor and Sole Bookrunning Manager June 2010</p>	<p>\$52,500,000</p> <p>Common Stock Sole Bookrunning Manager May 2010</p>	<p>\$28,103,923</p> <p>Common Stock Registered Direct Sole Bookrunning Manager April 2010</p>	<p>\$53,123,733</p> <p>Initial Public Offering Joint Bookrunning Manager April 2010</p>	<p>\$56,534,376</p> <p>Initial Public Offering Sole Bookrunning Manager April 2010</p>	<p>\$57,500,000</p> <p>Common Stock Sole Bookrunning Manager April 2010</p>	<p>\$1,881,687,500</p> <p>Common Stock Joint Bookrunning Manager March 2010</p>	<p>\$69,000,000</p> <p>Common Stock Sole Bookrunning Manager March 2010</p>	<p>\$18,300,000</p> <p>Common Stock Registered Direct Sole Bookrunning Manager March 2010</p>

Note: Includes all U.S. and Canadian bookrun IPOs and underwritten equity and equity-linked offerings since 2002. 2010 results based on current YTD run rate.



# Investment Banking

## Accomplished U.S. Equity Underwriting Franchise – Equity Transactions <\$1 billion Market Cap

### All Managed Equity Deals Since 2005

(\$ in billions)		# of	\$
Rank	Firm	Deals	Volume
1	Bank of America Merrill Lynch	440	\$74.2
2	JPMorgan	393	\$62.6
3	<b><i>Stifel Nicolaus Weisel</i></b>	<b>345</b>	<b>\$39.2</b>
4	Wells Fargo Securities	324	\$56.1
5	UBS	314	\$45.0
6	RBC Capital Markets	296	\$35.9
7	<b><i>Oppenheimer &amp; Co Inc</i></b>	<b>289</b>	<b>\$30.8</b>
8	Citi	271	\$46.4
9	Credit Suisse	251	\$39.5
10	<b><i>Piper Jaffray &amp; Co</i></b>	<b>243</b>	<b>\$27.2</b>
11	Barclays Capital	239	\$38.6
12	Deutsche Bank	228	\$33.1
13	<b><i>Jefferies &amp; Company</i></b>	<b>209</b>	<b>\$25.3</b>
14	Morgan Stanley	205	\$30.8
15	<b><i>Raymond James</i></b>	<b>198</b>	<b>\$25.8</b>
16	Goldman Sachs	173	\$29.2
17	<b><i>Cowen &amp; Co LLC</i></b>	<b>147</b>	<b>\$14.0</b>
18	<b><i>Keefe Bruyette &amp; Woods</i></b>	<b>138</b>	<b>\$16.2</b>
19	<b><i>William Blair &amp; Co LLC</i></b>	<b>137</b>	<b>\$16.1</b>
20	<b><i>JMP Securities LLC</i></b>	<b>128</b>	<b>\$14.8</b>
21	<b><i>Robert W Baird &amp; Co</i></b>	<b>125</b>	<b>\$15.2</b>
22	<b><i>FBR Capital Markets</i></b>	<b>107</b>	<b>\$13.0</b>
23	<b><i>Needham &amp; Company, LLC</i></b>	<b>107</b>	<b>\$8.5</b>
24	<b><i>KeyBanc Capital Markets</i></b>	<b>106</b>	<b>\$14.8</b>
25	<b><i>Canaccord Genuity Corp</i></b>	<b>105</b>	<b>\$8.1</b>

### Bookrun Equity Deals Since 2005

(\$ in billions)		# of	\$
Rank	Firm	Deals	Volume
1	Bank of America Merrill Lynch	351	\$28.3
2	JPMorgan	275	\$21.1
3	UBS	224	\$15.2
4	Citi	216	\$20.5
5	Credit Suisse	189	\$14.0
6	Morgan Stanley	184	\$14.3
7	Barclays Capital	179	\$14.7
8	Deutsche Bank	140	\$10.6
9	Goldman Sachs	130	\$11.9
10	Wells Fargo Securities	127	\$7.6
11	<b><i>Jefferies &amp; Company</i></b>	<b>85</b>	<b>\$4.9</b>
12	<b><i>Oppenheimer &amp; Co Inc</i></b>	<b>82</b>	<b>\$3.6</b>
13	<b><i>Piper Jaffray &amp; Co</i></b>	<b>80</b>	<b>\$4.0</b>
14	RBC Capital Markets	79	\$3.5
15	<b><i>Stifel Nicolaus Weisel</i></b>	<b>75</b>	<b>\$3.5</b>
16	<b><i>Keefe Bruyette &amp; Woods</i></b>	<b>67</b>	<b>\$5.1</b>
17	<b><i>FBR Capital Markets</i></b>	<b>49</b>	<b>\$4.3</b>
18	<b><i>Raymond James</i></b>	<b>47</b>	<b>\$2.7</b>
19	<b><i>Sandler O'Neill &amp; Partners</i></b>	<b>47</b>	<b>\$2.5</b>
20	<b><i>Roth Capital Partners</i></b>	<b>44</b>	<b>\$1.6</b>
21	<b><i>Cowen &amp; Co LLC</i></b>	<b>36</b>	<b>\$1.6</b>
22	<b><i>Robert W Baird &amp; Co</i></b>	<b>35</b>	<b>\$1.9</b>
23	<b><i>William Blair &amp; Co LLC</i></b>	<b>31</b>	<b>\$2.5</b>
24	<b><i>Lazard Capital Markets</i></b>	<b>29</b>	<b>\$1.7</b>
25	<b><i>Canaccord Genuity Corp</i></b>	<b>29</b>	<b>\$1.2</b>

Source: Dealogic. Rank eligible SEC registered IPOs and Follow-On offerings since 2005. Includes demutualizations.

Note: \$ Volume represents full credit to underwriter for All Managed Equity Deals and apportioned credit to bookrunner for Bookrun Equity Deals.

Note: Stifel results based on pro forma figures for both Stifel and TWP.

Note: Bold italics indicates middle-market firms.



## Current Filed and Mandated Offerings

	Filed			Mandated			Total		
	# of Managed	# of Bookrun	% of Bookrun	# of Managed	# of Bookrun	% of Bookrun	# of Managed	# of Bookrun	% of Bookrun
IPOs	29	11	38%	16	1	6%	45	12	27%
Demutualizations	6	6	100%	2	2	100%	8	8	100%
Follow-Ons	6	5	83%	6	3	50%	12	8	67%
PIPEs	0	0	n/a	5	5	100%	5	5	100%
Registered Directs	0	0	n/a	2	1	50%	2	1	50%
Confidentially Marketed Offerings	0	0	n/a	2	2	100%	2	2	100%
Convertibles	0	0	n/a	1	1	100%	1	1	100%
High Yield	0	0	n/a	1	0	0%	1	0	0%
Privates (PPs)	0	0	n/a	12	11	92%	12	11	92%
Preferreds	0	0	n/a	0	0	n/a	0	0	n/a
<b>Total</b>	<b>41</b>	<b>22</b>	<b>54%</b>	<b>47</b>	<b>26</b>	<b>55%</b>	<b>88</b>	<b>48</b>	<b>55%</b>

## IV. Second Quarter 2010 Highlights

## Chairmen's Comments

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“We are very pleased to report record quarterly revenue and record six-month net income and revenue results, which reflect the investments we’ve made over the past several years. The merger with Thomas Weisel Partners closed on July 1, 2010, and we are confident that through the synergies of the combined company we can build the premier middle-market investment bank. Our capital raising and strategic advisory deal pipeline is promising, although we recognize that we will need a functional market environment to realize its full revenue potential. Looking forward, we will continue our goal of balanced growth by capitalizing on opportunities to build-out our Global Wealth Management business,” commented Chairman and Chief Executive Officer Ronald J. Kruszewski.

Co-Chairman Thomas W. Weisel added, “We are very excited to be a part of the Stifel platform. With the major components of the integration complete, the reception we’ve received so far by our clients has been very complimentary. Together, we are now better positioned to strengthen our client relationships through the company’s significant resources, additional products and expanded reach.”

## Six Months Ended June 30, 2010 Highlights

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- Record net revenues of \$640 million, a 33% increase over the comparable period in 2009.
  - The GWM segment posted net revenues of \$399 million, a 59% increase over the comparable period in 2009.
  - The IG segment posted net revenues of \$238 million, a 3% increase over the comparable period in 2009.
- Record net income of \$45 million, or \$1.28 per diluted share, a 55% increase over the comparable period in 2009.
- Excluding TWP merger-related charges, non-GAAP net income was \$48 million, or \$1.37 per diluted share.
- Pre-tax margin for the six months ended June 30, 2010 was 12% compared to 10% for the comparable period in 2009. Non-GAAP pre-tax margin of 13%.
- For the six months ended June 30, 2010, annualized return on average equity was 10% compared to 9% for the comparable period in 2009. Non-GAAP annualized return on average equity was 11%.

## Six months ended June 30, 2010 Results

	Six Months Ended June 30, 2010			Six Months ended 6/30/2009	% Change	
	GAAP	Merger- Related Charges	Non-GAAP		GAAP	Non- GAAP
<i>(\$ in thousands)</i>						
<b>Net revenues</b>	<b>\$ 640,039</b>	\$ -	\$ 640,039	\$ 481,486	<b>32.9%</b>	32.9%
Compensation and benefits	<b>423,149</b>	3,119	420,030	323,721	<b>30.7%</b>	29.8%
Non-comp operating expenses	<b>141,380</b>	1,908	139,472	109,501	<b>29.1%</b>	27.4%
<b>Total non-interest expenses</b>	<b>564,529</b>	5,027	559,502	433,222	<b>30.3%</b>	29.1%
<b>Income before income taxes</b>	<b>75,510</b>	(5,027)	80,537	48,264	<b>56.5%</b>	66.9%
Provision for income taxes	<b>30,661</b>	(2,041)	32,702	19,272	<b>59.1%</b>	69.7%
<b>Net income</b>	<b>\$ 44,849</b>	\$ (2,986)	\$ 47,835	\$ 28,992	<b>54.7%</b>	65.0%
Diluted EPS	\$ 1.28	\$ (0.09)	\$ 1.37	\$ 0.94	<b>36.2%</b>	45.7%
<b><i>Ratios to net revenues</i></b>						
Compensation and benefits	<b>66.1%</b>		65.6%	67.3%		
Operating expenses	<b>22.1%</b>		21.8%	22.7%		
Income before income taxes	<b>11.8%</b>		12.6%	10.0%		

## Sources of Revenues

(\$ in thousands)	Quarter Ended					Six Months Ended				
			%	<u>% of Net Revenues</u>				%	<u>% of Net Revenues</u>	
	<u>6/30/10</u>	<u>6/30/09</u>		<u>6/30/10</u>	<u>6/30/09</u>	<u>6/30/10</u>	<u>6/30/09</u>		<u>6/30/10</u>	<u>6/30/09</u>
<b>Revenues</b>										
Principal transactions	\$ 122,923	\$ 121,261	1.4%	37.4%	46.4%	\$ 240,343	\$ 218,539	10.0%	37.5%	45.4%
Commissions	103,634	80,721	28.4%	31.6%	30.9%	208,669	155,331	34.3%	32.6%	32.3%
Asset mgt and service fees	44,138	25,433	73.5%	13.5%	9.7%	85,241	51,254	66.3%	13.3%	10.6%
Investment banking	41,252	24,702	67.0%	12.6%	9.5%	75,473	40,206	87.7%	11.8%	8.4%
Other	3,757	1,849	103.2%	1.1%	0.7%	5,702	1,076	429.9%	0.9%	0.2%
<b>Total operating revenues</b>	<b>315,704</b>	<b>253,966</b>	<b>24.3%</b>	<b>96.2%</b>	<b>97.2%</b>	<b>615,428</b>	<b>466,406</b>	<b>32.0%</b>	<b>96.1%</b>	<b>96.9%</b>
Interest revenue	14,654	10,584	38.5%	4.5%	4.0%	29,301	20,476	43.1%	4.6%	4.2%
<b>Total revenues</b>	<b>330,358</b>	<b>264,550</b>	<b>24.9%</b>	<b>100.7%</b>	<b>101.2%</b>	<b>644,729</b>	<b>486,882</b>	<b>32.4%</b>	<b>100.7%</b>	<b>101.1%</b>
Interest expense	2,349	3,045	(22.9%)	0.7%	1.2%	4,690	5,396	(13.1%)	0.7%	1.1%
<b>Net revenues</b>	<b>\$ 328,009</b>	<b>\$ 261,505</b>	<b>25.4%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>\$ 640,039</b>	<b>\$ 481,486</b>	<b>32.9%</b>	<b>100.0%</b>	<b>100.0%</b>

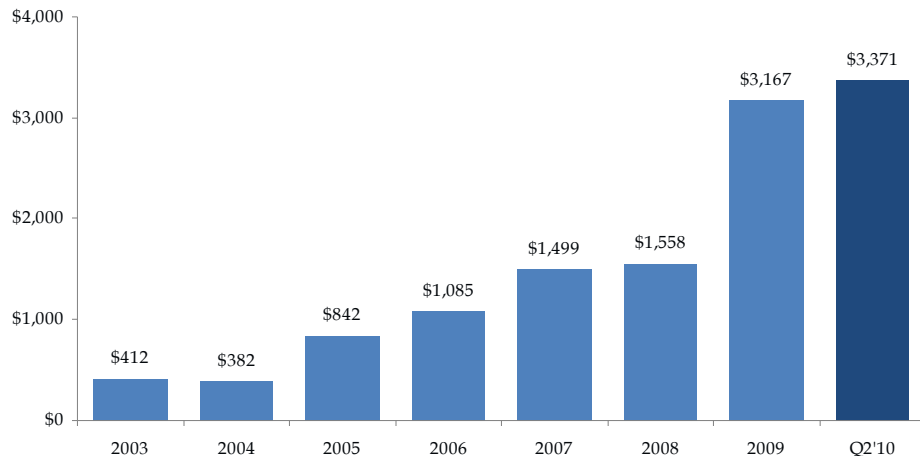
## Segment Comparison

	Quarter Ended			Six Months Ended		
	6/30/10	6/30/09	% Change	6/30/10	6/30/09	% Change
<i>(\$ in thousands)</i>						
<b>Net revenues:</b>						
Global Wealth Management	\$ 199,940	\$ 136,200	46.8%	\$ 399,361	\$251,252	58.9%
Institutional Group	124,602	125,136	(0.4%)	237,894	230,608	3.2%
Other	3,467	169	*	2,784	(374)	*
	<u>\$ 328,009</u>	<u>\$ 261,505</u>	<u>25.4%</u>	<u>\$ 640,039</u>	<u>\$481,486</u>	<u>32.9%</u>
<b>Operating contribution:</b>						
Global Wealth Management	40,441	23,197	74.3%	79,599	41,319	92.6%
Institutional Group	30,769	31,850	(3.4%)	58,225	57,884	0.6%
Other	(35,265)	(28,938)	21.9%	(62,314)	(50,939)	22.3%
	<u>\$ 35,945</u>	<u>\$ 26,109</u>	<u>37.7%</u>	<u>\$ 75,510</u>	<u>\$ 48,264</u>	<u>56.5%</u>

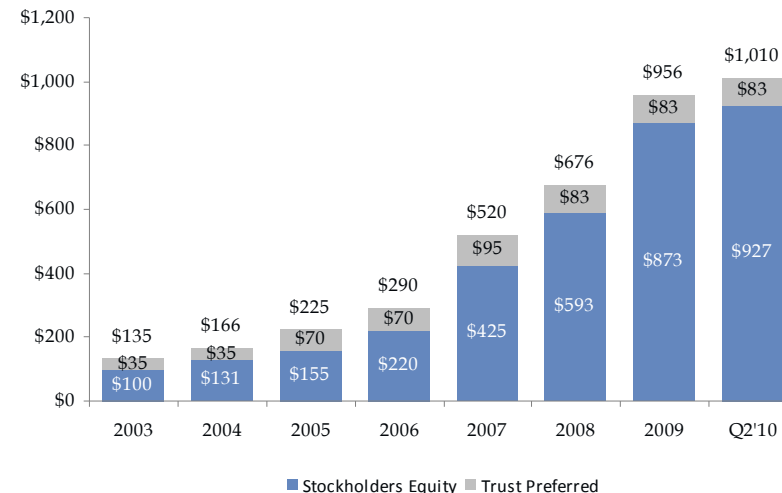
\* Percentage is not meaningful.

# Statement of Financial Condition

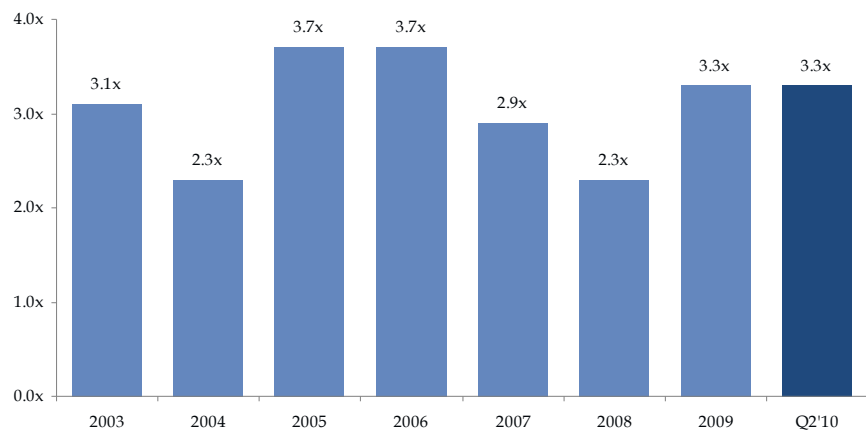
### Total Assets (\$MM)



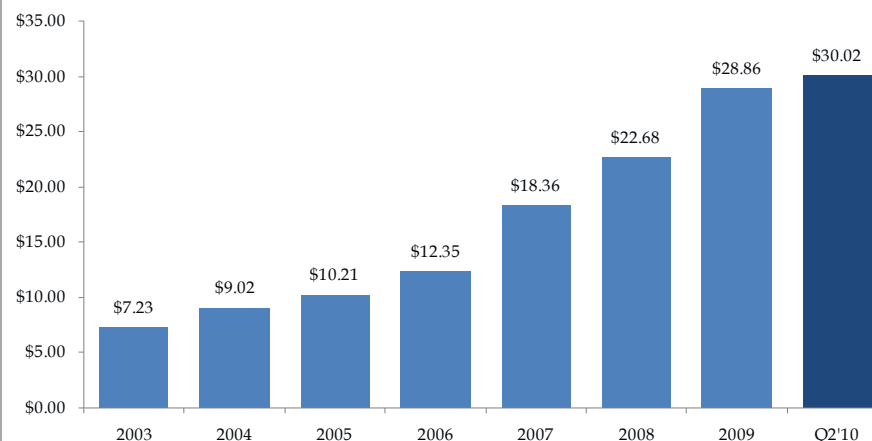
### Total Capitalization <sup>(1)</sup>



### Leverage Ratio <sup>(2)</sup>



### Book Value Per Share



(1) Total Capitalization is defined as stockholder's equity plus the trust preferred securities. (2) Leverage Ratio defined as Assets to Total Capitalization.



## V. TWP Merger

## *Pro Forma Combined Net Revenues*

### Six Months Ended June 30, 2010

<i>(\$ in thousands)</i>	<b>Stifel</b>	<b>TWPG</b>	<b>Pro Forma Combined</b>
<b>Revenues</b>			
Principal transactions & commissions	\$ 449,012	\$ 37,730	\$ 486,742
Asset mgt and service fees	85,241	7,252	92,493
Investment banking	75,473	46,235	121,708
Other	5,702	-	5,702
<b>Total operating revenues</b>	<b>615,428</b>	<b>91,217</b>	<b>706,645</b>
Interest revenue	29,301	266	29,567
<b>Total revenues</b>	<b>644,729</b>	<b>91,483</b>	<b>736,212</b>
Interest expense	4,690	1,136	5,826
<b>Net revenues</b>	<b>\$ 640,039</b>	<b>\$ 90,347</b>	<b>\$ 730,386</b>

## TWPG Merger

### *Estimated Annual Fixed Operating Expenses*

<i>(\$ in thousands)</i>	<u>Stifel (1)</u>	<u>TWPG Estimate (2)</u>	<u>Total</u>
<b><u>Fixed operating expenses:</u></b>			
Occupancy and equipment rental	\$ 103,000	\$ 10,400	\$ 113,400
Communication and office supplies	60,600	10,800	71,400
Commissions and floor brokerage	22,000	2,300	24,300
Other operating expenses	<u>93,200</u>	<u>23,500</u>	<u>116,700</u>
<b>Total fixed operating expenses</b>	<u>\$ 278,800</u>	<u>\$ 47,000</u>	<u>\$ 325,800</u>

(1) Stifel run-rate excludes non-GAAP merger-related charges.

(2) TWPG costs are estimated fixed operating expenses, not including variable costs.

## Pro Forma Equity Roll Forward

	<b>6/30/10</b>	<b>TWPG</b>	<b>Proforma Combined</b>	<b>Unit Modification</b>	<b>Stifel Proforma</b>
<i>(\$ in thousands)</i>					
Beginning Equity (1/1/2010)	\$ 873,500	\$ -	\$ 873,500	\$ -	\$ 873,500
Net income	45,000	-	45,000	-	45,000
Merger Consideration	-	274,000	274,000	-	274,000
Share repurchase into treasury	(24,000)	(66,000)	(90,000)	-	(90,000)
Unit Modification	-	-	-	166,000	166,000
Stock Based Compensation	29,000	-	29,000	(104,000)	(75,000)
Other	4,300	-	4,300	-	4,300
Ending Equity	\$ 927,800	\$ 208,000	\$ 1,135,800	\$ 62,000	\$ 1,197,800
<i>(Shares in thousands)</i>					
Shares outstanding	31,383	4,446	35,829	-	35,829
Shares repurchased	(500)	(1,500)	(2,000)	-	(2,000)
Shares outstanding	30,883	2,946	33,829	-	33,829
Units outstanding	7,431	2,114 (2)	9,545	-	9,545
Share and units outstanding	38,314	5,060	43,374	-	43,374
Book value	\$ 30.02				\$ 35.41
Book value/share and units (1)	\$ 25.22				\$ 28.76

(1) Equity plus tax benefit upon unit conversion (\$38.6m and \$49.6m, respectively) / shares plus vested units.

(2) Includes 1,868 shares exchanged for outstanding TWPG units plus 246 units issued at time of merger.

## Pro Forma Estimate and Unit Vesting

	<i>2010E Half Year Proforma Illustration</i>					
<i>(in thousands, except per share data)</i>	<b>Stifel 2010E Consensus(1)</b>	<b>Stifel Consensus(2)</b>	<b>TWPG Breakeven EPS</b>	<b>Proforma Combined pre-unit Vesting</b>	<b>Unit Vesting</b>	<b>Proforma after Unit Vesting</b>
<b>Net revenues</b>	<b>\$ 1,352,100</b>	<b>\$ 676,050</b>	<b>\$ 73,750</b>	<b>\$ 749,800</b>	<b>\$ -</b>	<b>\$ 749,800</b>
Compensation and benefits	878,600	439,300	39,450	478,750	(28,700)	450,050
Non-comp operating expenses	297,200	148,600	25,233	173,833	-	173,833
<b>Total non-interest expenses</b>	<b>1,175,800</b>	<b>587,900</b>	<b>64,683</b>	<b>652,583</b>	<b>(28,700)</b>	<b>623,883</b>
<b>Income before income taxes</b>	<b>176,300</b>	<b>88,150</b>	<b>9,067</b>	<b>97,217</b>	<b>28,700</b>	<b>125,917</b>
Provision for income taxes	69,200	34,600	3,627	38,227	11,200	49,427
<b>Net income</b>	<b>\$ 107,100</b>	<b>\$ 53,550</b>	<b>\$ 5,440</b>	<b>\$ 58,990</b>	<b>\$ 17,500</b>	<b>\$ 76,490</b>
Shares outstanding EPS	37,400	37,400	3,800	41,200	1,300	42,500
<b>Earnings per share</b>	<b>\$ 2.86</b>	<b>\$ 1.43</b>	<b>\$ 1.43</b>	<b>\$ 1.43</b>		<b>\$ 1.80</b>

## *Dodd-Frank Wall Street Reform and Consumer Protection Act*

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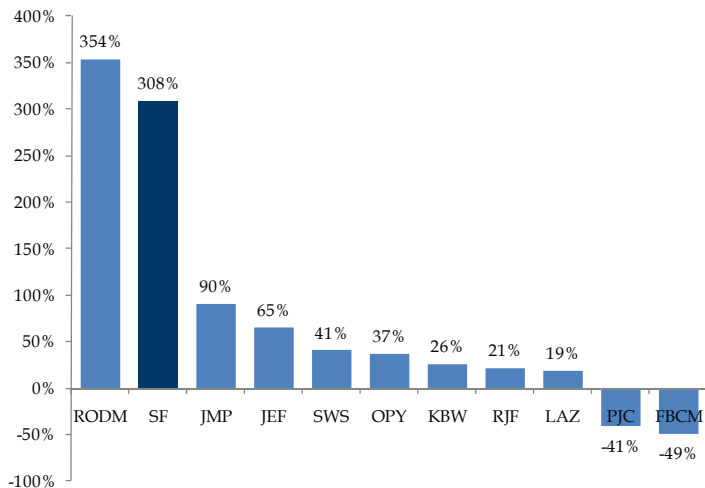
### *Provisions of Interest to Stifel Financial Corp.*

- **Fiduciary Duty**
- **SEC Authority to Restrict Mandatory Pre-Dispute Arbitration**
- **Consumer Financial Protection**
- **New Fees**
  - **Higher Deposit Insurance Costs**
  - **SIPC Fees**
- **Volcker Rule**

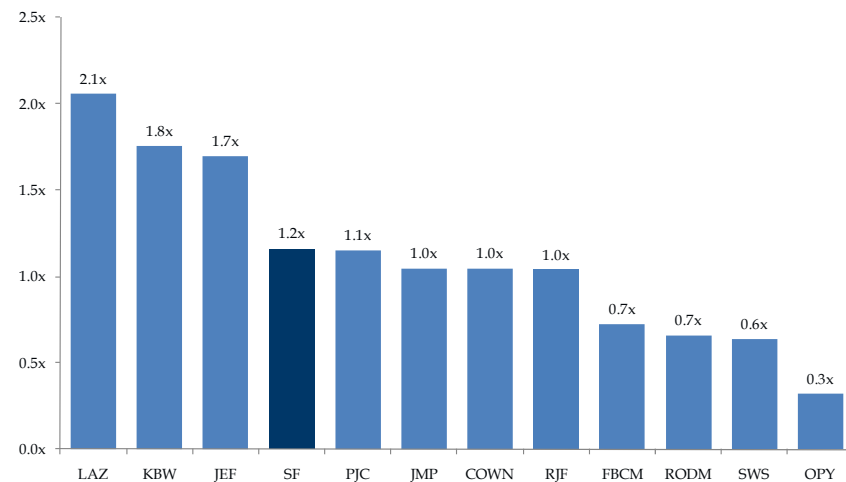
## VI. Conclusion

# Peer Metrics

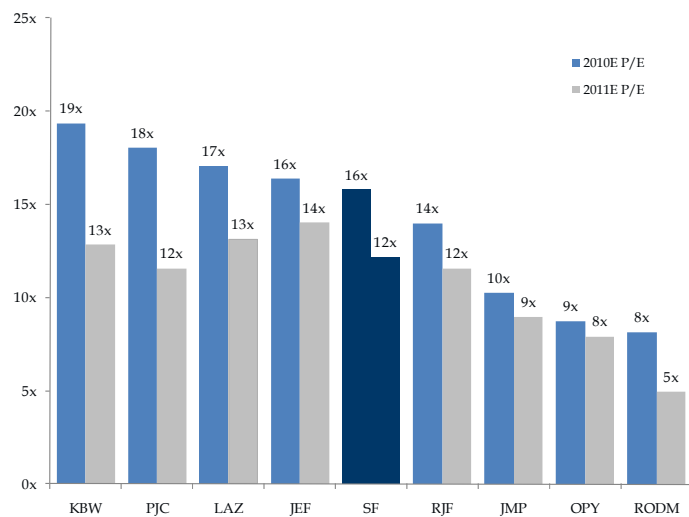
## 5 Year Revenue Change , 2005-2009 <sup>(1)</sup>



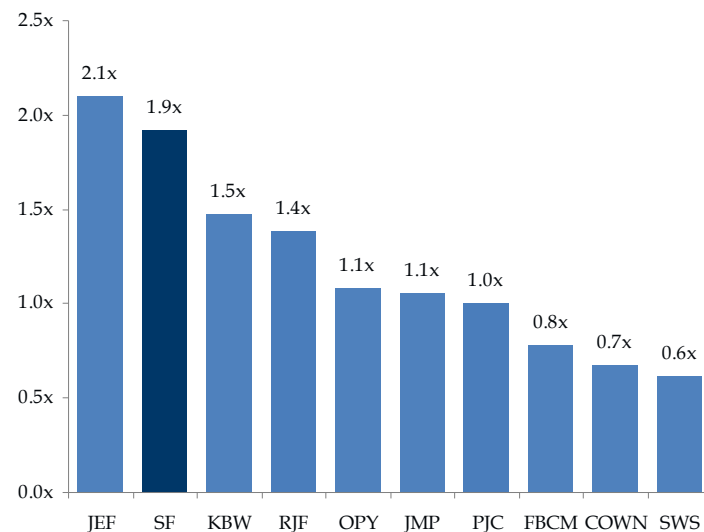
## 2010E Price/Revenue



## 2010E and 2011E P/E <sup>(2)</sup>



## Price/Tangible Book Value





# Looking Forward

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## We See Opportunity

*Stifel is well-positioned in the current market:*

- Dislocation creating opportunity for market share gains
- Ability to add talented professionals
- Expand Fixed Income/High Yield
- Evolving regulatory framework (Stifel is already regulated by the Fed)
- Expand Traditional Asset management Capabilities
- Strong balance sheet

# *Stifel Financial Investor Presentation*

STIFEL  
FINANCIAL