

STIFEL

FINANCIAL

A large, light blue graphic of the Stifel Financial logo, which consists of a stylized 'S' shape formed by horizontal lines of varying lengths, creating a sense of motion and depth.

**3rd Quarter 2007 Fiscal Year
Earnings Conference Call**

November 5, 2007

Forward Statements

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

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

To supplement our financial statements presented in accordance with GAAP, the management uses certain non-GAAP measures of financial performance and liquidity. These non-GAAP measures are in addition to results prepared by the Company in accordance with GAAP, and should only be considered together with the Company’s GAAP results.

Certain statements in the following presentation relate to future results that are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995.



3rd Quarter Highlights

- Quarterly revenue of \$190.8 million, a 66% increase over the prior year third quarter. Nine month revenue of \$574.0 million, a 71% increase for the nine months as compared to 2006.
- Quarterly Core net income of \$14.3 million, or \$0.80 per diluted share, a 48% over the prior year third quarter. YTD Core net income of \$46.3 million, or \$2.75 per diluted share, a 67% increase for the nine months as compared to 2006.
- Our Private Client Group ("PCG"), and Equity Capital Markets ("ECM"), achieved record revenue and profits for the nine months ended September 30, 2007.
- Commission and principal transactions increased \$44.6 million, 64% over the previous year third quarter and increased 52% for the nine months as compared to 2006.
- Investment banking revenue increased to \$31.0 million, 57% over the prior year third quarter and increased 170% for the nine months as compared to 2006.
- Asset management and service fees increased to \$27.1 million, 86% over the prior year third quarter and increased to \$72.0 million, 70% for the nine months ended September 30, 2007.
- For the three and nine months ended September 30, 2007, utilizing Core earnings, pretax margin was 13% and 14%, respectively and annualized return on average equity totaled 14% and 18% respectively.
- The Company successfully completed the conversion of all Ryan Beck branch offices in the third quarter.



Stifel Income Statements

(\$ in thousands)	Quarters Ended			% Change		YTD		% Change
	09/30/07	06/30/07	09/30/06	06/30/07	09/30/06	09/30/07	09/30/06	
Net Revenues	183,000	211,248	109,817	-13%	67%	551,209	322,170	71%
Compensation and Benefits	119,566	136,653	70,412	-13%	70%	360,891	206,224	75%
Non-Comp Operating Expenses	40,263	42,230	22,897	-5%	76%	112,664	68,409	65%
Total non-interest expenses	159,829	178,883	93,309	-11%	71%	473,555	274,633	72%
Income before income taxes	\$ 23,171	\$ 32,365	\$ 16,508	-28%	40%	\$ 77,654	\$ 47,537	63%
Provision for income taxes	8,904	13,514	6,887	-34%	29%	31,357	19,814	58%
Core Net Income	\$ 14,267	\$ 18,851	\$ 9,621	-24%	48%	\$ 46,297	\$ 27,723	67%
Acquisition Related net of taxes	(6,209)	(17,403)	(4,197)	-64%	48%	(27,962)	(19,525)	43%
GAAP Net Income	\$ 8,058	\$ 1,448	\$ 5,424	456%	49%	\$ 18,335	\$ 8,198	124%
Core Diluted EPS	\$0.80	\$1.09	\$0.69	-27%	16%	\$2.75	\$1.99	38%
GAAP Diluted EPS	\$0.45	\$0.08	\$0.39	463%	15%	\$1.09	\$0.59	85%
<i>Ratios to Net Revenues (Core)</i>								
Compensation & Benefits	65.3%	64.7%	64.1%			65.5%	64.0%	
Operating expenses	22.0%	20.0%	20.9%			20.4%	21.2%	
Income before income taxes	12.7%	15.3%	15.0%			14.1%	14.8%	

For a reconciliation from GAAP to Core Net Income see company filings on Form 10Q.



Segment Comparison Excluding Acquisitions

	Quarters Ended			% Change		YTD		% Change
	09/30/07	06/30/07	09/30/06	06/30/07	09/30/06	09/30/07	09/30/06	
<u>Net Revenues</u>								
Private Client	112,650	118,274	56,461	-5%	100%	316,451	167,461	89%
Equity Capital Markets	47,703	78,410	36,692	-39%	30%	178,643	105,801	69%
Fixed Income Capital Markets	15,962	10,496	13,829	52%	15%	41,073	35,934	14%
Banking	1,839	1,090	-	69%	n/a	2,929	-	n/a
Other	4,846	2,978	2,835	63%	71%	12,113	12,974	-7%
Total Net Revenues	183,000	211,248	109,817	-13%	67%	551,209	322,170	71%
<u>Operating Contribution</u>								
Private Client	23,401	26,377	12,750	-11%	84%	67,869	36,875	84%
Equity Capital Markets	8,499	20,528	8,123	-59%	5%	42,445	23,557	80%
Fixed Income Capital Markets	2,133	(614)	3,127	-447%	-32%	3,406	5,875	-42%
Banking	369	274	-	35%	n/a	643	-	n/a
Other	(11,231)	(14,200)	(7,492)	-21%	50%	(36,709)	(18,770)	96%
Total Operating Contribution	23,171	32,365	16,508	-28%	40%	77,654	47,537	63%



Private Client Group Income Statements

(\$ in thousands)	Quarters Ended			% Change		YTD		% Change
	09/30/07	06/30/07	09/30/06	06/30/07	09/30/06	09/30/07	09/30/06	
Net Revenues	112,650	118,274	56,461	-5%	100%	316,451	167,461	89%
Compensation and Benefits	72,177	74,831	34,704	-4%	108%	201,964	104,625	93%
Non-Comp Operating Expenses	17,072	17,066	9,007	0%	90%	46,618	25,961	80%
Total non-interest expenses	89,249	91,897	43,711	-3%	104%	248,582	130,586	90%
Income before income taxes	\$ 23,401	\$ 26,377	\$ 12,750	-11%	84%	\$ 67,869	\$ 36,875	84%
<u>Ratios to Net Revenues</u>								
Compensation & Benefits	64.1%	63.3%	61.5%			63.8%	62.5%	
Operating expenses	15.2%	14.4%	16.0%			14.7%	15.5%	
Income before income taxes	20.8%	22.3%	22.6%			21.4%	22.0%	



Equity Capital Markets Income Statements

(\$ in thousands)	Quarters Ended			% Change		YTD		% Change
	09/30/07	06/30/07	09/30/06	06/30/07	09/30/06	09/30/07	09/30/06	
Net Revenues	47,703	78,410	36,692	-39%	30%	178,643	105,801	69%
Compensation and Benefits	28,235	46,495	20,898	-39%	35%	105,619	59,862	76%
Non-Comp Operating Expenses	10,969	11,387	7,671	-4%	43%	30,579	22,382	37%
Total non-interest expenses	39,204	57,882	28,569	-32%	37%	136,198	82,244	66%
Income before income taxes	\$ 8,499	\$ 20,528	\$ 8,123	-59%	5%	\$ 42,445	\$ 23,557	80%
<u>Ratios to Net Revenues</u>								
Compensation & Benefits	59.2%	59.3%	57.0%			59.1%	56.6%	
Operating expenses	23.0%	14.5%	20.9%			17.1%	21.2%	
Income before income taxes	17.8%	26.2%	22.1%			23.8%	22.3%	



Equity Capital Markets Revenue Composition

(\$ in thousands)	Quarters Ended			% Change		YTD		% Change
	09/30/07	06/30/07	09/30/06	06/30/07	09/30/06	09/30/07	09/30/06	
Flow Business	31,020	29,463	22,074	5%	41%	85,104	66,429	28%
Capital Raising	6,524	19,169	5,276	-66%	24%	37,521	9,479	296%
Advisory Fee	10,134	29,445	9,037	-66%	12%	55,233	28,911	91%
Investment Banking	16,658	48,614	14,313	-66%	16%	92,754	38,390	142%
Other Revenue	25	333	305	-92%	-92%	785	982	-20%
Total ECM Revenue	\$ 47,703	\$ 78,410	\$ 36,692	-39%	30%	\$ 178,643	\$ 105,801	69%
<u>Ratios to Net Revenues</u>								
Flow Business	65.0%	37.6%	60.2%			47.6%	62.8%	
Investment Banking	34.9%	62.0%	39.0%			51.9%	36.3%	



Fixed Income Capital Markets Income Statements

(\$ in thousands)	Quarters Ended			% Change		YTD		% Change
	09/30/07	06/30/07	09/30/06	06/30/07	09/30/06	09/30/07	09/30/06	
Net Revenues	15,962	10,496	13,829	52%	15%	41,073	35,934	14%
Compensation and Benefits	10,576	7,893	8,320	34%	27%	28,623	22,525	27%
Non-Comp Operating Expenses	3,253	3,217	2,382	1%	37%	9,044	7,534	20%
Total non-interest expenses	13,829	11,110	10,702	24%	29%	37,667	30,059	25%
Income before income taxes	\$ 2,133	\$ (614)	\$ 3,127	n/a	-32%	\$ 3,406	\$ 5,875	-42%
<u>Ratios to Net Revenues</u>								
Compensation & Benefits	66.3%	75.2%	60.2%			69.7%	62.7%	
Operating expenses	20.4%	30.6%	17.2%			22.0%	21.0%	
Income before income taxes	13.4%	-5.8%	22.6%			8.3%	16.3%	



Fixed Income Capital Markets Revenue Composition

	Quarters Ended			% Change		YTD		% Change
	09/30/07	06/30/07	09/30/06	06/30/07	09/30/06	09/30/07	09/30/06	
<i>(\$ in thousands)</i>								
Flow Business	11,840	8,507	11,412	39%	4%	31,939	30,164	6%
Capital Raising	3,086	2,183	2,558	41%	21%	8,425	5,278	60%
Advisory Fee	1,155	356	149	224%	675%	1,650	832	98%
Investment Banking	4,241	2,539	2,707	67%	57%	10,075	6,110	65%
Other Revenue	(119)	(550)	(290)			(941)	(340)	
Total FICM Revenue	\$ 15,962	\$ 10,496	\$ 13,829	52%	15%	\$ 41,073	\$ 35,934	14%
<u>Ratios to Net Revenues</u>								
Flow Business	74.2%	81.0%	82.5%			77.8%	83.9%	
Investment Banking	26.6%	24.2%	19.6%			24.5%	17.0%	



Banking Segment Income Statements

(\$ in thousands)	Quarters Ended			% Change		YTD		% Change
	09/30/07	06/30/07	09/30/06	06/30/07	09/30/06	09/30/07	09/30/06	
Net Revenues	1,839	1,090	-	69%	n/a	2,929	-	n/a
Compensation and Benefits	516	348	-	48%	n/a	863	-	n/a
Non-Comp Operating Expenses	954	468	-	104%	n/a	1,423	-	n/a
Total non-interest expenses	1,470	816	-	80%	n/a	2,286	-	n/a
Income before income taxes	\$ 369	\$ 274	\$ -	35%	n/a	\$ 643	\$ -	n/a
<i>Ratios to Net Revenues</i>								
Compensation & Benefits	28.1%	31.9%				29.5%		
Operating expenses	51.9%	42.9%				48.6%		
Income before income taxes	20.1%	25.1%				22.0%		



Other Segment Analysis

	3 Months Ended		9 Months Ended	
	9/30/2007	9/30/2006	9/30/2007	9/30/2006
<u>Net Revenues</u>				
Acquisition Related Other	(17)	(1)	(330)	(153)
Other	4,846	2,835	12,113	12,974
Total net revenues	\$ 4,829	\$ 2,834	\$ 11,783	\$ 12,821
<u>Operating Contribution</u>				
Acquisition Related Other	(9,899)	(7,266)	(46,901)	(33,540)
Other	(11,231)	(7,493)	(36,709)	(18,770)
Total Operating Contribution	\$ (21,130)	\$ (14,759)	\$ (83,610)	\$ (52,310)



Reconciliation of GAAP to Core Earnings



GAAP to Core Earnings

(\$ in thousands)

Revenues

Net Revenues

Non-Interest Expenses

Compensation and benefits

Operating Expenses

Total non-interest expenses

Income/(loss) before income taxes

Provision (benefit) for income taxes

Net Income/(Loss)

Earnings per Share:

Basic

Diluted

	Quarter Ended 9/30/07			Nine Months Ended 9/30/07		
	GAAP	Acquisition Related	Core Business	GAAP	Acquisition Related	Core Business
Net Revenues	\$ 182,983	\$ (17)	\$ 183,000	\$ 550,879	\$ (330)	\$ 551,209
Compensation and benefits	126,652	7,086	119,566	401,263	40,372	360,891
Operating Expenses	43,059	2,796	40,263	118,863	6,199	112,664
Total non-interest expenses	169,711	9,882	159,829	520,126	46,571	473,555
Income/(loss) before income taxes	13,272	(9,899)	23,171	30,753	(46,901)	77,654
Provision (benefit) for income taxes	5,214	(3,690)	8,904	12,418	(18,939)	31,357
Net Income/(Loss)	\$ 8,058	\$ (6,209)	\$ 14,267	\$ 18,335	\$ (27,962)	\$ 46,297
Basic	\$0.54	(\$0.42)	\$0.96	\$1.28	(\$1.96)	\$3.24
Diluted	\$0.45	(\$0.35)	\$0.80	\$1.09	(\$1.66)	\$2.75



Quarterly Income Statement Impact

	Actual Q1 2007	Actual Q2 2007	Actual Q3 2007	YTD	Estimated Q4 2007	Full Year 2007
Acquisition Related Expenses						
<i>(\$ in thousands)</i>						
LM Capital Markets Acquisition	\$ 6,202	\$ 5,544	\$ 6,653	\$ 18,399	\$ 6,601	\$ 25,000
Ryan Beck Acquisition	1,098	24,158 ⁽¹⁾	3,246	28,502	3,000	31,502
Total non-interest expenses	7,300	29,702	9,899	46,901	9,601	56,502
Net Loss	\$ (4,350)	\$ (17,404)	\$ (6,209)	\$ (27,963)	\$ (5,761)	\$ (33,901)
Diluted EPS Impact ⁽²⁾	(\$0.28)	(\$1.01)	(\$0.35)	(\$1.66)	(\$0.32)	(\$1.98)

⁽¹⁾ Charge resulting from conforming Ryan Beck deferred compensation plans to Stifel Nicolaus Wealth Accumulation Plan (SWAP), amending service requirements and distribution requirements of vested balances. See Form 10-Q for period ending 6/30/07.

⁽²⁾ Estimated Diluted EPS for 4th Quarter 2007 and Full Year 2007 are based on the Diluted Shares at 9/30/07.



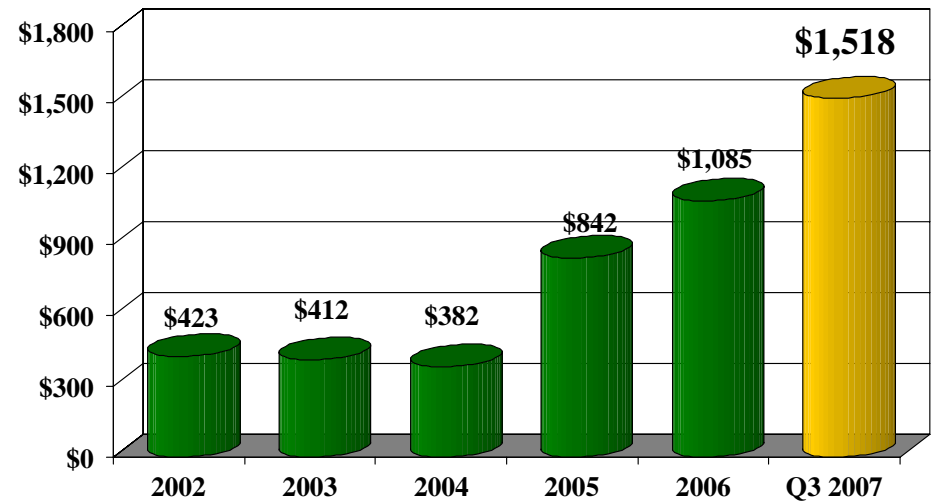
Annual Income Statement Impact

	FY 2006A	FY 2007E	FY 2008E	FY 2009E	Total
<u>Acquisition Related Expenses</u>					
<i>(\$ in thousands)</i>					
Legg Mason Acquisition Charges	\$ 41,389	\$ 25,000	\$ 25,000	\$ -	\$ 91,389
Ryan Beck Acquisition Charges	-	31,502	-	-	31,502
Pre Tax Acquisition Charges	<u>41,389</u>	<u>56,502</u>	<u>25,000</u>	<u>-</u>	<u>122,891</u>
Net Loss	<u>\$ (24,159)</u>	<u>\$ (33,901)</u>	<u>\$ (15,000)</u>	<u>\$ -</u>	<u>\$ (73,060)</u>
Diluted EPS Impact	\$ (1.74)	\$ (1.98)	\$ (0.88)	\$ -	\$ (4.34)

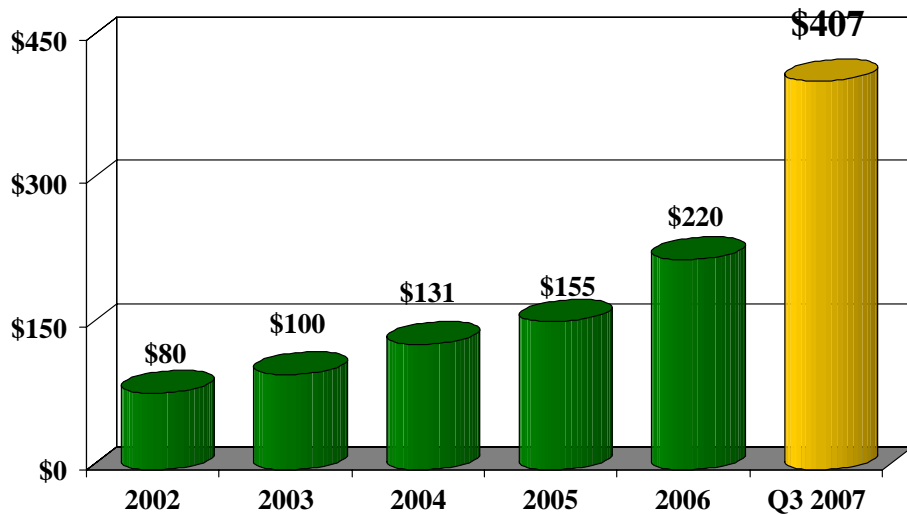


Stifel Financial Balance Sheet Graphs

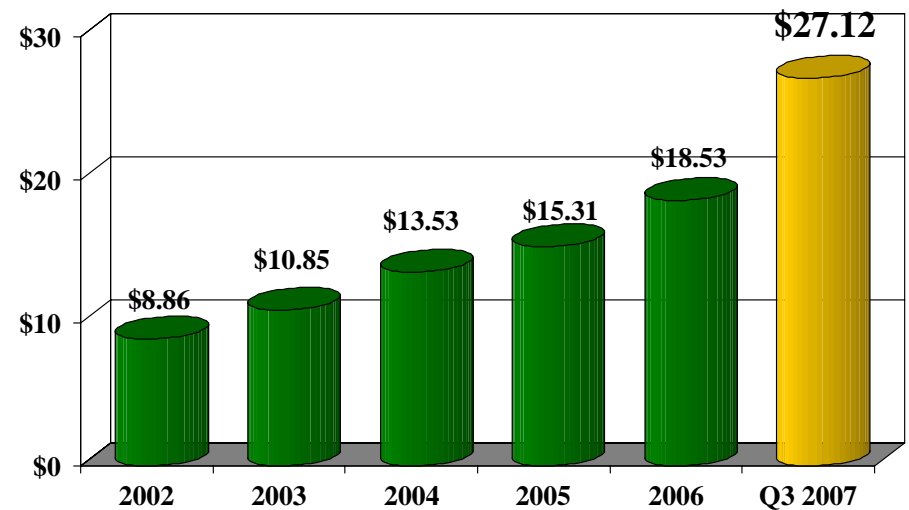
Total Assets (\$ millions)



Total Shareholder's Equity (\$ millions)



Book Value Per Share



Equity Roll Forward

(\$ in thousands)

Beginning Equity 12/31/06	\$220,265
Earnings	18,335
<hr/>	
Subtotal	238,600
<hr/>	
Stock Based Compensation	34,689
Ryan Beck Deferred Units	16,405
Ryan Beck	119,424
Treasury Buy Back	(2,472)
<hr/>	
Ending Equity 9/30/07	\$406,646
<hr/>	



Capital Structure

(\$ in thousands)

Total Assets	\$1,518,186
Stockholders' Equity	\$406,646
Debtures to:	
Stifel Financial Capital Trust II - LIBOR plus 1.70% (fixed at 6.38% until 9/30/10), due 9/30/35	\$35,000
Stifel Financial Capital Trust III - LIBOR plus 1.85% (fixed at 6.79% until 6/6/12), due 6/6/37	\$35,000
Stifel Financial Capital Trust IV - LIBOR plus 1.85% (fixed at 6.78% until 9/6/12), due 9/6/37	\$35,000
<i>Total Debtures (average 6.65% per annum)</i>	\$105,000
Total Capitalization	\$511,646

Ratios:

Equity to Assets	27%
Capitalization to Assets	34%
Debtures to Equity	26%



Other Financial Data

Other Data	Quarterly Data			% Change	
	9/30/2007	6/30/2007	9/30/2006	VS Q2 2007	VS Q3 2006
Total Assets (000's)	\$ 1,518,186	\$ 1,633,756	\$ 1,137,545	-7%	33%
Stockholders Equity (000's)	\$ 406,646	\$ 388,241	\$ 210,694	5%	93%
Book value Per Share	\$27.12	\$26.04	\$18.39	4%	47%
Financial Advisors	956	938	499	2%	92%
Full Time Employees	2,721	2,720	1,690	0%	61%
Locations	174	173	124	1%	40%
Total Client Assets (000's)	\$61,120,000	\$58,036,000	\$29,580,000	5%	107%



Q & A