

For Immediate Release

**Stifel Financial Corp
Reports Unaudited Fourth Quarter Earnings
Declares Regular Quarterly Dividend**

St. Louis, Missouri, January 30, 2002 - Stifel Financial Corp. (NYSE: "SF") today reported unaudited quarterly net income of \$1.2 million, or \$0.15 per diluted share on net revenues of \$45.2 million for the quarter ended December 31, 2001, compared to net income of \$1.1 million, or \$0.15 per diluted share, on net revenues of \$44.0 million for the comparable quarter of 2000. For the year net income was \$2.0 million, or \$0.25 per diluted share, compared with \$9.2 million or \$1.20 per diluted share for the same period one year earlier. Year-to-date net income was adversely impacted by \$0.32 per share due to legal related expenses incurred primarily in connection with historical litigation arising out of the Company's former Oklahoma operations and \$0.12 per share due to write-downs in the Company's investment portfolio. Excluding these items, net income per diluted share was \$0.69, down 45% on a comparable basis from 2000. Net revenues for the year were \$177.9 million, compared with \$177.5 million the previous year. At December 31, 2001, the Company's equity was \$78.6 million, resulting in book value per share of \$11.03.

Chairman and Chief Executive Officer, Ronald J. Kruszewski, commented, "The past year has been a challenging one for both the securities industry and Stifel Financial Corp. However, despite difficult market conditions, the Company attained record net revenues for the sixth consecutive year. Both Equity and Fixed-Income Capital Market Groups posted record years in terms of revenues and profit contributions. While our Private Client Group posted declines in both net revenue and operating contribution, we are encouraged that the most recent quarter showed increases in revenues both sequentially and year-over-year. Our growth strategy, particularly in our Private Client Group, positions the Company to increase profitability as market conditions improve."

Net revenues for the quarter increased 3% to \$45.2 million from \$44.0 million in the prior year fourth quarter and increased 4% from the third quarter of 2001. Commission and principal transaction revenues increased 6% to \$27.0 million from \$25.4 million in the same period last year and increased 16% from the third quarter of 2001. Investment banking revenues increased 10% to \$10.2 million in the fourth quarter of 2001 from \$9.3 million in the prior year fourth quarter and decreased 7% from \$11.0 million in the third quarter of 2001. Other income of \$5.8 million was unchanged from the fourth quarter of 2000, and decreased 15% from the preceding third quarter of 2001. Net interest declined 37% to \$2.2 million from \$3.5 million in the prior year fourth quarter, due primarily to decreased customer borrowings and a reduction in the interest spread between rates charged on those borrowings and the company's cost of funding.

Total operating expenses in the 2001 fourth quarter were \$43.2 million, up 3% from \$42.1 million in the same period in 2000, and down 6% from the third quarter of 2001. Excluding a charge in the third quarter of 2001 for legal related expenses incurred with respect to the Company's former Oklahoma operations, operating expenses were up 1% from the third quarter of 2001. Employee compensation and benefits increased 6% to \$31.0 million from \$29.4 million in the prior year fourth quarter and increased 3% from the third quarter of 2001. As a percentage of net revenues, compensation totaled 68.6% in the fourth quarter of 2001, 66.8% in the 2000 comparable quarter, and 69.0% in the third quarter of 2001. A significant portion of the increase in compensation and benefits is due to transition amounts paid in connection with the company's expansion effort. Excluding these expenses, compensation as a percentage of net revenues totaled 63.3% in the fourth quarter of 2001, 62.3% in the 2000 comparable quarter, and 63.6% in the third quarter 2001. Operating expenses, excluding compensation and benefits, decreased 4%, as compared to the prior year fourth quarter, and decreased 24% from the third quarter of 2001 (4% excluding Oklahoma related legal expenses).

Business Segment Results:

- Private Client net revenues for the fourth quarter of 2001 were \$32.9 million, an increase of 1% from the fourth quarter of 2000, and 7% above the third quarter of 2001. Operating contribution totaled \$4.5 million, a 1% decline from the fourth quarter of 2000 but a 36% increase from the 2001 third quarter.
- Equity Capital Markets recorded net revenues of \$6.5 million, an increase of 28%, over the same quarter last year and down 11% from the third quarter of 2001. Operating contribution totaled \$1.2 million, versus a loss of \$328,000 in the fourth quarter of 2000 and \$1.2 million in the 2001 third quarter. The company lead or co-managed 7 equity offerings during the fourth quarter 2001.
- Fixed Income Capital Markets posted net revenues of \$4.8 million, an increase of 7%, over the prior year fourth quarter and up 19% from the third quarter of 2001. Operating contribution totaled \$1.4 million, versus \$830,000 in the fourth quarter of 2000 and \$761,000 in the 2001 third quarter. Bond market activity improved over the prior year fourth quarter with the firm participating in 52 fixed income transactions.

In addition, the Board of Directors has declared the regular quarterly cash dividend of \$0.03 per share of its common stock. The dividend will be payable February 27, 2002, to common shareholders of record February 13, 2002.

Stifel Financial Corp. is a financial services holding company whose subsidiaries are engaged in general securities brokerage, investment banking, and money management with 76 locations in 17 states, primarily in the Midwest. To learn more about Stifel, please visit the Company's web site at www.stifel.com.

Statements in this news release contain forward-looking statements within the meaning of federal securities laws. Actual results are subject to risks and uncertainties, including both those specific to the Company and those specific to the industry, which could cause results to differ materially from those contemplated. The risks and uncertainties include, but are not limited to, general economic conditions, actions of competitors, regulatory actions, changes in legislation, and technology changes. Undue reliance should not be placed on the forward-looking statements, which speak only as of the date of this news release. The Company does not undertake any obligation to publicly update any forward-looking statements.

Stifel Financial Corp., Consolidated

Summary Of Results Of Operations (Unaudited)

(In Thousands, Except Per Share Amounts)

	Three Months Ended			Percent Change From		Twelve Months Ended		Percent Change
	12/31/2001	9/30/2001	12/31/2000	9/30/2001	12/31/2000	12/31/2001	12/31/2000	12/31/2000
Revenues								
Commissions	\$ 18,732	\$ 16,441	\$ 19,894	14%	-6%	\$ 74,146	\$ 85,383	-13%
Principal transactions	8,315	6,884	5,524	21%	51%	31,011	28,046	11%
Investment banking	10,188	10,995	9,291	-7%	10%	37,067	21,700	71%
Other	5,778	6,795	5,798	-15%	0%	25,531	27,514	-7%
Total operating revenues	43,013	41,115	40,507	5%	6%	167,755	162,643	3%
Interest revenue	3,914	5,442	8,801	-28%	-56%	21,866	35,479	-38%
Total revenues	46,927	46,557	49,308	1%	-5%	189,621	198,122	-4%
Interest expense	1,691	2,947	5,281	-43%	-68%	11,722	20,594	-43%
Net revenues	45,236	43,610	44,027	4%	3%	177,899	177,528	0%
Expenses								
Employee compensation and benefits	31,040	30,077	29,408	3%	6%	120,889	117,229	3%
Occupancy and equipment rental	4,615	4,531	4,317	2%	7%	17,673	15,120	17%
Communication and office supplies	2,534	2,585	2,895	-2%	-12%	10,799	10,879	-1%
Commissions and floor brokerage	1,121	994	786	13%	43%	3,899	3,333	17%
Other operating expenses	3,925	7,946	4,729	-51%	-17%	21,252	16,278	31%
Total operating expenses	43,235	46,133	42,135	-6%	3%	174,512	162,839	7%
Income before income taxes	2,001	(2,523)	1,892	n/a	6%	3,387	14,689	-77%
Provision for income taxes	830	(995)	744	n/a	12%	1,377	5,486	-75%
Net income	\$ 1,171	\$ (1,528)	\$ 1,148	n/a	2%	\$ 2,010	\$ 9,203	-78%

Per Share Information

	Three Months Ended			Percent Change From		Twelve Months Ended		Percent Change
	12/31/2001	9/30/2001	12/31/2000	9/30/2001	12/31/2000	12/31/2001	12/31/2000	12/31/2000
<i>Net Earnings Per Share:</i>								
Basic	\$ 0.16	\$ (0.21)	\$ 0.16	n/a	0%	\$ 0.28	\$ 1.31	-79%
Diluted	\$ 0.15	\$ (0.21)	\$ 0.15	n/a	0%	\$ 0.25	\$ 1.20	-79%
<i>Number of Shares for Earnings Per Share Computations:</i>								
Basic shares	7,142	7,175	7,030	0%	2%	7,162	7,007	2%
Diluted shares	7,933	7,175	7,790	11%	2%	7,990	7,669	4%

Preliminary Segment Data

	Three Months Ended			Percent Change From		Twelve Months Ended		Percent Change
	12/31/2001	9/30/2001	12/31/2000	9/30/2001	12/31/2000	12/31/2001	12/31/2000	12/31/2000
Net Revenues								
Private client	\$ 32,921	\$ 30,818	\$ 32,602	7%	1%	\$ 127,982	\$ 135,562	-6%
Equity capital markets	6,492	7,294	5,068	-11%	28%	24,874	17,670	41%
Fixed income capital markets	4,765	4,004	4,469	19%	7%	18,820	11,627	62%
Other	1,058	1,494	1,888	-29%	-44%	6,223	12,669	-51%
Total net revenues	\$ 45,236	\$ 43,610	\$ 44,027	4%	3%	\$ 177,899	\$ 177,528	0%
Operating Contributions								
Private client	\$ 4,509	\$ 3,325	\$ 4,550	36%	-1%	\$ 15,846	\$ 25,558	-38%
Equity capital markets	1,178	1,211	(328)	-3%	n/a	3,847	(186)	n/a
Fixed income capital markets	1,395	761	830	83%	68%	5,651	1,079	424%
Other / unallocated overhead	(5,081)	(7,820)	(3,160)	n/a	n/a	(21,957)	(11,762)	n/a
Income before income taxes	\$ 2,001	\$ (2,523)	\$ 1,892	n/a	6%	\$ 3,387	\$ 14,689	-77%

Note: Certain prior period amounts have been restated to conform to the current period presentation.