

**STIFEL**

**FINANCIAL**

A large, light blue graphic element consisting of several horizontal, slightly curved lines that form a stylized 'S' or 'F' shape, positioned behind the word 'FINANCIAL'.

**4<sup>th</sup> Quarter 2009  
Earnings Conference Call**

*February 9, 2010*

# Forward-Looking Statements

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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 and Company, Inc. and its other 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 actions, changes in legislation and technology changes.



# Chairman's Comments

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“In a year of change for our Firm and the entire financial services industry, our associates delivered significantly improved financial performance, which is evident by our achievement of the fourteenth consecutive year of record net revenues and exceeding \$1 billion in net revenues for the first time in our history. This was accomplished while also making substantial progress in the implementation of new platforms and capabilities that will direct our business in the years ahead. While economic conditions remain fragile and unpredictable, we are confident the steps we have taken this year will ensure that we remain well-positioned to serve our clients, seize new opportunities in the marketplace, and continue to grow our market share in the years ahead.”



# 4<sup>th</sup> Quarter 2009 Highlights

- Record net revenues of \$319 million, a 38% increase from the 4<sup>th</sup> Quarter of 2008 (4Q08).
  - The Global Wealth Management (GWM) segment posted record net revenues of \$185 million, a 64% increase from the 4Q08.
  - The Capital Markets (CM) segment posted record net revenues of \$133 million, an 18% increase over the 4Q08.
- Record net income of \$25 million, or \$0.71 per diluted share, a 54% increase from 4Q08.
  - Pre-tax margin for the 4<sup>th</sup> quarter of 2009 (4Q09) was 13% compared to 12% for 4Q08.
  - 4Q09 annualized return on average equity was 12% compared to 11% for 4Q08.
- Successfully completed the acquisition of 56 branches from UBS Financial Services Inc. (“UBS”). As a result, we now have a network of 1,885 Financial Advisors in our GWM segment in 272 offices in 42 states.



# YTD 2009 Highlights

- Record net revenues of \$1.1 billion for the year ended December 31, 2009, a 25% increase from the prior-year period.
  - The GWM segment posted record net revenues of \$591 million for the year ended December 31, 2009, a 26% increase from the prior-year period.
  - The CM segment posted record net revenues of \$494 million for the year ended December 31, 2009, a 27% increase over the prior-year period.
- Record net income of \$76 million, or \$2.35 per diluted share, a 37% increase over the prior-year period.
  - For the year ended December 31, 2009, pre-tax margin of 11% was comparable to the prior-year period.
  - For the year ended December 31, 2009, annualized return on average equity of 11% was comparable to the prior-year period.
  - Added 99 private client group offices and 645 Financial Advisors, including 73 offices and 388 Financial Advisors from the UBS and Butler Wick transactions, as part of our ongoing footprint expansion efforts.



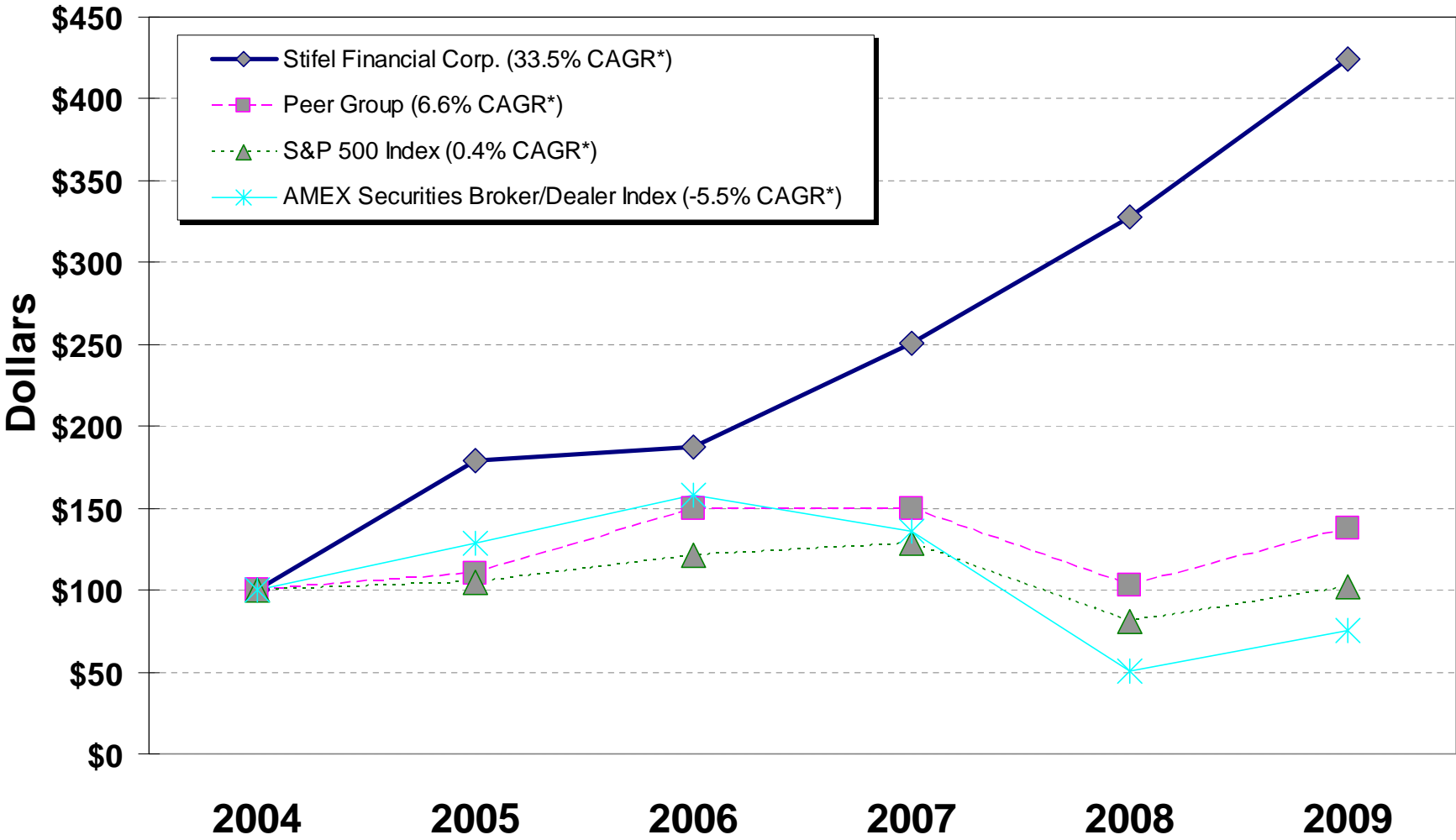
# Growth

<b>Business Units</b>	<b>2004</b>	<b>Total As of 12/31/09</b>	<b>% Change</b>	<b>YTD Additions</b>
Firm Net Revenues ( <i>millions</i> ) . . . . .	\$247	\$1,091	342%	
Equity Capital ( <i>millions</i> ) . . . . .	\$131	\$873	565%	
Share Price . . . . .	\$13.97	\$59.24	324%	
Market Cap ( <i>millions</i> ) . . . . .	\$207	\$1,798	768%	
Total Associates . . . . .	1,384	4,434	220%	1,455
<b>Global Wealth Management</b>				
Financial Advisors . . . . .	621	1,885	204%	645
Branch Support . . . . .	284	1,065	275%	442
Stifel Bank & Trust Support Associates . . . . .	0	85	n/a	19
Offices . . . . .	86	272	216%	99 *
<b>Capital Markets</b>				
Equity Sales & Trading Professionals . . . . .	23	159	591%	15
Fixed Income Sales & Trading Professionals . . . . .	14	181	1193%	19
Investment Banking Professionals . . . . .	29	159	448%	19
Public Finance Professionals . . . . .	31	60	94%	10
Capital Market Support Associates . . . . .	21	68	224%	34
<b>Other</b>				
Support Associates . . . . .	195	527	170%	145

\* Includes 73 offices from the UBS and Butler Wick acquisitions.

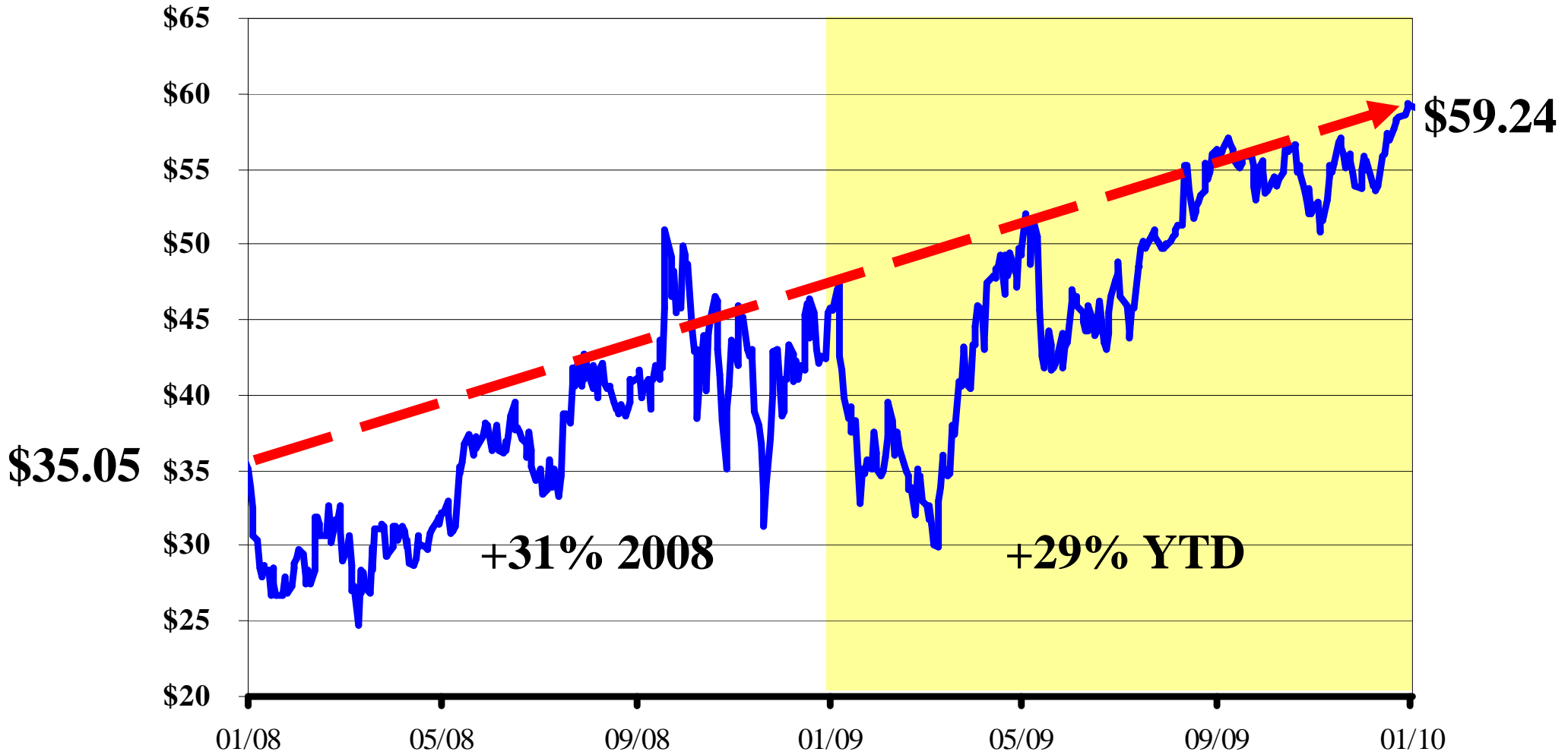


**Assumes \$100 invested on December 31, 2004 in  
Stifel Financial Corp. common stock,  
Peer Group and S&P 500 Index**



# Stifel Financial Stock Price

Since 1/1/08 through 12/31/09 up **+69%**





# Stifel Financial Corp.

## Income Statements

(\$ in thousands)	Quarter Ended			Year Ended		
	12/31/09	12/31/08	% Change	12/31/09	12/31/08	% Change
<b>Net revenues</b>	<b>\$ 319,467</b>	\$ 230,986	<b>38.3%</b>	<b>\$ 1,090,636</b>	\$ 870,337	<b>25.3%</b>
Compensation and benefits	<b>201,263</b>	141,750	<b>42.0%</b>	<b>718,115</b>	582,778	<b>23.2%</b>
Non-comp operating expenses	<b>76,890</b>	62,636	<b>22.8%</b>	<b>252,107</b>	195,790	<b>28.8%</b>
<b>Total non-interest expenses</b>	<b>278,153</b>	204,386	<b>36.1%</b>	<b>970,222</b>	778,568	<b>24.6%</b>
<b>Income before income taxes</b>	<b>41,314</b>	26,600	<b>55.3%</b>	<b>120,414</b>	91,769	<b>31.2%</b>
Provision for income taxes	<b>16,646</b>	10,554	<b>57.7%</b>	<b>44,616</b>	36,267	<b>23.0%</b>
<b>Net income</b>	<b>\$ 24,668</b>	\$ 16,046	<b>53.7%</b>	<b>\$ 75,798</b>	\$ 55,502	<b>36.6%</b>
Diluted EPS	<b>\$0.71</b>	\$0.53	<b>34.0%</b>	<b>\$2.35</b>	\$1.98	<b>18.7%</b>
<b><i>Ratios to net revenues</i></b>						
Compensation and benefits	<b>63.0%</b>	61.4%		<b>65.8%</b>	67.0%	
Operating expenses	<b>24.1%</b>	27.1%		<b>23.2%</b>	22.4%	
Income before income taxes	<b>12.9%</b>	11.5%		<b>11.0%</b>	10.6%	



# Source of Revenues

(\$ in thousands)	Quarter Ended					Year Ended					
			%	<u>% of Net Revenues</u>				%	<u>% of Net Revenues</u>		
	<u>12/31/09</u>	12/31/08		<u>Change</u>	<u>12/31/09</u>	<u>12/31/08</u>	<u>12/31/09</u>		12/31/08	<u>Change</u>	<u>12/31/09</u>
<b>Revenues</b>											
Principal transactions	<b>\$ 116,410</b>	\$ 92,492	<b>25.9%</b>	<b>36.4%</b>	40.0%	<b>\$ 458,188</b>	\$ 293,285	<b>56.2%</b>	<b>42.0%</b>	33.7%	
Commissions	<b>99,285</b>	83,599	<b>18.8%</b>	<b>31.1%</b>	36.2%	<b>345,520</b>	341,090	<b>1.3%</b>	<b>31.7%</b>	39.2%	
Investment banking	<b>50,545</b>	15,775	<b>220.4%</b>	<b>15.8%</b>	6.8%	<b>125,807</b>	83,710	<b>50.3%</b>	<b>11.5%</b>	9.6%	
Asset mgt and service fees	<b>37,732</b>	29,346	<b>28.6%</b>	<b>11.8%</b>	12.7%	<b>112,706</b>	119,926	<b>(6.0%)</b>	<b>10.3%</b>	13.8%	
Other	<b>4,349</b>	1,571	<b>176.9%</b>	<b>1.4%</b>	0.7%	<b>13,789</b>	688	<b>*</b>	<b>1.3%</b>	0.1%	
<b>Total operating revenues</b>	<b>308,321</b>	222,783	<b>38.4%</b>	<b>96.5%</b>	96.4%	<b>1,056,010</b>	838,699	<b>25.9%</b>	<b>96.8%</b>	96.4%	
Interest revenue	<b>15,078</b>	10,973	<b>37.4%</b>	<b>4.7%</b>	4.8%	<b>46,860</b>	50,148	<b>(6.6%)</b>	<b>4.3%</b>	5.7%	
<b>Total revenues</b>	<b>323,399</b>	233,756	<b>38.3%</b>	<b>101.2%</b>	101.2%	<b>1,102,870</b>	888,847	<b>24.1%</b>	<b>101.1%</b>	102.1%	
Interest expense	<b>3,932</b>	2,770	<b>42.0%</b>	<b>1.2%</b>	1.2%	<b>12,234</b>	18,510	<b>(33.9%)</b>	<b>1.1%</b>	2.1%	
<b>Net revenues</b>	<b>\$ 319,467</b>	\$ 230,986	<b>38.3%</b>	<b>100.0%</b>	100.0%	<b>\$ 1,090,636</b>	\$ 870,337	<b>25.3%</b>	<b>100.0%</b>	100.0%	

\* Percentage is not meaningful.



# Principal Transactions

(\$ in thousands)	Quarter Ended			Year Ended		
	12/31/09	12/31/09	% Change	12/31/09	12/31/09	% Change
<b>Principal transactions:</b>						
Taxable debt	\$ 66,210	\$ 59,774	10.8%	\$ 292,400	\$ 184,470	58.5%
Municipal debt	16,102	15,273	5.4%	65,962	46,667	41.3%
Equities	21,113	9,002	134.5%	60,313	36,705	64.3%
Other	12,985	8,443	53.8%	39,513	25,443	55.3%
	<b>\$ 116,410</b>	<b>\$ 92,492</b>	<b>25.9%</b>	<b>\$ 458,188</b>	<b>\$ 293,285</b>	<b>56.2%</b>



# Stifel Income Statements

## Non-Interest Expenses

(\$ in thousands)	Quarter Ended					Year Ended				
			% of Net revenues		% Change			% of Net revenues		% Change
	12/31/09	12/31/08	12/31/09	12/31/08		12/31/09	12/31/08	12/31/09	12/31/08	
<b>Net revenues</b>	<b>\$ 319,467</b>	\$ 230,986	<b>100.0%</b>	100.0%	<b>38.3%</b>	<b>\$ 1,090,636</b>	\$ 870,337	<b>100.0%</b>	100.0%	<b>25.3%</b>
<b>Non-interest expenses:</b>										
Compensation and benefits	<b>185,904</b>	126,488	<b>58.2%</b>	54.8%	<b>47.0%</b>	<b>661,888</b>	522,869	<b>60.6%</b>	60.1%	<b>26.6%</b>
Transitional pay	<b>15,359</b>	8,788	<b>4.8%</b>	3.8%	<b>74.8%</b>	<b>56,227</b>	34,310	<b>5.2%</b>	3.9%	<b>63.9%</b>
Acquisition-related	-	6,474	<b>0.0%</b>	2.8%	<b>n/a</b>	-	25,599	<b>0.0%</b>	3.0%	<b>n/a</b>
<b>Total compensation and benefits</b>	<b>201,263</b>	141,750	<b>63.0%</b>	61.4%	<b>42.0%</b>	<b>718,115</b>	582,778	<b>65.8%</b>	67.0%	<b>23.2%</b>
Occupancy and equipment rental	<b>26,430</b>	18,972	<b>8.3%</b>	8.2%	<b>39.3%</b>	<b>89,741</b>	67,984	<b>8.2%</b>	7.8%	<b>32.0%</b>
Communication and office supplies	<b>15,342</b>	12,734	<b>4.8%</b>	5.5%	<b>20.5%</b>	<b>54,745</b>	45,621	<b>5.0%</b>	5.2%	<b>20.0%</b>
Commissions and floor brokerage	<b>6,249</b>	4,972	<b>2.0%</b>	2.2%	<b>25.7%</b>	<b>23,416</b>	13,287	<b>2.2%</b>	1.5%	<b>76.2%</b>
Other operating expenses	<b>28,869</b>	25,958	<b>9.0%</b>	11.2%	<b>11.2%</b>	<b>84,205</b>	68,898	<b>7.8%</b>	7.9%	<b>22.2%</b>
<b>Total non-compensation expense</b>	<b>76,890</b>	62,636	<b>24.1%</b>	27.1%	<b>22.8%</b>	<b>252,107</b>	195,790	<b>23.2%</b>	22.4%	<b>28.8%</b>
<b>Income before income taxes</b>	<b>41,314</b>	26,600	<b>12.9%</b>	11.5%	<b>55.3%</b>	<b>120,414</b>	91,769	<b>11.0%</b>	10.6%	<b>31.2%</b>
Provision for income taxes	<b>16,646</b>	10,554	<b>5.2%</b>	4.6%	<b>57.7%</b>	<b>44,616</b>	36,267	<b>4.1%</b>	4.2%	<b>23.0%</b>
<b>Net income</b>	<b>\$ 24,668</b>	\$ 16,046	<b>7.7%</b>	6.9%	<b>53.7%</b>	<b>\$ 75,798</b>	\$ 55,502	<b>6.9%</b>	6.4%	<b>36.6%</b>



# Key Items with Negative Impact to Margins

	Quarter Ended		Year Ended			
	12/31/09	% of Net Revenues	12/31/09	12/31/08	% of Net revenues	
					12/31/09	12/31/08
<i>(\$ in thousands)</i>						
<b>Net revenues</b>	<b>\$319,467</b>	<b>100.0%</b>	<b>\$1,090,636</b>	\$ 870,337	<b>100.0%</b>	<b>100.0%</b>
<b><u>Non-interest expenses:</u></b>						
Transitional compensation <sup>(1)</sup>	15,359	4.8%	56,227	34,310	5.2%	3.9%
Transitional operating expenses <sup>(2)</sup>	2,348	0.7%	10,993	3,927	1.0%	0.5%
Acquisition-related costs	799	0.3%	3,407	26,159	0.3%	3.0%
	<u>\$ 18,506</u>	<u>5.8%</u>	<u>\$ 70,627</u>	<u>\$ 64,396</u>	<u>6.5%</u>	<u>7.4%</u>
Asset management fee waivers	\$ 10,518	N/A	\$ 23,099	\$ -	N/A	N/A

<sup>(1)</sup> Expense related to upfront notes, signing bonus and retention awards.

<sup>(2)</sup> Primarily includes ACATS fees and expenses associated with our continuing expansion efforts.



# Segment Comparison

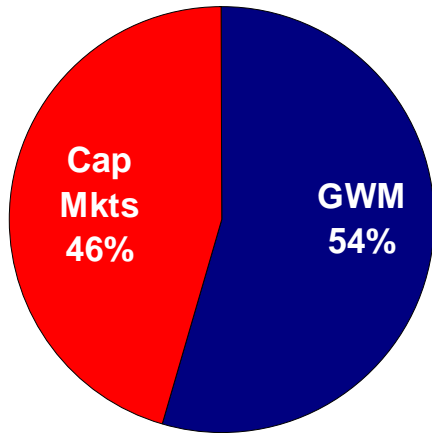
	Quarter Ended			Year Ended		
	12/31/09	12/31/08	% Change	12/31/09	12/31/08	% Change
<i>(\$ in thousands)</i>						
<b>Net revenues:</b>						
Global Wealth Management	\$ 184,704	\$ 112,683	63.9%	\$ 591,323	\$ 471,005	25.5%
Capital Markets	133,305	113,178	17.8%	494,092	390,726	26.5%
Other	1,458	5,125	(71.5%)	5,221	8,606	(39.3%)
	<u>\$ 319,467</u>	<u>\$ 230,986</u>	<u>38.3%</u>	<u>\$ 1,090,636</u>	<u>\$ 870,337</u>	<u>25.3%</u>
<b>Operating contribution:</b>						
Global Wealth Management	32,967	18,372	79.4%	100,048	98,097	2.0%
Capital Markets	37,816	30,893	22.4%	129,133	91,892	40.5%
Other	(29,469)	(22,665)	30.0%	(108,767)	(98,220)	10.7%
	<u>\$ 41,314</u>	<u>\$ 26,600</u>	<u>55.3%</u>	<u>\$ 120,414</u>	<u>\$ 91,769</u>	<u>31.2%</u>



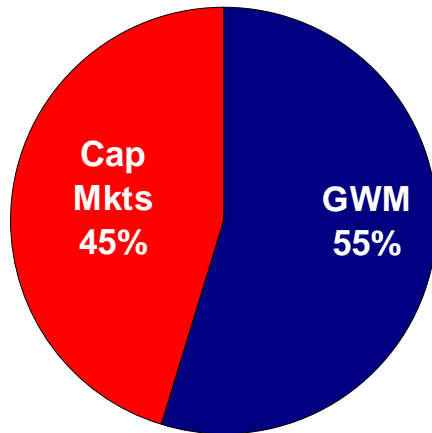
# YTD Segment Comparison (Excludes Acquisitions)

- Balanced business model facilitates growth during volatile markets
  - Stable GWM business is augmented by profitable and growing Capital Markets.

## Revenue

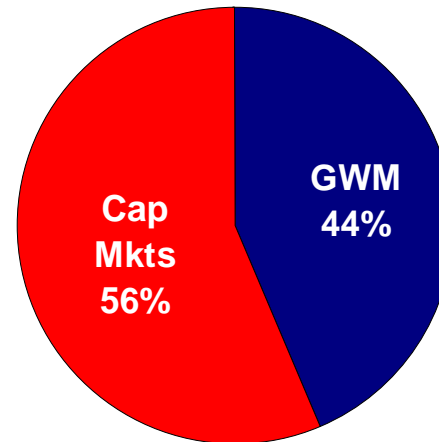


2009

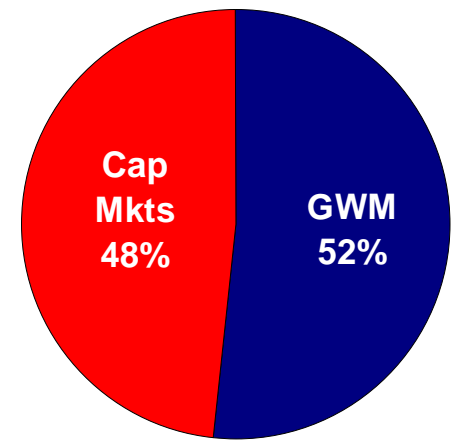


2008

## Operating Profit



2009



2008



# Global Wealth Management Income Statements

	Quarter Ended			Year Ended		
	12/31/09	12/31/08	% Change	12/31/09	12/31/08	% Change
<i>(\$ in thousands)</i>						
<b>Net revenues</b>	<b>\$ 184,704</b>	<b>\$ 112,683</b>	<b>63.9%</b>	<b>\$ 591,323</b>	<b>\$ 471,005</b>	<b>25.5%</b>
Compensation and benefits	<b>105,147</b>	63,098	<b>66.6%</b>	<b>329,571</b>	260,997	<b>26.3%</b>
Transition pay	<b>11,841</b>	7,448	<b>59.0%</b>	<b>40,586</b>	28,210	<b>43.9%</b>
Total compensation and benefits	<b>116,988</b>	70,546	<b>65.8%</b>	<b>370,157</b>	289,207	<b>28.0%</b>
Non-comp operating expenses	<b>34,749</b>	23,765	<b>46.2%</b>	<b>121,118</b>	83,701	<b>44.7%</b>
<b>Total non-interest expenses</b>	<b>151,737</b>	94,311	<b>60.9%</b>	<b>491,275</b>	372,908	<b>31.7%</b>
<b>Income before income taxes</b>	<b>\$ 32,967</b>	<b>\$ 18,372</b>	<b>79.4%</b>	<b>\$ 100,048</b>	<b>\$ 98,097</b>	<b>2.0%</b>
<b><u>Ratios to net revenues</u></b>						
Compensation and benefits	<b>56.9%</b>	56.0%		<b>55.7%</b>	55.4%	
Transition pay	<b>6.4%</b>	6.6%		<b>6.9%</b>	6.0%	
Total compensation and benefits	<b>63.3%</b>	62.6%		<b>62.6%</b>	61.4%	
Operating expenses	<b>18.9%</b>	21.1%		<b>20.5%</b>	17.8%	
Income before income taxes	<b>17.8%</b>	16.3%		<b>16.9%</b>	20.8%	





# Stifel Bank & Trust

## Income Statements

(\$ in thousands)	Quarter Ended					Year Ended		
	12/31/09	09/30/09	Flux	12/31/08	Flux	12/31/09	12/31/08	Flux
<b>Net revenues:</b>								
Interest	<b>7,888</b>	4,962	<b>59.0%</b>	3,762	<b>109.7%</b>	<b>20,283</b>	15,253	<b>33.0%</b>
Other income/(loss)	<b>1,828</b>	865	<b>111.3%</b>	(1,960)	<b>193.3%</b>	<b>4,736</b>	(358)	<b>n/m</b>
Total revenues	<b>9,716</b>	5,827	<b>66.7%</b>	1,802	<b>439.2%</b>	<b>25,019</b>	14,895	<b>68.0%</b>
Interest expense	<b>2,044</b>	911	<b>124.4%</b>	722	<b>183.1%</b>	<b>4,649</b>	5,321	<b>(12.6%)</b>
<b>Total net revenues</b>	<b>7,672</b>	4,916	<b>56.1%</b>	1,080	<b>610.4%</b>	<b>20,370</b>	9,574	<b>112.8%</b>
Compensation and benefits	<b>964</b>	914	<b>5.5%</b>	784	<b>23.0%</b>	<b>2,866</b>	3,566	<b>(19.6%)</b>
Non-comp operating expenses	<b>1,171</b>	1,832	<b>(36.1%)</b>	1,140	<b>2.7%</b>	<b>6,353</b>	5,389	<b>17.9%</b>
<b>Total non-interest expenses</b>	<b>2,135</b>	2,746	<b>(22.3%)</b>	1,924	<b>11.0%</b>	<b>9,219</b>	8,955	<b>2.9%</b>
<b>Income before income taxes</b>	<b>\$ 5,537</b>	<b>\$ 2,170</b>	<b>155.2%</b>	<b>\$ (844)</b>	<b>756.0%</b>	<b>\$ 11,151</b>	<b>\$ 619</b>	<b>n/m</b>
<b><u>Ratios to net revenues</u></b>								
Compensation & benefits	<b>12.6%</b>	18.6%		72.6%		<b>14.1%</b>	37.2%	
Operating expenses	<b>15.3%</b>	37.3%		105.5%		<b>31.2%</b>	56.3%	
Efficiency ratio	<b>38.1%</b>	46.1%		150.3%		<b>42.3%</b>	73.4%	
Income before income taxes	<b>72.1%</b>	44.1%		(78.1%)		<b>54.7%</b>	6.5%	



# Stifel Bank & Trust

## Balance Sheet

- Assets increased 242% to \$1,142.0 million as of December 31, 2009 from \$333.8 million at December 31, 2008.
- Cash and cash equivalents of \$114.3 million as of December 31, 2009, an increase of \$88.7 million from December 31, 2008.
- Investment portfolio increased \$528.1 million to \$578.5 million at December 31, 2009, primarily as a result of the expansion of our investment strategy.
  - Agency MBS comprise over 75% of the portfolio.
  - The portfolio has a weighted average life of 3.15 years and a weighted average rate of 3.78%.
- Retained loan portfolio increased 80% to \$333.5 million at December 31, 2009 from \$185.1 million at December 31, 2008.
  - Securities-based loans from the UBS transaction accounted for \$171.0 million of the increase.
  - Retained loans included in branch location sale of \$33.1 million, classified as loans held for sale at December 31, 2009.
- Deposits increased 268% to \$1,047.2 million as of December 31, 2009 from \$284.8 million as of December 31, 2008, primarily as a result of the UBS transaction which was completed during the fourth quarter of 2009.
  - Includes deposits held for sale of \$20.8 million at December 31, 2009.

## Mortgage Banking

- Loans sold into the secondary market during the year ended December 31, 2009 of \$874.8 million, compared to \$333.1 million during the comparable period in 2008.
- Gross mortgage revenues of \$13.1 million for the year ended December 31, 2009, compared to \$4.2 million during the comparable period in 2008.
- Retained mortgage loan originations of \$32.6 million during the year ended December 31, 2009 with a weighted average CLTV of 49% and weighted average FICO of 767.

## Credit Quality

- Non-performing loans of \$1.4 million as of December 31, 2009 compared to \$0.8 million as of December 31, 2008.
- Losses for the year ended December 31, 2009 of \$1.4 million compared to \$1.2 million during the comparable period in 2008.
- Excluding acquired loans, the allowance as a percentage of gross loans totaled 0.99% as of December 31, 2009 compared to 1.23% as of December 31, 2008.
- Other real estate owned totaled \$3.1 million as of December 31, 2009 compared to \$2.3 million as of December 31, 2008.



# Capital Markets

## Income Statement

	Quarter Ended			Year Ended		
	12/31/09	12/31/08	% Change	12/31/09	12/31/08	% Change
<i>(\$ in thousands)</i>						
<b>Net revenues</b>	<b>\$ 133,305</b>	<b>\$ 113,178</b>	<b>17.8%</b>	<b>\$ 494,092</b>	<b>\$ 390,726</b>	<b>26.5%</b>
Compensation and benefits	<b>70,355</b>	60,833	<b>15.7%</b>	<b>273,474</b>	229,043	<b>19.4%</b>
Transition pay	<b>3,229</b>	971	<b>232.5%</b>	<b>14,361</b>	4,636	<b>209.8%</b>
Total compensation and benefits	<b>73,584</b>	61,804	<b>19.1%</b>	<b>287,835</b>	233,679	<b>23.2%</b>
Non-comp operating expenses	<b>21,905</b>	20,481	<b>7.0%</b>	<b>77,124</b>	65,155	<b>18.4%</b>
<b>Total non-interest expenses</b>	<b>95,489</b>	82,285	<b>16.0%</b>	<b>364,959</b>	298,834	<b>22.1%</b>
<b>Income before income taxes</b>	<b>\$ 37,816</b>	<b>\$ 30,893</b>	<b>22.4%</b>	<b>\$ 129,133</b>	<b>\$ 91,892</b>	<b>40.5%</b>
<b><i>Ratios to net revenues</i></b>						
Compensation and benefits	<b>52.8%</b>	53.7%		<b>55.3%</b>	58.6%	
Transition pay	<b>2.4%</b>	0.9%		<b>2.9%</b>	1.2%	
Total compensation and benefits	<b>55.2%</b>	54.6%		<b>58.3%</b>	59.8%	
Operating expenses	<b>16.4%</b>	18.1%		<b>15.6%</b>	16.7%	
Income before income taxes	<b>28.4%</b>	27.3%		<b>26.1%</b>	23.5%	

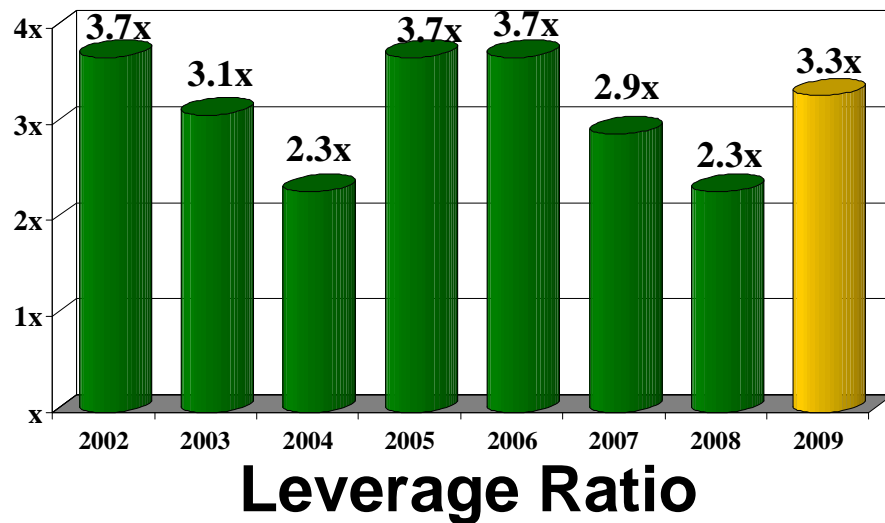
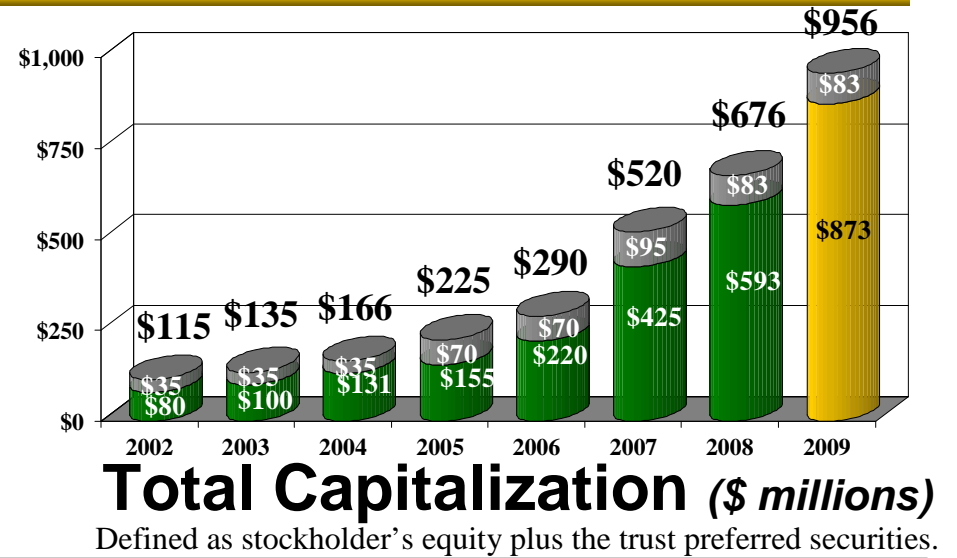
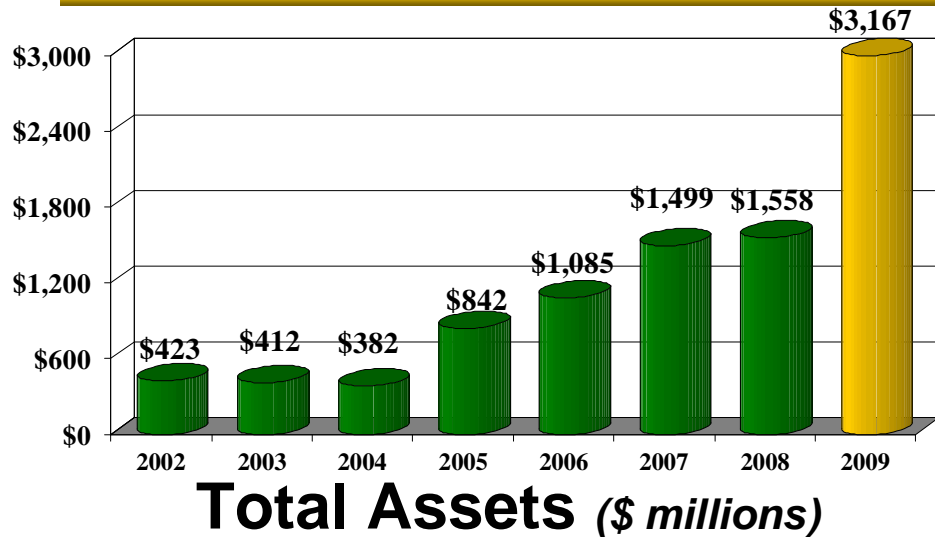


# Capital Markets Revenues

	Quarter Ended			Year Ended		
	12/31/09	12/31/08	% Change	12/31/09	12/31/08	% Change
<i>(\$ in thousands)</i>						
<b>Sales and trading:</b>						
Equity	\$ 38,668	\$ 44,268	(12.7%)	\$ 153,267	\$ 159,629	(4.0%)
Fixed income	47,307	53,226	(11.1%)	222,005	158,625	40.0%
	<b>85,975</b>	97,494	(11.8%)	<b>375,272</b>	318,254	17.9%
<b>Investment Banking:</b>						
Capital raising	28,768	7,433	287.0%	61,657	29,690	107.7%
Advisory fees	16,048	6,518	146.2%	49,245	38,506	27.9%
	<b>44,816</b>	13,951	221.2%	<b>110,902</b>	68,196	62.6%
Other revenue	2,514	1,733	45.1%	7,918	4,276	85.2%
<b>Total net revenue</b>	<b>\$ 133,305</b>	<b>\$ 113,178</b>	<b>17.8%</b>	<b>\$ 494,092</b>	<b>\$ 390,726</b>	<b>26.5%</b>
<b><u>Ratios to net revenues</u></b>						
Sales & trading	64.5%	86.1%		76.0%	81.5%	
Investment banking	33.6%	12.3%		22.4%	17.5%	



# Stifel Financial Balance Sheet Graphs



# Capital Structure

(\$ in thousands)

Total Assets	\$ 3,167,356
Stockholders' Equity	\$ 873,446
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	\$ 12,500
<i>Total Debtures</i> (average 6.64% per annum)	\$ 82,500
Total Capitalization	\$ 955,946

## Ratios:

Equity to Assets	27.58%
Capitalization to Assets	30.18%
Debtures to Equity	9.45%
Leverage Ratio	3.3x
Equity Capitalization	3.6x



# Level 3 Assets

(\$ in thousands)	Carrying Value		Change
	12/31/09	12/31/08	
Auction Rate Securities (ARS)	\$ 56,003	\$ 18,509	202.6%
Stifel Bank & Trust Investments	2,693	10,423	(74.2%)
Trading Securities	1,243	4,161	(70.1%)
Other Investments	5,426	5,169	5.0%
Level 3 assets (excluding ARS)	9,362	19,753	(139.3%)
<b>Total Level 3 assets</b>	<b>\$ 65,365</b>	<b>\$ 38,262</b>	<b>70.8%</b>
<i>Percentage of Equity</i>	<i>7.5%</i>	<i>6.5%</i>	
<i>Percentage of Equity (excluding ARS)</i>	<i>1.1%</i>	<i>2.3%</i>	



# Other Financial Data

	As of			% Change	
	12/31/09	9/30/09	12/31/08	Q409 vs. Q309	Q409 vs. Q408
<b>Total assets (000s):</b>					
Stifel Nicolaus and Stifel Financial	\$ 2,025,348	\$ 1,925,226	\$ 1,224,361	5.2%	65.4%
Stifel Bank	1,142,008	965,569	333,784	18.3%	242.1%
	<b>\$ 3,167,356</b>	<b>\$ 2,890,795</b>	<b>\$ 1,558,145</b>	<b>9.6%</b>	<b>103.3%</b>
Shareholders' equity (000's)	\$ 873,446	\$ 833,594	\$ 593,185	4.8%	47.2%
Book value per share	\$28.86	\$27.63	\$22.68	4.4%	27.2%
Financial advisors*	1,885	1,823	1,315	3.4%	43.3%
Full-time associates	4,434	4,289	3,371	3.4%	31.5%
Locations	294	281	225	4.6%	30.7%
Total client assets (000's)	\$ 91,342,000	\$ 83,501,000	\$ 51,828,000	9.4%	76.2%

\* Includes all retail Financial Advisors.





# Stifel Outlook

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- Unstable conditions in the private client market presents opportunity for Stifel to continue to grow organically and through M&A
  - The uncertainty surrounding the largest domestic and European private client platforms impacts thousands of US-based Financial Advisors.
  - Success with UBS signings is testament to the private client platform
- Balanced business mix facilitates growth during volatile markets
  - 54% of 2009 net revenues generated by GWM and 46% by Capital Markets.
- Capital Markets turmoil creates a pool of very qualified candidates
  - All reporting units of Capital Markets continued to build out platform and hire in 2009.
- Company should beginning to see payoffs from our investment in De Novo branches.



# Q & A