STIFEL

1st Quarter
Financial Results Presentation
April 30, 2019

Stifel's **"FORCES"** statue by Harry Weber

Disclaimer

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.

Use of Non-GAAP Financial Measures

The Company utilized certain non-GAAP calculations as additional measures to aid in understanding and analyzing the Company's financial results for the three months ended March 31, 2019. Specifically, the Company believes that the non-GAAP measures provide useful information by excluding certain items that may not be indicative of the Company's core operating results and business outlook. The Company believes that these non-GAAP measures will allow for a better evaluation of the operating performance of the business and facilitate a meaningful comparison of the Company's results in the current period to those in prior and future periods. Reference to these non-GAAP measures should not be considered as a substitute for results that are presented in a manner consistent with GAAP. These non-GAAP measures are provided to enhance investors' overall understanding of the Company's current financial performance. The non-GAAP financial information should be considered in addition to, not as a substitute for or as being superior to, operating income, cash flows, or other measures of financial performance prepared in accordance with GAAP. These non-GAAP measures primarily exclude expenses which management believes are, in some instances, non-recurring and not representative of ongoing business. Management has not included costs which they believe are duplicative in the analysis below.

A limitation of utilizing these non-GAAP measures is that the GAAP accounting effects of these charges do, in fact, reflect the underlying financial results of the Company's business and these effects should not be ignored in evaluating and analyzing its financial results. Therefore, the Company believes that GAAP measures and the same respective non-GAAP measures of the Company's financial performance should be considered together.

Highlights & First Quarter Results

- Net Revenue of $770 million, up 3% Y/Y.
- Record Net Interest Income of $142 million, up 27% Y/Y.
- Record Global Wealth Management Net Revenue of $511 million, up 5% Y/Y.
- Record Global Wealth Management Pre-Tax Margin of 38.1%
- Bank Net Interest Margin of 3.17%, up 28 basis points sequentially
- Non-GAAP Pre-tax Margin of 19%, up 170 bps Y/Y
- Non-GAAP ROCE of 13.7% & Non-GAAP ROTCE of 22.3%
- Repurchased 1 million shares at an average price of $53.25

Financial Highlights	Three Months Ended Non-GAAP					Three Months Ended U.S. GAAP		
(000s, except per share data)	1Q19	1Q18	% Change	4Q18	% Change	1Q19	1Q18	4Q18
Net revenues	**$770,420**	**$750,549**	**3%**	**$793,449**	**-3%**	**$770,420**	**$750,358**	**$793,449**
Brokerage	$259,481	$263,557	-2%	$248,499	4%	$259,481	$263,557	$248,499
Investment Banking	$161,840	$176,362	-8%	$201,233	-20%	$161,840	$176,362	$201,233
Asset Management	$195,267	$195,801	0%	$210,063	-7%	$195,267	$195,801	$210,063
Net Interest Income	$141,623	$111,281	27%	$126,658	12%	$141,623	$111,281	$126,658
Other	$12,209	$3,548	244%	$6,996	75%	$12,209	$3,357	$6,996
Pre-tax Income	**$146,000**	**$129,507**	**13%**	**$173,663**	**-16%**	**$137,809**	**$119,554**	**$155,931**
Net income	**$106,864**	**$96,147**	**11%**	**$129,134**	**-17%**	**$99,207**	**$88,761**	**$114,062**
Preferred dividend	$2,344	$2,344	0%	$2,344	0%	$2,344	$2,344	$2,344
Net income available to common shareholders	**$104,520**	**$93,803**	**11%**	**$126,790**	**-18%**	**$96,863**	**$86,417**	**$111,718**
Earnings per diluted share available to common shareholders	**$1.32**	**$1.15**	**15%**	**$1.57**	**-16%**	**$1.22**	**$1.06**	**$1.38**
Compensation ratio	59.0%	60.5%	-150 bps	56.0%	300 bps	59.5%	61.0%	56.5%
Non-compensation ratio	22.0%	22.2%	-20 bps	22.1%	-10 bps	22.6%	23.0%	23.8%
Pre-tax operating margin	19.0%	17.3%	170 bps	21.9%	-290 bps	17.9%	16.0%	19.7%
Effective Tax Rate	26.6%	25.8%	80 bps	25.6%	100 bps	27.8%	25.8%	26.9%

Segment Results

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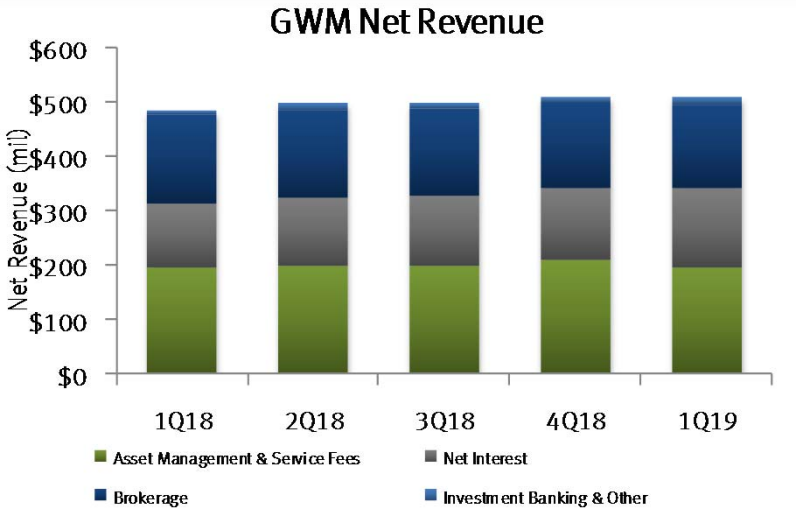
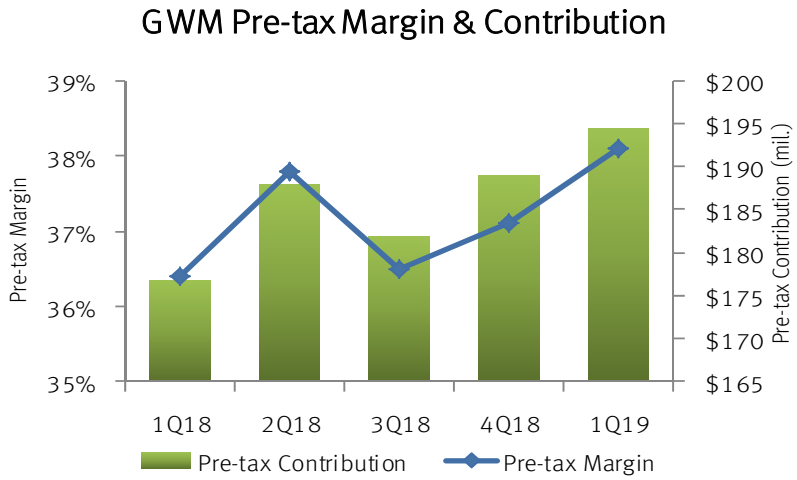
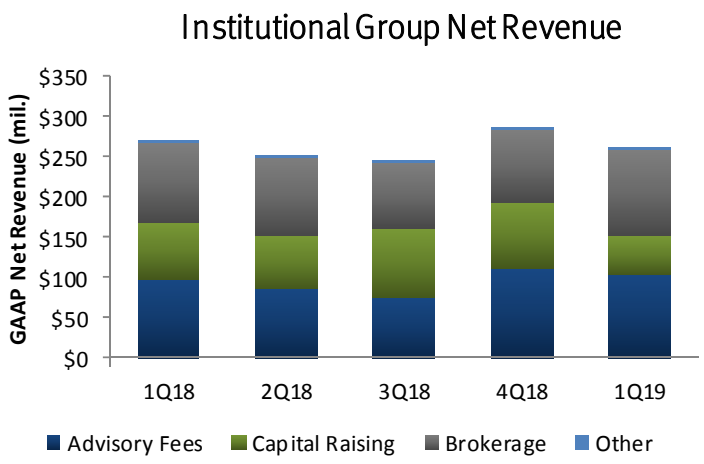
Global Wealth Management

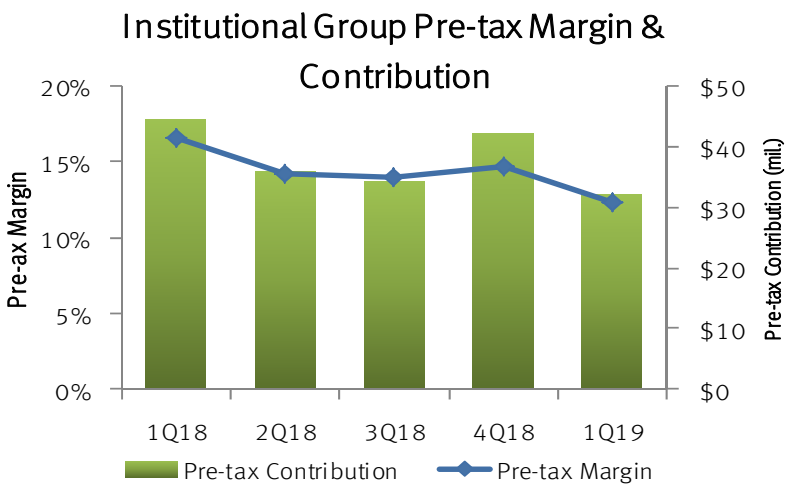




millions	1Q19	Y/Y Change	Sequential Change
Global Wealth Management Revenue			
Commissions	$110	-8%	-6%
Principal Transactions	$43	-1%	7%
Brokerage	$153	-6%	-3%
Asset Management & Service Fees	$195	0%	-7%
Net Interest	$145	23%	10%
Investment Banking	$8	7%	4%
Other	$9	851%	455%
Total Global Wealth Management Net Revenue	**$511**	**5%**	**0%**
Comp. Ratio	48.5%	-130 bps	0 bps
Non-Comp. Ratio	13.4%	-40 bps	-100 bps
Pre-tax Margin	38.1%	170 bps	100 bps
Financial Advisors	2,061	3%	1%
Independent Contractors	99	-9%	-2%
Total Financial Advisors	2,160	2%	1%
Client AUA	$299,993	9%	11%
Fee-based Client Assets	$99,579	12%	10%
Private Client Fee-based Client Assets	$73,553	11%	11%

Institutional Group





millions	1Q19	Y/Y Change	Sequential Change
Institutional Revenue			
Advisory	$105	7%	-6%
Equity			
Underwriting	$28	-47%	-46%
Brokerage	$39	-19%	-20%
Total Equity Net Revenue	$67	-34%	-34%
Fixed Income			
Underwriting	$21	14%	-31%
Brokerage	$67	28%	59%
Total Fixed Income Net Revenue	$90	25%	15%
Total Institutional Group Net Revenue	$261	-3%	-9%
Comp. Ratio	61.0%	200 bps	-100 bps
Non-Comp. Ratio	26.7%	220 bps	340 bps
Pre-tax Margin	12.3%	-420 bps	-240 bps

Balance Sheet, Net Interest Income, & Expenses

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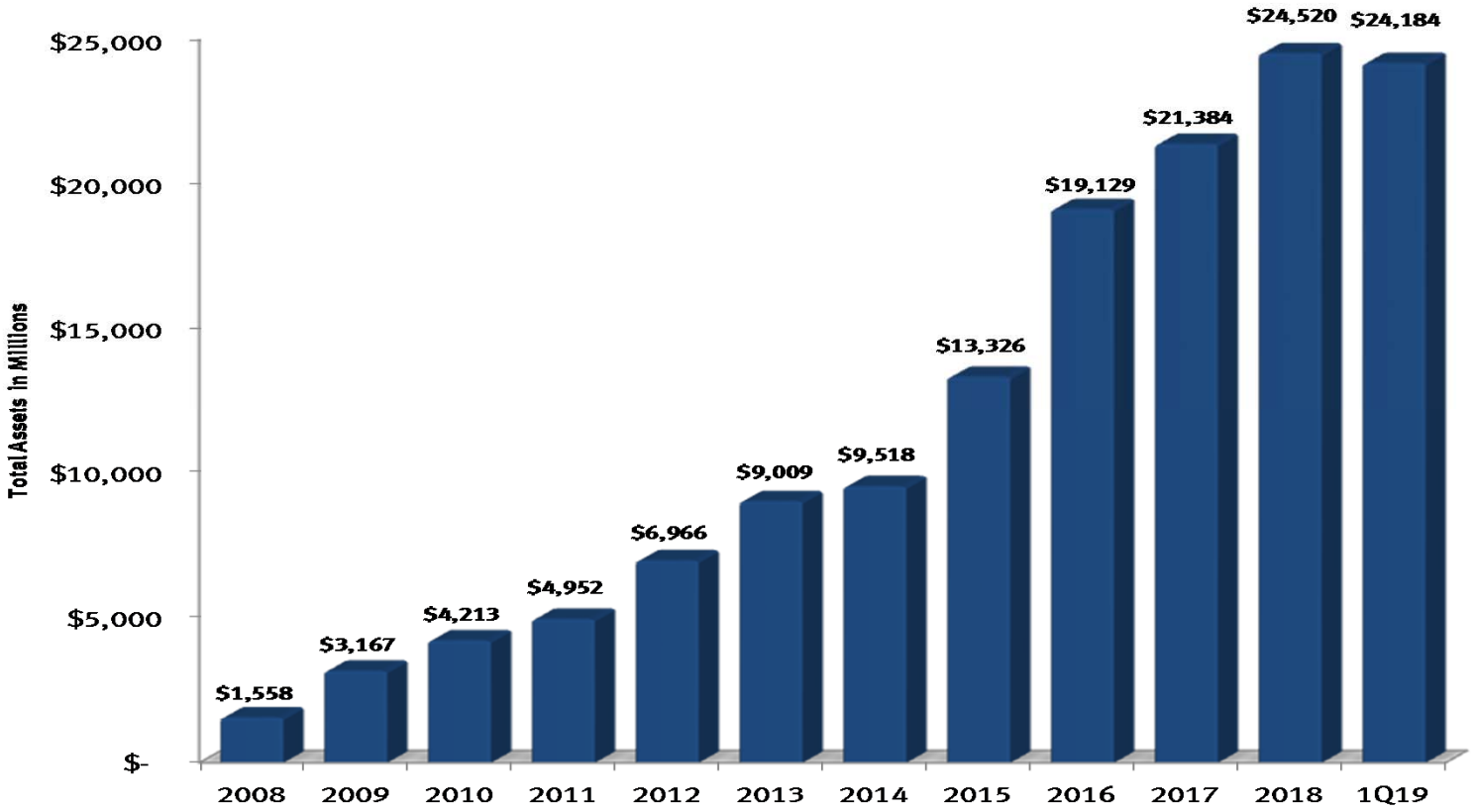
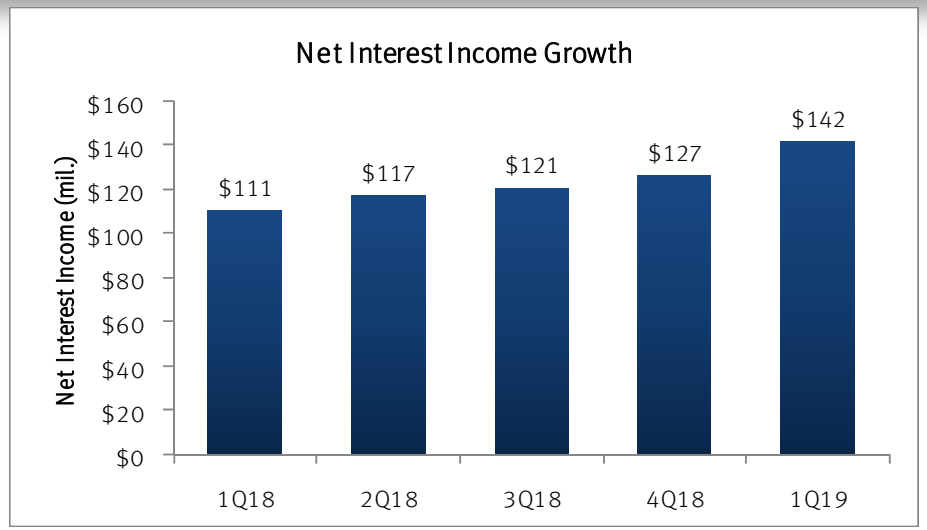
Balance Sheet

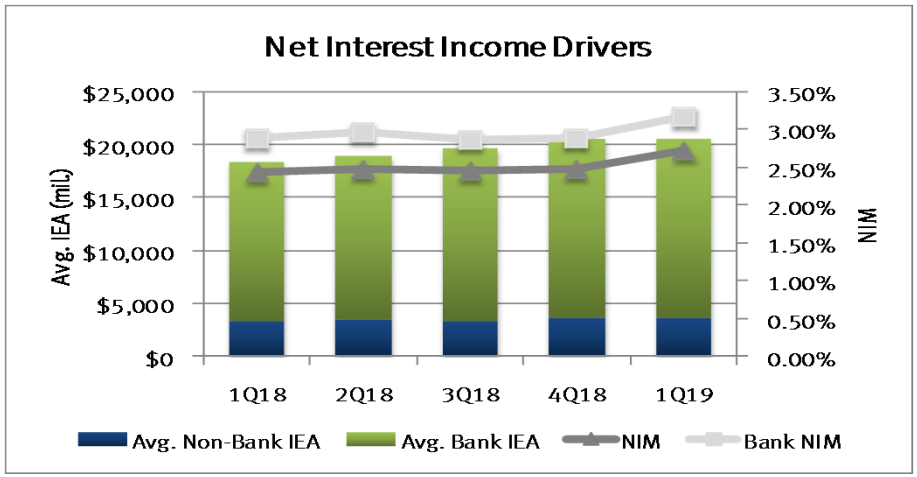


`	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	1Q19
Tier 1 Leverage	32.3%	30.5%	25.6%	21.4%	17.7%	15.4%	16.5%	16.6%	10.2%	9.5%	9.3%	9.8%
Tier 1 Risk Based Capital	49.4%	40.5%	29.1%	27.4%	26.8%	26.7%	25.0%	26.3%	20.3%	19.0%	18.2%	18.5%
Risk Weighting Assets Density	64.9%	56.2%	67.3%	62.7%	57.0%	50.7%	58.2%	46.6%	46.5%	46.9%	47.2%	50.5%

* 1Q19 Capital ratios are estimated

Net Interest Income





Average Yields on Balance Sheet	1Q19	1Q18	Change	4Q18	%Change
Assets:					
Bank loans	4.15%	3.50%	65 bps	4.11%	4 bps
Commercial	*4.78%*	*4.32%*	*46 bps*	*4.79%*	*-1 bps*
Securities based	*4.25%*	*3.41%*	*84 bps*	*4.18%*	*7 bps*
Mortgage	*3.07%*	*2.77%*	*30 bps*	*2.96%*	*11 bps*
Margin loans	4.27%	3.43%	84 bps	4.24%	3 bps
Bank investments	3.62%	2.91%	71 bps	3.47%	15 bps
CLO	*4.17%*	*3.33%*	*84 bps*	*4.01%*	*16 bps*
Mortgage backed securities	*2.35%*	*2.20%*	*15 bps*	*2.18%*	*17 bps*
Corporates	*3.01%*	*2.51%*	*50 bps*	*2.98%*	*3 bps*
Other	2.38%	1.36%	*102 bps*	2.02%	*36 bps*
Average Assets	***3.71%***	***3.00%***	***71 bps***	***3.59%***	***12 bps***
Liabilities:					
Deposits	0.73%	0.25%	48 bps	0.90%	-17 bps
Senior notes	4.38%	4.38%	0 bps	4.38%	0 bps
Short-term borrowings	3.10%	2.31%	79 bps	3.09%	1 bps
Average Liabilities	***1.07%***	***0.64%***	***43 bps***	***1.27%***	***-20 bps***
Net interest margin	***2.75%***	***2.43%***	***32 bps***	***2.47%***	***28 bps***

**Yields for Average Assets & Liabilities include the impact of Financial Instruments Owned, Stock Loan, Stifel Capital Trusts, Cash and Other.*
***Net interest margin in historical periods reflect impact of reverse repos*

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(mil. except for %'s)	1Q19	1Q18	% Change	4Q18	% Change
Assets:					
Mortgage Loans	2,928	2,634	11%	2,875	2%
Commercial Loans	3,315	2,554	30%	3,304	0%
Securities Based Loans	1,861	1,809	3%	1,787	4%
Commercial Real Estate	362	102	256%	320	13%
Loans Held for Sale	144	261	-45%	206	-30%
Total Loans, net	***$8,851***	***$7,338***	**21%**	***$8,723***	***1%***
Asset Backed Securities	$4,608	$4,503	2%	$4,730	-3%
Mortgage Backed Securities	1,483	1,697	-13%	1,551	-4%
Corporates	947	1,280	-26%	931	2%
Other	60	69	-13%	68	-12%
Total Other Securities	2,490	3,046	-18%	2,550	-2%
Total Investments	***$7,098***	***$7,459***	***-5%***	***$7,280***	***-3%***
Total Assets	**$16,803**	**$15,155**	**11%**	**$17,819**	**-6%**
Liabilities:					
Deposits	**$15,050**	**$13,330**	**13%**	**$15,864**	***-5%***
Credit Metrics					
Non-performing assets ($s)	21	22	-3%	24	-13%
Non-performing assets (%s)	0.13%	0.14%	-1 bps	0.14%	-1 bps
Allowance as a percentage of loans	1.00%	0.97%	3 bps	1.00%	0 bps
Net Interest Margin	3.17%	2.89%	28 bps	2.89%	28 bps

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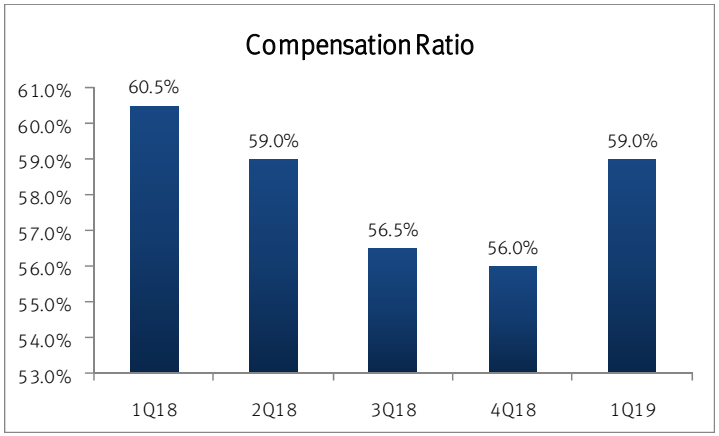
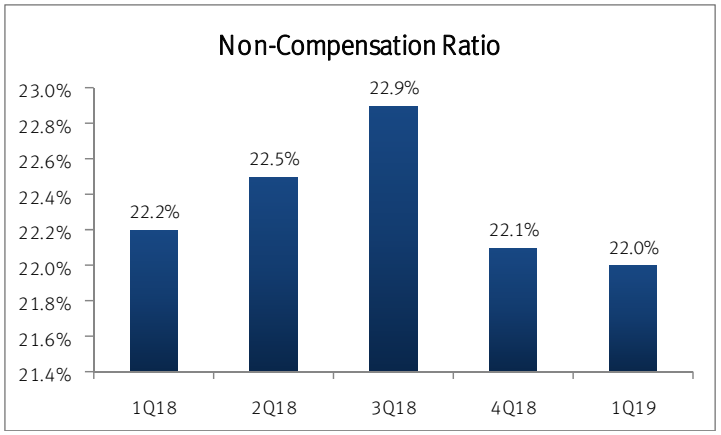
Expenses





Non-GAAP Expenses & Pre-tax Income	Three Months Ended				
	1Q19	1Q18	% Change	4Q18	% Change
(millions)					
Compensation	$454	$454	0%	$444	-2%
Non-compensation	$170	$167	2%	$175	-3%
Pre-tax Income	**$146**	**$130**	***12%***	**$174**	***-16%***

GAAP to Non-GAAP Reconciliation for First Quarter 2019 *(000s)*	03/31/19
GAAP Net Income	***$99,207***
Preferred Dividend	2,344
Net Income available to common Shareholders	***$96,863***
Non-GAAP After Tax Adjustments	
Acquistion-Related & Severance	7,657
Total Non-GAAP Adjustments	***7,657***
Non-GAAP Net Income Available to Common Shareholders	***$104,520***

* For reconciliation of GAAP to non-GAAP expenses, refer to our first quarter 2019 earnings release.

Q&A

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Appendix

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Brokerage Revenue and Asset Management & Service Fees

Brokerage Revenue	Three Months Ended				
(000s)	1Q19	1Q18	% Change	4Q18	% Change
Global Wealth Management brokerage revenue	$153,194	$162,734	-6%	$157,331	-3%
Institutional brokerage:					
Equity Capital Markets	38,881	48,085	-19%	48,705	-20%
Fixed Income Capital Markets	67,406	52,738	28%	42,463	59%
Total Institutional brokerage	106,287	100,823	5%	91,168	17%
Total Brokerage Revenue	*$259,481*	*$263,557*	*-2%*	*$248,499*	*4%*

Asset Management & Service Fees:	Three Months Ended				
(000s)	1Q19	1Q18	% Change	4Q18	% Change
Asset Management & Service Fees	*$195,253*	*$195,789*	*0%*	*$210,051*	*-7%*

	Three Months Ended				
(000s)	1Q19	1Q18	% Change	4Q18	% Change
*Global Wealth Management Revenue & Fees**	*$348,447*	*$358,523*	*-3%*	*$367,382*	*-5%*

* Sum of Global Wealth Management Brokerage Revenue and Asset Management & Service Fees

Investment Banking Revenue

Investment banking:	Three Months Ended				
(000s)	1Q19	1Q18	% Change	4Q18	% Change
Capital raising:					
Global Wealth Management revenue	$8,223	$7,688	7%	$7,915	4%
Equity Capital Markets	27,859	52,707	-47%	51,839	-46%
Fixed Income Capital Markets	20,863	18,294	14%	30,390	-31%
Total capital raising	56,945	78,689	-28%	90,144	-37%
Advisory fees	104,895	97,673	7%	111,089	-6%
Total investment banking revenue	***$161,840***	***$176,362***	***-8%***	***$201,233***	***-20%***