STIFEL

First Quarter 2023
Financial Results Presentation
April 26, 2023

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

First Quarter Snapshot

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1Q23 RESULTS

millions, except per share and ratios

NET REVENUE	NET EARNINGS	EPS
GAAP & NON-GAAP **$1,107**	GAAP **$148** NON-GAAP **$161**	GAAP **$1.28** NON-GAAP **$1.40**

ANNUALIZED ROCE	ANNUALIZED ROTCE*	BOOK VALUE PER SHARE
GAAP **12.7%** NON-GAAP **13.9%**	GAAP **18.3%** NON-GAAP **19.9%**	TBV **$30.08** BV **$43.73**

* Please see our definition of ROTCE in our first quarter 2023 earnings release

HIGHLIGHTS

- 3rd Highest First Quarter Net Revenue
- Increased Deposits By $1.2 billion
- Record Global Wealth Management Revenue
- Repurchased 1.5 million Common Shares
- 2nd Highest Net Interest Income
- Continued Recruiting Strength

The Strength & Stability of Stifel

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	Stifel Financial 1Q23	Stifel Financial 4Q22	KRX Median 4Q22
Profitability			
Core ROAA	1.7%	2.1%	1.4%
Core ROTCE	19.9%	22.9%	19.0%
NIM	3.57%	3.64%	3.62%
Capital Ratios			
TCE Ratio	8.4%	8.9%	7.2%
TCE Ratio Including AOCI & HTM Losses	7.9%	8.4%	
Leverage Ratio	10.9%	11.1%	9.4%
Tier 1 Ratio	16.8%	17.6%	11.7%
CET 1 Ratio	13.9%	14.6%	11.2%
CET 1 Ratio (including AOCI & HTM losses)	12.7%	13.2%	
Asset Characteristics			
Cash / Avg. Assets	8.8%	6.8%	2.9%
Yield on Assets	5.43%	5.02%	4.48%
Loans Maturing / Repricing < 3 Months	58.0%	57.6%	36.0%
Securities Maturing / Repricing < 1Yr	81.9%	81.7%	4.9%
Deposit Characteristics			
Percentage of Uninsured Deposits	15.2%	11.4%	34.2%
Total Deposit Growth 2022	4.5%	16.5%	-0.1%
Credit Metrics			
NPA / Assets	0.04%	0.04%	0.30%
NCO / Avg Loans	0.00%	0.00%	0.07%

Source: S&P Capital IQ Pro
Note: 4Q22 data as of 12/31/22 & 1Q23 data as of 3/31/23
Note: The KRX includes current constituents of the KBW Nasdaq Regional Banking Index

HIGHLIGHTS

- Balanced Earnings Power Across Multiple Business Lines Designed to Perform Through All Business Cycles
- Well Structured Balance Sheet Resulted in Significant NIM Expansion & Low Levels of Unrealized Losses
- Strong Capital Levels Significantly in Excess of Regulatory Requirements & Peer Regional Banks
- Superior Credit Quality
- Loan Portfolio Only Comprised of 3% CRE Balances
- Robust Liquidity Profile With Abundant Cash Levels & Low Cost Borrowing Capacity
- High Quality, Relationship-Oriented Deposit Base With Low Levels of Uninsured Deposits

Diversified Deposit Portfolio

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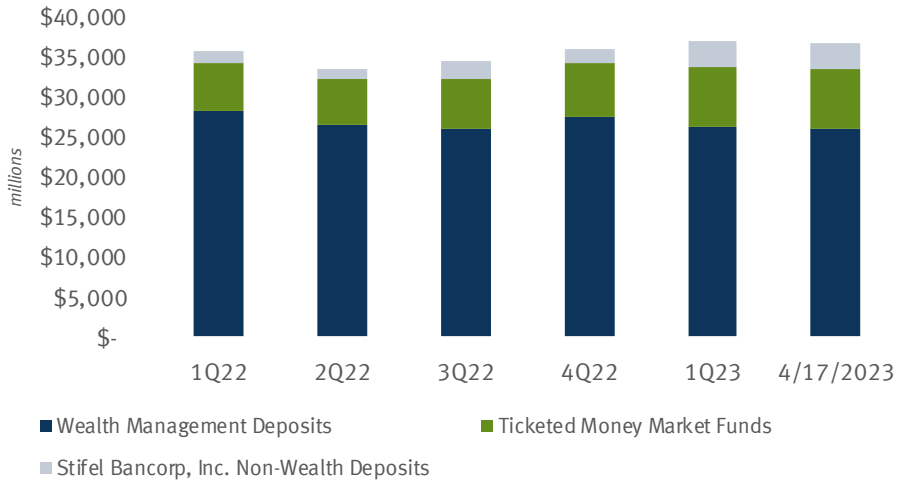
TOTAL DEPOSITS



HIGHLIGHTS

- Highly Diversified Deposit Base
- Client Cash Remained at Stifel
  - Provide Incremental FDIC Insurance
- Deposit Beta a Function of Cash Sorting
  - Deposit Beta Cycle-To-Date of 42%
- Modest Impact to NII from Interest Rate Cuts
- Non-Bank Client Cash Illustrates Benefits of Diversity

Strong Net Interest Margin & Growth In Overall Client Cash

Stifel Financial	1Q'23	Avg. Rate	1Q'22	Avg. Rate
Earning Assets	**$33,263,300**	**5.43%**	**$29,228,800**	**2.26%**
Deposits				
Transactional (Bank Sweep)	14,057,422		22,193,199	
Savings (Smart Rate & Direct Wealth Management at SBI)	10,966,483		485,361	
Commercial	3,225,077		1,517,067	
Interest Bearing Deposits	**27,138,000**	**2.02%**	**23,129,900**	**0.02%**
Net Interest Margin		**3.57%**		**2.13%**
Third Party Sweep	914,486		5,492,438	
Other	252,201		389,491	
Money Market Funds	7,434,368		5,898,930	
Off Balance Sheet	**$8,601,055**		**$11,780,859**	
Total Brokerage Client Cash	***$33,624,960***		***$34,459,418***	
Short-term Treasuries*	**$6,617,438**		**$1,157,052**	

*Represents client assets in Treasury Securities with maturities of 52 weeks or less

Complimentary Nature of Institutional Group Revenue & Net Interest Income

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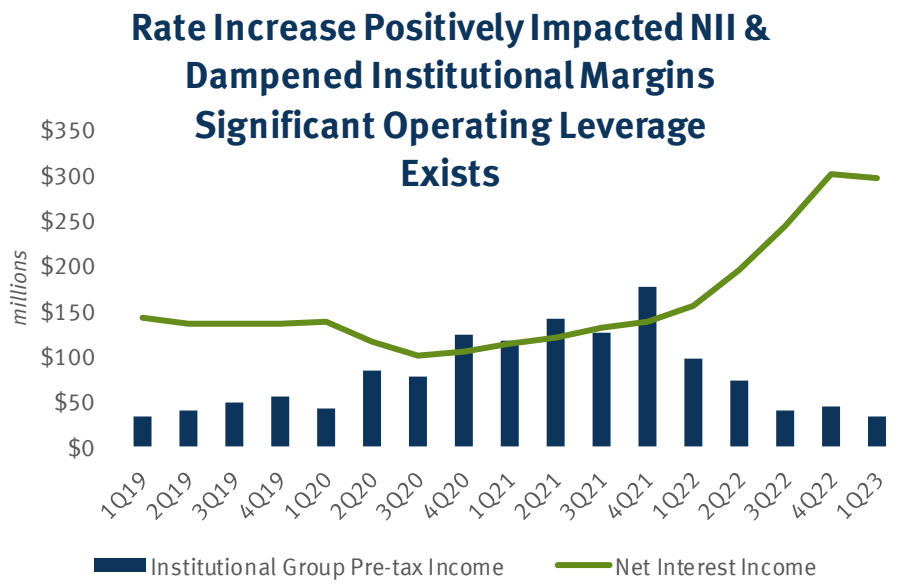
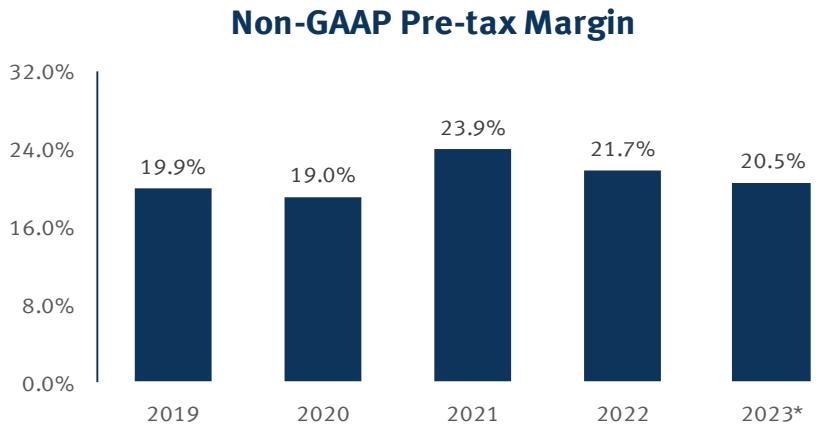
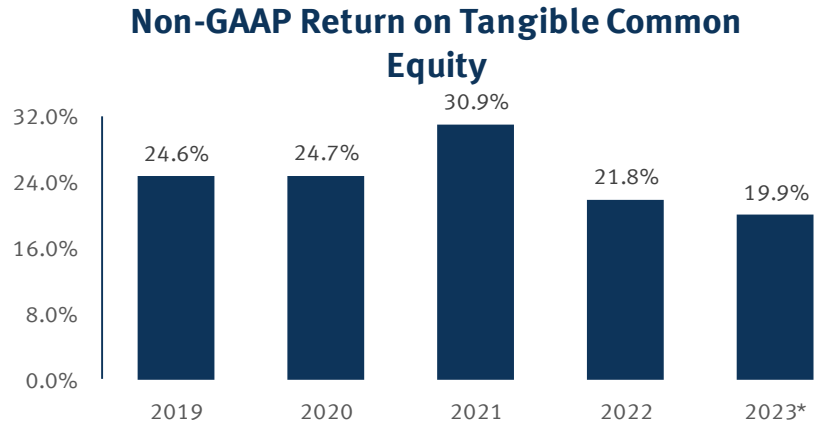




*2023 based on results through 3/31/2023



Long-term Strategic Objectives

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Solidify our Position as Premier Wealth Management Firm & Investment Bank

Global Wealth Management

- Achieve $1 Trillion in Client Assets
  - Recruiting & Acquisitions
  - Technology
- Continue to Build Stifel Bank
  - Expand Client Deposits
    - Smart Rate
    - Corporate Deposits
  - Leverage Stifel Franchise for Loan Growth

Institutional Group

- Gain Market Share
  - Recruiting
  - Acquisitions
- Increase Relevancy to Clients
  - Expand Product Offerings
  - Leverage Stifel Franchise
- Improve Operating Efficiencies

Capital Deployment

- Continued Focus on Risk Adjusted Returns
  - Reinvest in Business
    - Recruiting
    - Bank Growth
  - Acquisitions
  - Dividend Growth
  - Share Repurchases

First Quarter Results

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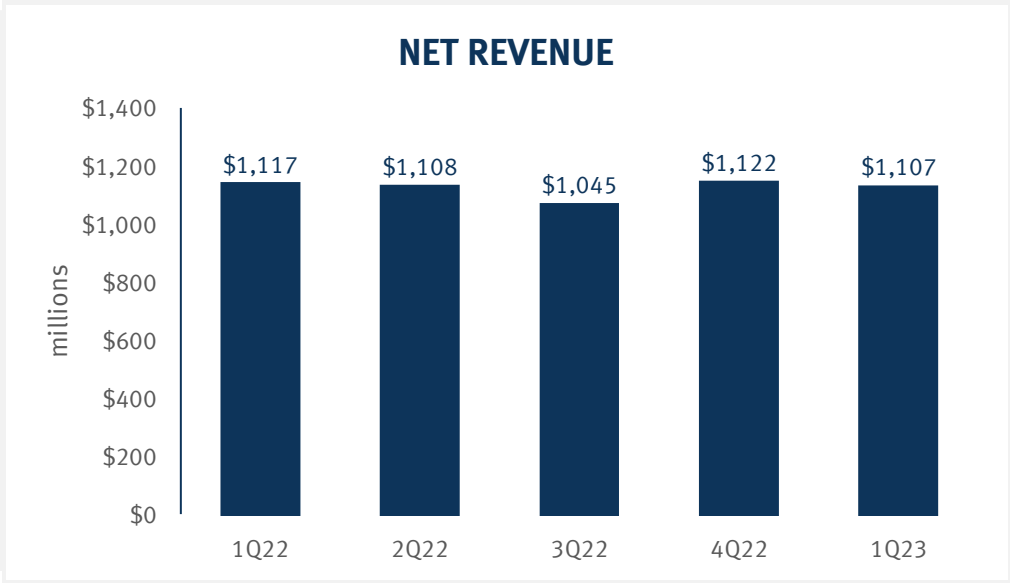
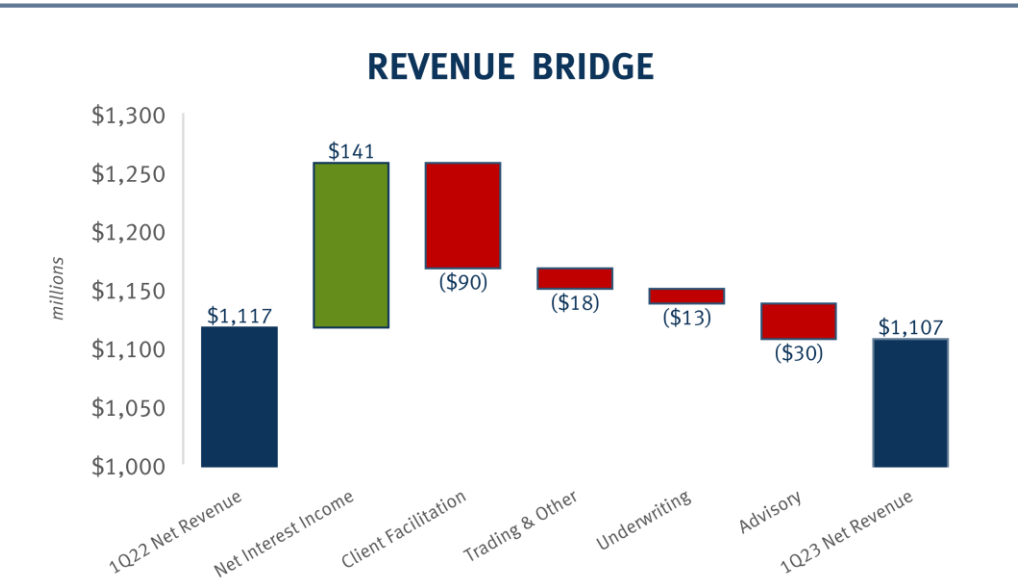
FINANCIAL RESULTS

millions	1Q23	Y/Y Change	Sequential Change
Global Wealth Management	$757	11%	2%
Institutional	333	-23%	-6%
Other	17	407%	-27%
Net revenue	**1,107**	**-1%**	**-1%**
Compensation expense	642	-3%	1%
Operating expense[1]	233	15%	3%
Provision for credit loss[2]	5	-40%	-18%
Pre-tax pre-provision income	**232**	**-22%**	**17%**
Pre-tax income	**227**	**-6%**	**-12%**
Taxes	57	-1%	-10%
Net income	**171**	**-8%**	**-12%**
Preferred dividends	9	0%	0%
Net income available to common shareholders	161	-8%	**-13%**
Diluted EPS	**$1.40**	**-6%**	**-11%**
Compensation ratio	58.0%	-150 bps	150 bps
Operating expense ratio[3]	21.0%	290 bps	90 bps
Pre-tax operating margin	20.5%	-120 bps	-240 bps
Book value per share	$43.73	7%	-1%
Tangible book value per share	$30.08	8%	-2%
ROTCE[4]	19.9%	-390 bps	-300 bps

(1) Operating Expense = Non-Compensation Expense – Provision for Credit Loss
(2) Provision for Credit Loss at bank subsidiary
(3) Operating Expense Ratio excludes Provision for Credit Loss
(4) Please see our definition of ROTCE in our first quarter earnings release





Global Wealth Management

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GLOBAL WEALTH MANAGEMENT REVENUE

millions	1Q23	Y/Y Change	Sequential Change
Transactional	$161	-9%	-3%
Asset Management	316	-8%	9%
Net Interest	282	80%	-1%
Investment Banking	4	-19%	-14%
Other	(6)	nm	nm
Total Global Wealth Management Net Revenue	$757	11%	2%
Comp. Ratio	45.2%	-830 bps	110 bps
Non-Comp. Ratio	13.1%	-30 bps	-20 bps
Provision for credit loss	$5	-40%	-18%
Pre-tax Margin	41.7%	860 bps	-90 bps
Pre-tax Pre-provision Margin	42.4%	810 bps	-100 bps

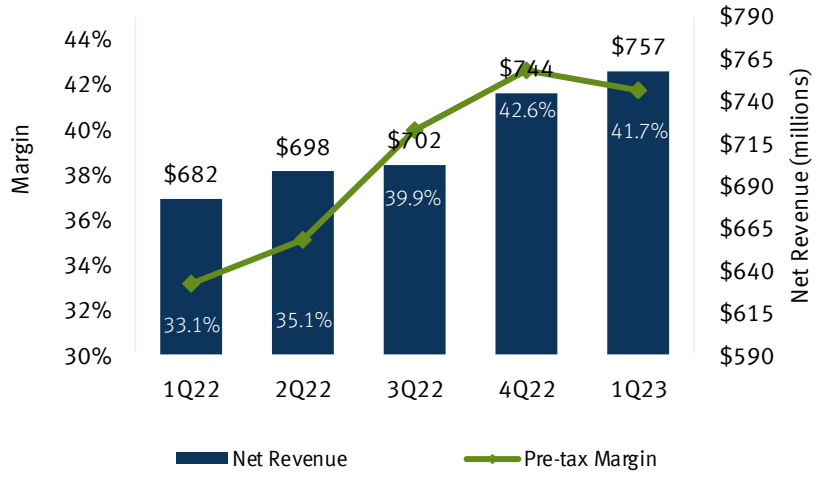
FINANCIAL ADVISOR & CLIENT ASSET METRICS

millions	1Q23	Y/Y	Sequential Change
Financial Advisors	2,248	1%	1%
Independent Contractors	102	11%	0%
Total Financial Advisors	2,350	1%	1%
Client AUA	$405,988	-4%	4%
Fee-based Client Assets	$149,541	-5%	3%
Private Client Fee-based Client Assets	$131,483	-5%	4%

HIGHLIGHTS

- Record Quarterly Net Revenue
- Second Highest Quarterly Net Interest Income
- Asset Management Revenue Increased 9% Sequentially
- Added 49 Financial Advisors, Including 20 Experienced with Total Trailing Twelve Month Production of $12.3 million

NET REVENUE & MARGIN



Wealth Management Metrics

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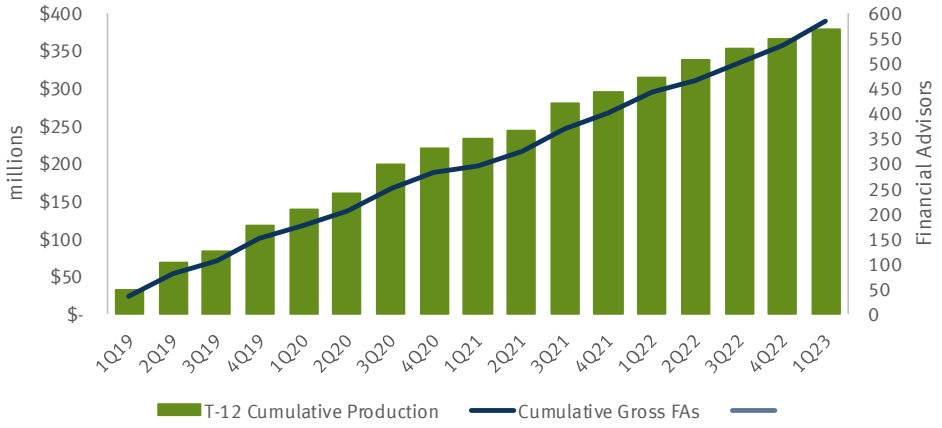
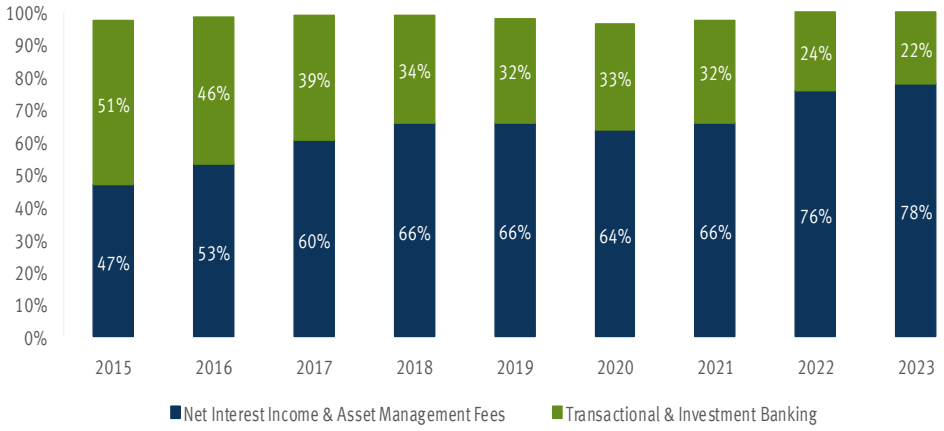
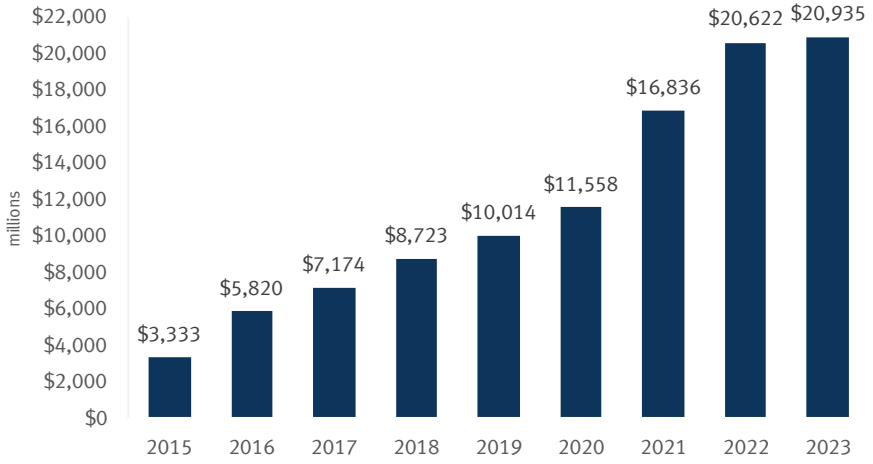
RECRUITING DRIVES REVENUE GROWTH



INCREASING PERCENTAGE OF RECURRING REVENUE



SUBSTANTIAL LOAN GROWTH



TECHNOLOGY TO SUPPORT ADVICE-BASED MODEL

- Stifel Wealth Tracker – online and mobile app: free/ secure / smart aggregation / budgeting tools / advice when you want it / understand the markets / understand your complete financial picture
- Performance reporting tools – enhanced platform-wide capabilities with key vendor partners collaborating
- Cash management and digital banking capabilities in WM platform, including client mobile app
- Video meetings, centralized technology support

Net Interest Income

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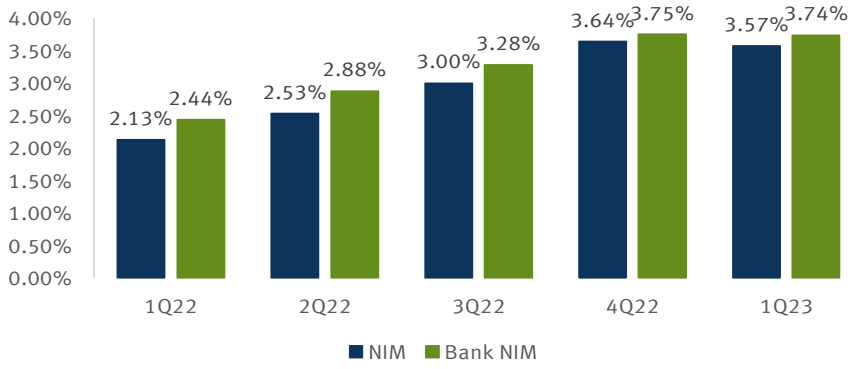
CONDENSED NET INTEREST INCOME

	1Q23		Y/Y Change		Sequential Change	
	Average Balance	Average Interest	Average Balance	Average Interest	Average Balance	Average Interest
Interest-earning Cash & Fed Funds Sold	$1,990	4.57%	48%	425 bps	21%	12 bps
Investment Portfolio	$7,831	5.53%	6%	367 bps	-1%	65 bps
Loans	$20,936	5.64%	20%	286 bps	0%	46 bps
Total Interest-earning Assets	$33,263	5.43%	14%	317 bps	0%	41 bps
Deposits	$27,138	2.02%	17%	200 bps	0%	57 bps
Other Interest-bearing Liabilities	$2,285	5.12%	-16%	385 bps	-5%	246 bps
Total Interest-bearing Liabilities	$29,423	2.11%	14%	196 bps	-1%	56 bps
Net Interest Margin		3.57%		144 bps		-7 bps

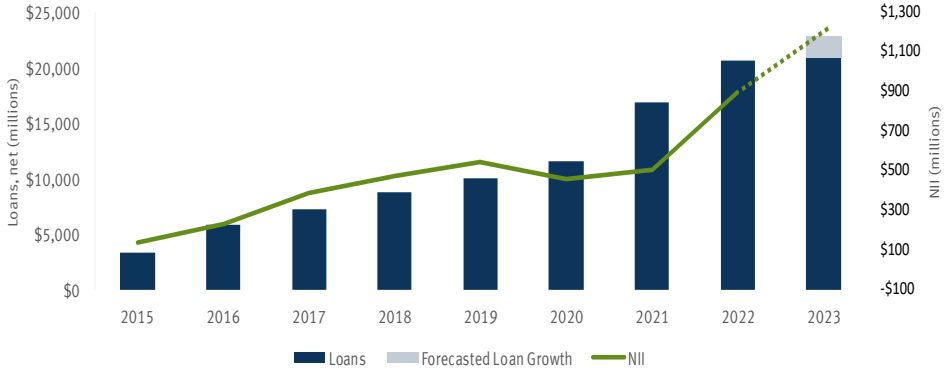
NET INTEREST COMMENTARY

- 1Q23 Net Interest Income Increased 90% Y/Y.
- Average Interest Earning Assets Increased $4 billion Y/Y.
- Quarter End Deposits up 17% year-on-year
- 2023 Net Interest Income Expected at Low End of Prior Guidance Range at $1.2 billion

NET INTEREST MARGIN



LOAN & NII GROWTH



Stifel Bancorp Inc. Loan & Investment Portfolio

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LOAN PORTFOLIO

millions	*1Q23*	*% of Total Portfolio*
Residential Real Estate	$7,495	28%
Securities Based Lending	$2,558	9%
Home Equity lines of Credit & Other	$159	1%
Total Consumer	$10,212	38%
Fund (PE/VC Capital Call Lines)	$4,623	17%
Commercial	$4,756	34%
Construction and Land	$645	2%
Commercial Real Estate	$663	3%
Total Commercial	$10,687	40%
Total Loan Portfolio	$20,899	77%
Unfunded Commitments	$6,113	23%
Total	$27,012	

* Total excludes $225 million of loans classified as held for sale

INVESTMENT PORTFOLIO

Book Value (millions)	*1Q23*	*% of Total Portfolio*
CLO	$5,926	76%
Agency MBS	911	12%
Corporate Bonds	623	8%
SBA	149	2%
Student Loan ARS	120	2%
CMBS	71	1%
Others	3	0%
Total Portfolio	$7,804	100%

COMMERCIAL PORTFOLIO BY MAJOR SECTOR

Industrials	$1,128	4%
Financials	870	3%
Consumer Discretionary	657	2%
Information Technology	596	2%
Materials	354	1%
Healthcare	307	1%
REITs	291	1%
Communication Services	231	1%
Hotel, Leisure, Restaurants	141	1%
Consumer Staples	131	0%

CLO BY MAJOR SECTOR

Healthcare & Pharmaceuticals	$623	11%
High Tech Industries	597	10%
Services: Business	536	9%
Banking, Finance, Insurance & Real Estate	503	8%
Construction & Building	248	4%
Hotel, Gaming & Leisure	247	4%
Media: Broadcasting & Subscription	245	4%
Telecommunications	244	4%
Services: Consumer	241	4%
Chemicals, Plastics & Rubber	239	4%

CECL & Credit Metrics

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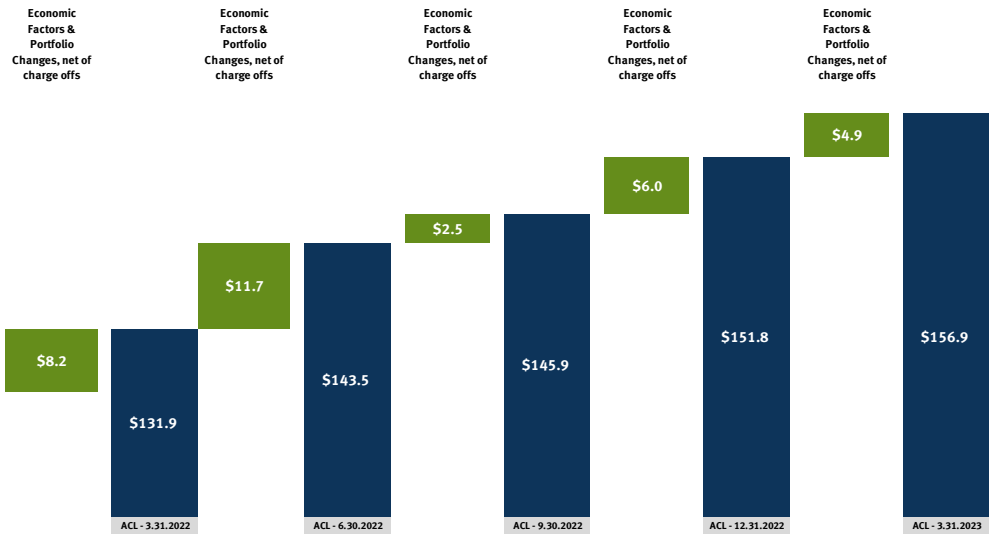
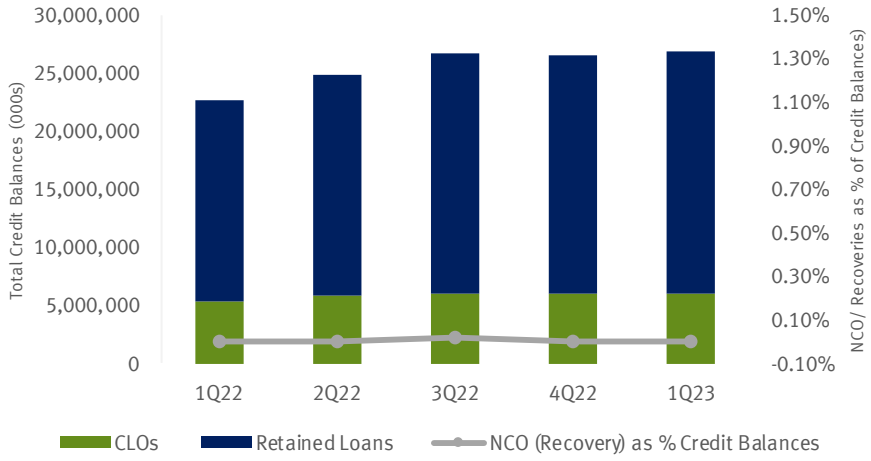
ASSUMPTIONS

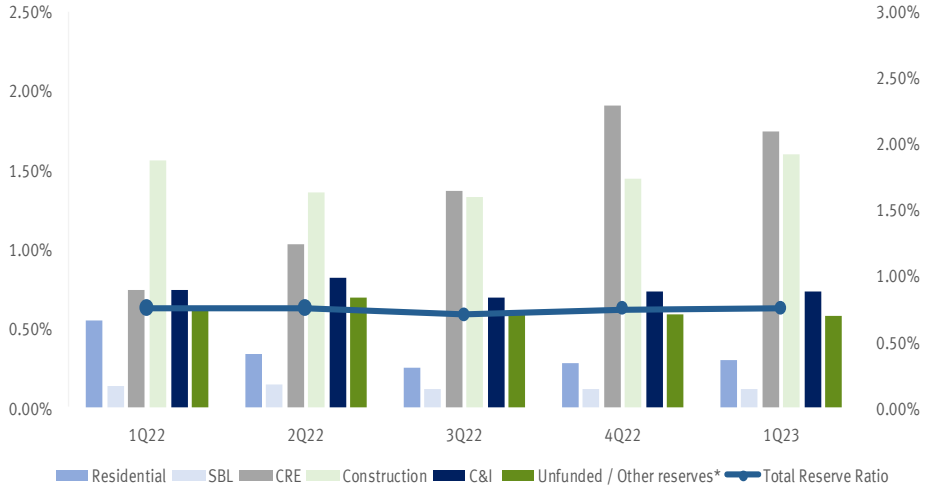
- Moody's Forecast
  - 40% Baseline
  - 30% Downside
  - 30% Upside
- Forecast Update for Most Recent Scenarios
  - Includes Slowing Growth
- Incorporated a Management Overlay to Increase the Severity of the Forecasted Economic Variables



CREDIT BALANCES & NET CHARGE-OFFS



ALLOWANCE FOR CREDIT LOSSES / TOTAL LOANS



Institutional Group

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INSTITUTIONAL GROUP REVENUE

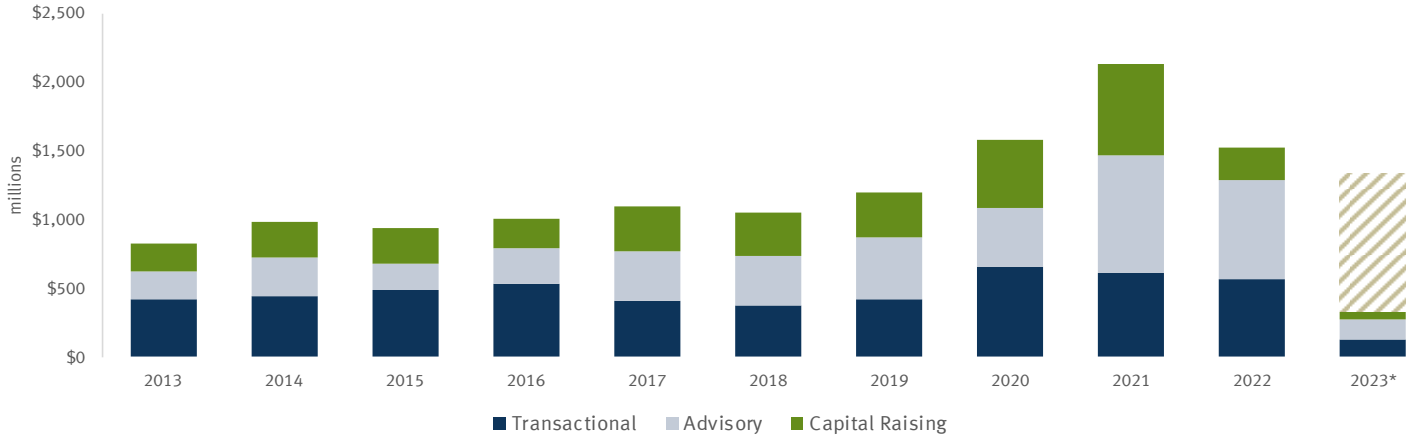
millions	1Q23	Y/Y Change	Sequential Change
Advisory	$151	-17%	-10%
Capital Raising	$57	-17%	9%
Transactional	$124	-31%	-4%
Total Institutional Revenue*	$333	-23%	-6%
Comp. Ratio	61.9%	340 bps	-50 bps
Non-Comp. Ratio	28.0%	890 bps	300 bps
Pre-tax Margin	10.1%	-1230 bps	-250 bps

* Includes net interest, asset management, and other income

HIGHLIGHTS

- Third Highest First Quarter Institutional Revenue
- Second Highest First Quarter Advisory Revenue
- Increased Market Share in Equity Transactions

BUILDING CAPACITY



*2023 revenue based on annualized results through 3/31/2023

Institutional Equities & Fixed Income

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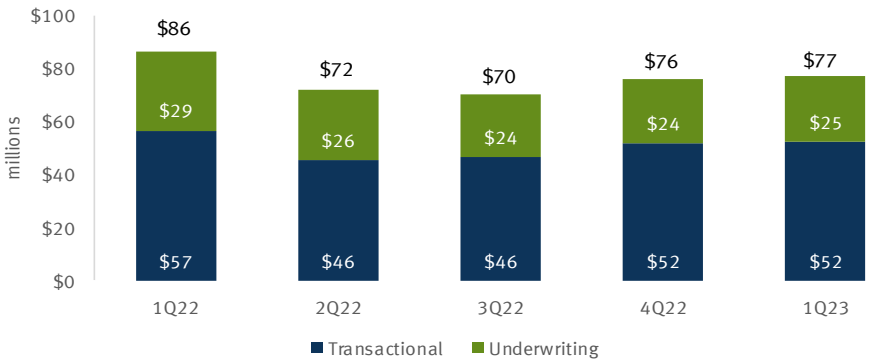
INSTITUTIONAL EQUITIES REVENUE

millions	1Q23	Y/Y Change	Sequential Change
Transactional	$52	-7%	1%
Capital Raising	$25	-16%	2%
Total Equities	$77	-10%	1%

HIGHLIGHTS

- Increased Market Share in Equity Transactional Volume
- Record Electronic Trading Results Driven by Growth in Algorithmic Trading

REVENUE



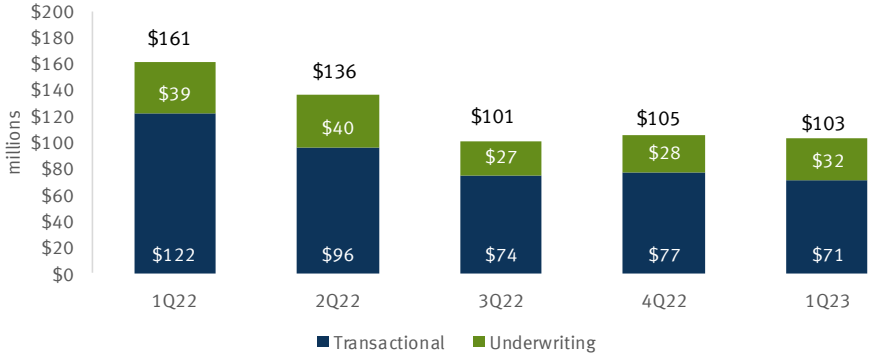
INSTITUTIONAL FIXED INCOME REVENUE

millions	1Q23	Y/Y Change	Sequential Change
Transactional	$71	-42%	-8%
Capital Raising	$32	-18%	15%
Total Fixed Income	$103	-36%	-2%

HIGHLIGHTS

- Ranked #1 in Number of Negotiated Municipal Finance Transactions
- Market Share of 15% for Number of Negotiated Municipal Finance Transactions

REVENUE



Expenses

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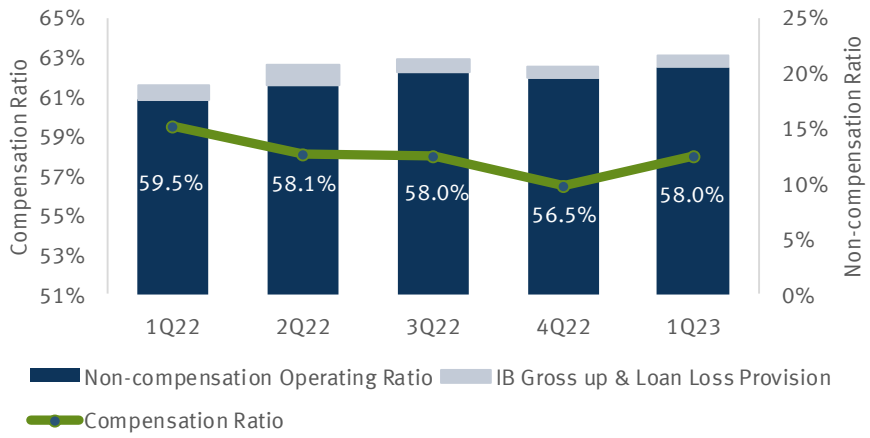
NON-GAAP EXPENSES & PRE-TAX INCOME

millions	1Q23	1Q22	Y/Y Change
Compensation	$642	$664	-3%
Non-compensation Expense, Ex. IB Gross Up & Credit Loss Provision	$227	$197	15%
Credit Loss Provision & IB Gross Up	$11	$13	-18%
Non-compensation	$238	$210	13%
Pre-tax Income	$227	$242	-6%

Non-GAAP EXPENSE RATIOS

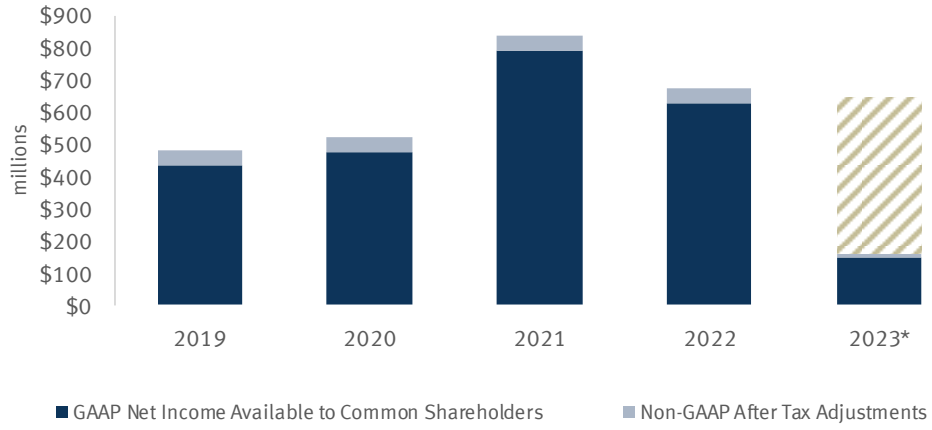


GAAP to Non-GAAP RECONCILIATION

(000s)	1Q23
GAAP Net Income	$157,539
Preferred Dividend	$9,320
Net Income available to common Shareholders	$148,219
Non-GAAP After Tax Adjustments	$13,049
Non-GAAP Net Income Available to Common Shareholders	$161,268

* For reconciliation of GAAP to non-GAAP expenses, refer to our first quarter 2023 earnings release.

ANNUAL GAAP to Non-GAAP RESULTS



*2023 annual GAAP to non-GAAP results based on annualized results through 3/31/2023

Capital Utilization

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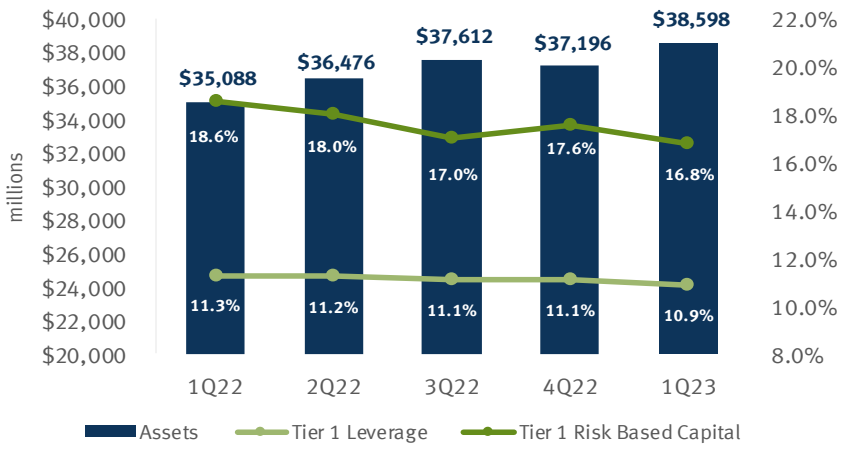
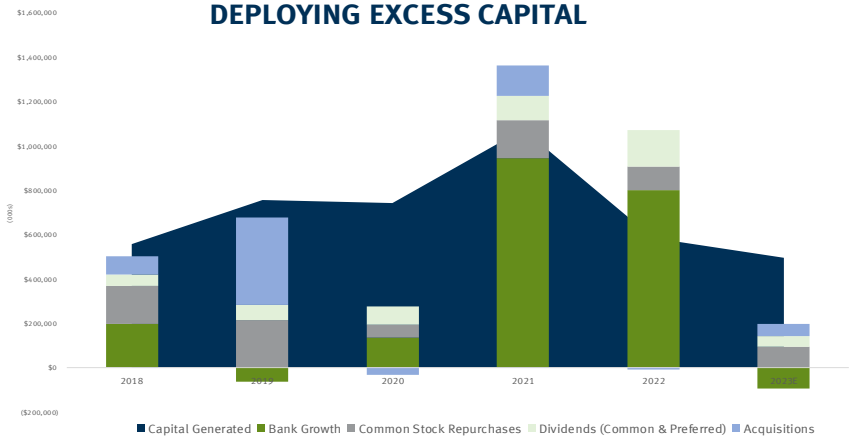
FIRM-WIDE ASSETS & CAPITAL RATIOS



HIGHLIGHTS

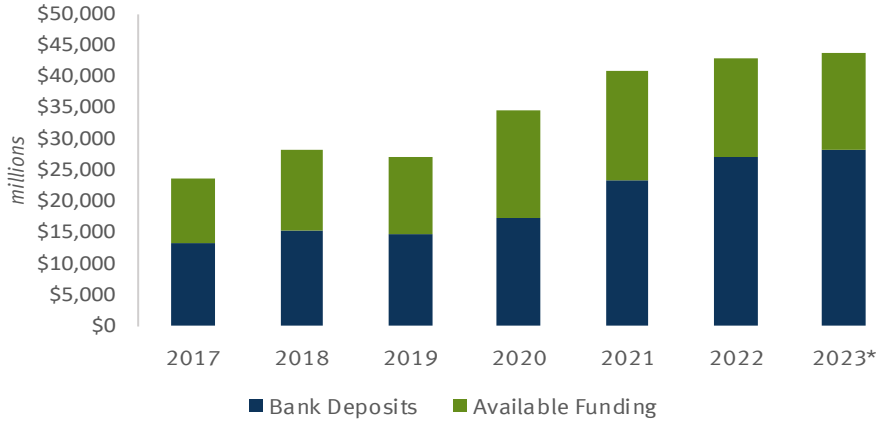
- Total Assets Increased $1.4 billion
  - Corporate Cash Increased $600 million
- Bank Funding Increased at CAGR of 13% Since 2019
- Repurchased 1.5 million Shares
  - 7.6 million Shares Remaining on Current Authorization

DEPLOYING EXCESS CAPITAL



*2023 Estimated Capital Generated based annualized 1Q23 Net Income plus current capital in excess of regulatory minimum.

BANK FUNDING: A TRACK RECORD of GROWTH



*2023 based on results through 3/31/2023

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Concluding Remarks

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

STIFEL

First Quarter 2023 Financial Results Presentation

April 26, 2023

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

Disclaimer

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