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ANNUAL REPORT 2019

ABOUT STIFEL

Put simply, Stifel is a growth company.

From our founding in 1890 through the late 1990s, Stifel was primarily a Midwestern brokerage firm providing investment advice to individuals. Since the late 1990s, through strategic hiring and a series of acquisitions, Stifel has transformed itself to where it is today, a diversified wealth management and investment banking firm, operating through a number of brands, subsidiaries, and broker-dealers – Stifel, Nicolaus & Company, Incorporated, Stifel Bank & Trust, KBW, Miller Buckfire, Eaton Partners, and Stifel Nicolaus Europe Limited, to name a few. Stifel has grown, and is built, around the strength and commitment of an increasingly diverse group of like-minded entrepreneurial professionals.

Together we now serve a broad group of clients – individuals, institutions, municipalities, and corporations – providing a wide array of services, ranging from investment advice, securities brokerage, lending and trust services, debt and equity capital raising, strategic advice, and restructuring, across multiple geographies.

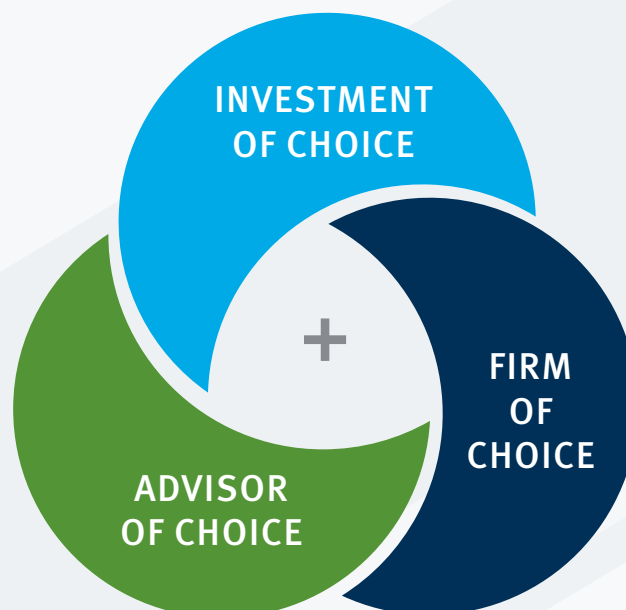
Although we operate under different Stifel brands, we collaborate across business units, functions, and geographies to deliver differentiated capabilities to our clients and guidance to our associates. We are connected through a common infrastructure and, most importantly, a common principle that has guided Stifel throughout its history – “Safeguarding the money of others as if it were your own.” As our business has grown and evolved, this enduring principle has remained constant.

STATEMENT OF COMMITMENT

TO OUR ASSOCIATES: current and future, our commitment is to provide an entrepreneurial environment that encourages unconfined, long-term thinking. We seek to reward hard-working team players that devote their energy and attention to client needs. At work, at home, and in their communities, we seek to be their Firm of Choice.

TO OUR CLIENTS: individual, institutional, corporate, and municipal, our commitment is to listen and consistently deliver innovative financial solutions. Putting the welfare of clients and community first, we strive to be the Advisor of Choice in the industry. Pursuit of excellence and a desire to exceed clients’ expectations are the values that empower our Company to achieve this status.

TO OUR SHAREHOLDERS: small and large, our commitment is to create value and maximize your return on investment through all market cycles. By achieving the status of Firm of Choice for our professionals and Advisor of Choice for our clients, we are able to deliver value to our shareholders as their Investment of Choice.



FINANCIAL HIGHLIGHTS

OPERATING RESULTS:

in thousands, except per share amounts

	2015	2016	2017	2018	2019
Total Revenues	\$2,376,993	\$2,642,370	\$2,996,462	\$3,194,957	\$3,514,961
Net Income Available to Common Shareholders	\$92,336	\$77,614	\$173,496	\$384,593	\$431,077
Earnings Per Diluted Share	\$1.18	\$1.00	\$2.14	\$4.73	\$5.49
Non-GAAP Net Income ¹	\$149,252	\$185,705	\$323,383	\$429,442	\$479,636
Non-GAAP Earnings Per Diluted Share ¹	\$1.90	\$2.39	\$3.99	\$5.28	\$6.10

FINANCIAL POSITION:

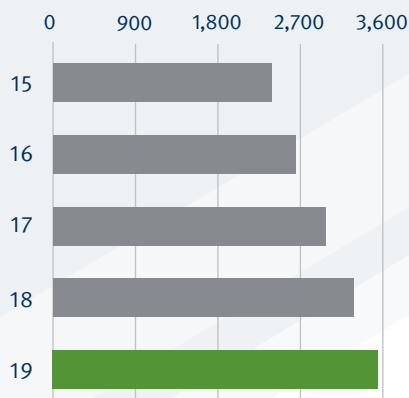
in thousands, except per share amounts

	2015	2016	2017	2018	2019
Total Assets	\$13,326,051	\$19,129,356	\$21,383,953	\$24,519,598	\$24,610,225
Shareholders' Equity	\$2,492,416	\$2,738,408	\$2,861,576	\$3,167,593	\$3,614,791
Book Value Per Share	\$37.19	\$38.84	\$38.26	\$42.62	\$48.37

¹ Non-GAAP net income and non-GAAP earnings per diluted common share represent GAAP net income and GAAP earnings per diluted common share adjusted for: (1) acquisition-related charges other than duplicative expenses; (2) litigation-related expenses; (3) actions taken by the Company in response to the tax legislation that was enacted in the fourth quarter of 2018 to maximize tax savings; (4) the favorable impact of the adoption of new accounting guidance during 2017 associated with stock-based compensation; and (5) the revaluation of the Company's deferred tax assets as a result of the enacted tax legislation. See Reconciliation of GAAP net income to non-GAAP net income on page 18.

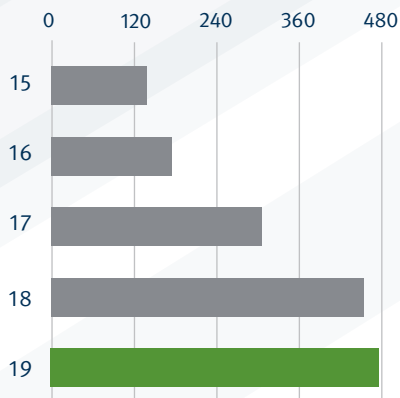
TOTAL REVENUES

(In millions)

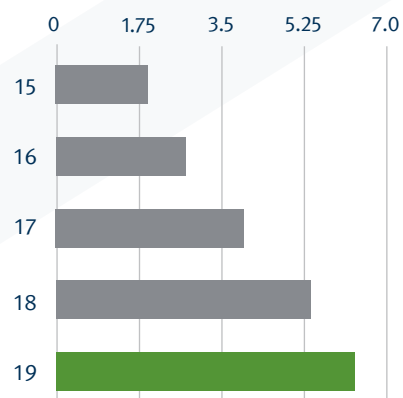


NON-GAAP NET INCOME¹

(In millions)

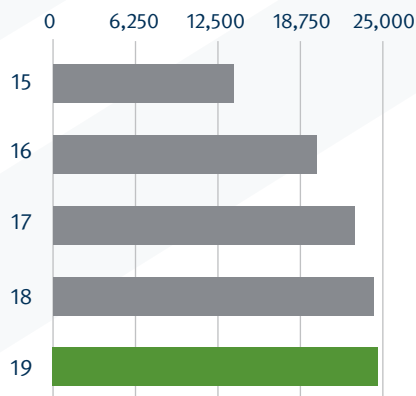


NON-GAAP EARNINGS PER DILUTED SHARE¹



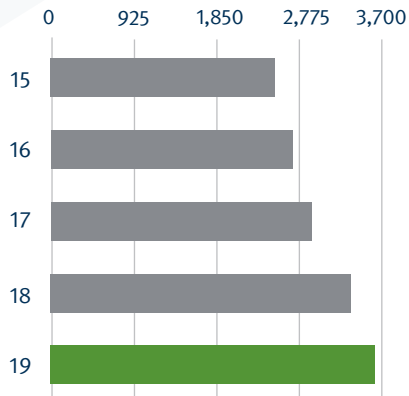
TOTAL ASSETS

(In millions)

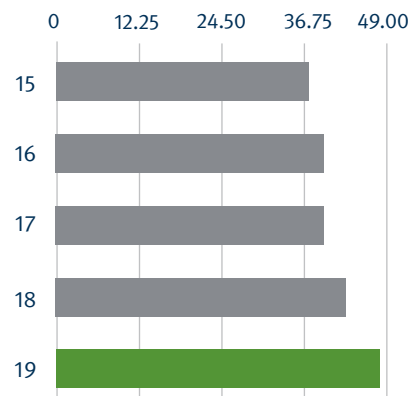


SHAREHOLDERS' EQUITY

(In millions)



BOOK VALUE PER SHARE



SHAREHOLDER LETTER

The ongoing COVID-19 pandemic, a global health crisis derailing life and work for families everywhere, presents a major challenge in writing this shareholder letter. News of its spread, and of the differing government responses across the globe, seems as volatile and unpredictable as the virus itself. Governments have adopted varying degrees of social distancing and quarantine, measures which necessarily place extraordinary pressure on the economy and constrain business at every scale. Reliable information is in short supply, leaving little basis for an evaluation of the true risks on all sides – and to individuals in all their roles, as patients and workers, consumers and investors, business owners, and family members. Taken together, the health epidemic and the corresponding measures are unprecedented and have, by their very nature, inserted tremendous uncertainty into entire societies.

Amid this uncertainty, Stifel is doing its part to contribute to the ultimate recovery. As a firm, we have prioritized the health and safety of our associates while enabling them to continue providing fundamental services to our clients. Our business continuity plans have allowed our associates to operate in disaster recovery sites as well as in other remote locations without interrupting essential systems. As I write this, we have successfully implemented these plans across numerous geographies in which we operate. We have also canceled events, eliminated most travel, and carefully repositioned operational capabilities to maintain excellent service and achieve increased social distancing.

I am proud of Stifel associates who have shown resolve, creativity, and teamwork to achieve the dual objectives of promoting the safety of our people while delivering exceptional service to our clients. By continuing to provide essential and fundamental services, by remaining rational and dependable, by dispensing good advice, and above all by showing faith in the strength and resiliency of the American system, we will play a vital role in the inevitable recovery.

2019 Financial Performance

The 2019 economy, which feels like a light year removed, nevertheless provided a strong foundation for our Company's record year. Inflation remained muted, unemployment fell to historic lows, and growth was generally consistent across our economy. The S&P 500 gained 29%, while interest rates remained low.

In 2019, our business and financial results were the best in our illustrious 129-year history. Over the last several years, our diversity of business has generated not only earnings growth, but also earnings stability. This stability is underscored by the fact that fee-based and net interest revenue has grown, as a percentage of overall revenue, from 21% in 2012 to 42% in 2019.

With regard to our 2019 financial results, Stifel reported record revenue, net income, and earnings per share. Net revenue, which has increased for the last 24 years, totaled slightly more than \$3.3 billion, up 10%. Net income under generally accepted accounting principles ("GAAP") was \$431 million, or \$5.49 per diluted share. On a non-GAAP basis, our net income was \$480 million, or \$6.10 per diluted share. In addition, in January 2020, we announced a 13% increase to our dividend on common shares, our third consecutive annual increase.

Please see the Year in Review section for more color on our 2019 results.

Executing Our Strategic Initiatives

Stifel's Board of Directors, in collaboration with the executive management team, evaluates our strategy and corresponding priorities. Our Board understands that our business is in a constant state of change and, therefore, recognizes the need to be agile and flexible as markets evolve. Our overall strategy, which remains unchanged since I joined Stifel in 1997, is to be in a position to take advantage of opportunity as we endeavor to be a premier wealth management and institutional services firm. In this way, in a little over two decades, we have built Stifel through organic growth and strategic acquisitions from 733 associates to over 8,000 and from \$110 million in revenue to over \$3.3 billion.

Unique, at least in financial services, is our preference for preserving and enhancing the independent excellence of the firms that join us. We want our brands to uphold the reputations they have dedicated themselves to cultivating. While we maximize operational efficiency by integrating risk, settlement, and administrative services, our primary goal is always to better serve our clients, not simply add ornaments to the Stifel emblem.

The intersection of advice and technology continues to be a primary strategic focus for our Company – one requiring careful coordination of investments in infrastructure, including in the cloud, along with training and recruiting. The result is a much more scalable and flexible way to deliver services to clients. Using these new services, clients will be able to access banking and wealth management features from a unified user experience. They will also be able to aggregate and analyze their portfolios, monitor their balance sheet, read custom news feeds, access our research, and more. At the same time, we are improving our supporting and non-client-facing services, as key business areas across the firm are now integrating big data and data analytics into their advice models. We have also invested in a differentiated trade execution facility that can bridge human and machine interaction. Finally, a new enterprise CRM helps keep our institutional businesses connected across the globe. Our clients and professionals will be uniquely connected to each other and to Stifel, making the firm's excellent and differentiating service available in more ways than ever.



RONALD J. KRUSZEWSKI
Chairman of the Board, Chief Executive Officer

We are also focused on providing our clients access to private companies. As market structure has changed, many growth companies are staying private longer, making it difficult for the average investor to participate in their growth. Stifel aims to democratize private company investing through our strategic alliance with OurCrowd, a global leader in crowd funding for startup growth companies.

Our most recent experience dealing with the business issues of COVID-19 has focused us on alternative ways to conduct business and collaborate with clients and colleagues. Clearly, cloud-based solutions and teleconferencing are in some ways an enhancement, and in other ways a backstop, for more traditional means of business. It is noteworthy that our Company processed significant business with up to 80% of our associates working remotely. While this will not be the new normal, we can use what we have learned from this experience to be more productive and flexible in the future.

We have not lost sight of the fact that 2020 is a presidential election year in the United States. The domestic political stakes are high as they relate to the White House and Congress. It has been some time since this country has entered an election season in national crisis with our political parties at two ends of the ideological spectrum. As a regulated business, Stifel will be greatly impacted by what happens this November. Suffice it to say, we will be ready to respond to the opportunities or challenges presented by a post-election Washington.

The Importance of Culture and Diversity

I firmly believe that Stifel's enduring success is rooted in our culture. Our strategic vision would be nothing without the individual contributions and commitment of our associates. Stifel is an entrepreneurial firm at heart, and we move forward when people at all levels are empowered to find new and creative ways to succeed. This culture is one of our greatest assets, because advisors join the firm knowing that they can use Stifel's resources to serve their clients in their own innovative ways.

The lodestar in our culture has always been the Golden Rule. In practice, the Golden Rule asks us to go beyond our own experiences and pay special attention to the way others want to be treated, because we cannot assume that our preferences are all the same. Understanding the Golden Rule in this way demands that we actively listen to and learn from others, and it means our culture must always be a work in progress.

We can do much better with regard to diversity among our associates in particular. The business case for this effort is simple, as greater diversity – in all its forms – provides more opportunities to grow while reducing the risks of blinkered, narrow-minded thinking. This applies to greater diversity in our community just as in our revenue sources, business models, and geographic locations. More importantly, though, this is the only fair and just path forward. Look again at the cover of this annual report, because it expresses an ideal that we should strive for: There should be nothing about anyone's birth or personal background that limits their ability to contribute and compete at our firm. The benefits of moving toward this ideal will be unquantifiable, in the best sense of the word, so I cannot stress enough that diversity doesn't need to earn its place in our ranks. We need to work, and keep working, to earn its benefits.



Please take the time to read the diversity and inclusion message in this report because it expresses a major focus for Stifel, now and into the future.

Conclusion

The economy has been through many crises during my nearly four decades in this business. The lesson I've learned is that risk is omnipresent. I often say that I am most anxious when things appear relatively calm and it is hard to predict the next crisis. Such was my anxiety in late 2019. All seemed as if 2020 would be another record year. How quickly things change.

While we can learn from past crises and explain them all in retrospect, they will never feel normal – especially when they divert careers, delay life choices, or upend lives altogether. We do not yet know what the bounds of this pandemic will be, but looking forward over the next few decades, it is hardly prophetic to predict that there will be more disruptions to come. The world is not getting any simpler. In our business, we must be fundamentally prepared for the unknown, and it is our job to help others do the same.

During my tenure at Stifel, continuing the 129-year traditions of the firm, we have developed the judgment to manage in uncertainty, rather than trying to manage uncertainty itself. Our strategic vision has always centered on unexpected opportunity, which requires us to be poised to act rationally and decisively – and do so when things seem least clear, which is where opportunity most frequently appears.

We guide our clients in the same way. As managers and advisors, we aim to make things more certain and predictable, to quantify risk and reward. Yet we must also steel ourselves and our clients for true uncertainty, because that is where real risk and real opportunity always lie; it is where downturns and crises are nurtured, but also where entrepreneurship reigns. While I would never predict the market here, I offer the following as a token of faith: My prediction is that the next 100% move in the market will be up. Or, said another way, the Dow will achieve 40,000 before the Dow goes to zero.

There will be a time when this pandemic is behind us, and markets will rebound as people take back to the skies and the streets to dine, travel, and shop. Until then, we will use our strength to contribute to a better outcome for those more directly affected, as individuals and businesses, nationally and locally. I am confident that the American people will get through this.

As always, we sincerely thank our shareholders and clients for their support, as well as our more than 8,000 associates for their commitment to excellence.

A handwritten signature in black ink, appearing to read 'Ron Kruszewski', with a stylized flourish at the end.

RONALD J. KRUSZEWSKI
Chairman of the Board and Chief Executive Officer
March 26, 2020

YEAR IN REVIEW

In 2019, Stifel reported:

- Record net revenues of \$3.3 billion, increased 10.3% compared with 2018.
- Record net revenues and pre-tax operating income in Global Wealth Management.
- Record net revenues in Institutional Group.
- Record net income available to common shareholders of \$431.1 million, or \$5.49 per diluted common share.
- Record non-GAAP net income available to common shareholders of \$479.6 million, or \$6.10 per diluted common share.

For the year ended December 31, 2019, the Company reported net income available to common shareholders of \$431.1 million, or \$5.49 per diluted common share on record net revenues of \$3.3 billion, compared with net income available to common shareholders of \$384.6 million, or \$4.73 per diluted common share, on net revenues of \$3.0 billion for the comparable in 2018.

For the year ended December 31, 2019, the Company reported non-GAAP net income available to common shareholders of \$479.6 million, or \$6.10 per diluted common share. The Company's reported GAAP net income for the year ended December 31, 2019, was primarily impacted by merger-related expenses. Details are discussed below and in the "Reconciliation of GAAP Net Income to Non-GAAP Net Income" section.

We continuously strive to improve client service and invest in our future, and we are also focused on improving our operational efficiency. Three years ago, we articulated a strategy to identify costs, savings, and efficiencies, and to further integrate our businesses. These steps have resulted in a meaningful improvement in our non-GAAP performance metrics as compared to 2016, as our:

- Compensation ratio improved to 58.1% vs. 62.8%;
- Non-compensation expense ratio improved to 21.8% vs. 24.1%;
- Pre-tax margin improved to 19.9% vs. 13.1%; and
- Return on tangible equity improved to 24.6% vs. 15%.

A clear benefit of our improved financial metrics is the generation of significant cash flow. We remain focused on maximizing risk-adjusted returns when deploying our capital, yet as a growth company, we believe that investing in our business to enhance our relevance to our clients is essential. In 2019, these investments included six acquisitions and significant hiring of talented people to further expand our revenue base. Furthermore, we continued to make essential investments in technology to improve the client experience as well as the efficiency of our associates.

Stifel has executed an acquisition strategy that has served the Company well over the last 15 years. These acquisitions have made Stifel more relevant to our clients and expanded our foundation for growth while increasing shareholder value. In 2019, we saw the opportunity to expand on this strategy with the acquisitions of First Empire Holding Corp., Mooreland Partners, B&F Capital Markets, Inc., and MainFirst Bank AG, as well as the businesses of George K. Baum & Company and GMP Capital Inc.

In addition to focusing on acquisitions, strategic hiring, and investments in technology, we utilized the strength of our balance sheet to return approximately \$300 million to shareholders through dividends, net settlement of restricted stock units, and share repurchases. Today, there exists a significant debate, primarily political in nature, about the appropriateness of share repurchases. We view share repurchases as an important capital tool, yet understand the importance of buying back stock at a reasonable price. Said another way, share repurchases should add value to remaining shareholders. Of course, we understand the policy discussion restricting share repurchases if a company needs government assistance.

Both of our operating segments performed very well. Global Wealth Management, which represents approximately two-thirds of our overall revenue, achieved record revenue of \$2.1 billion, an increase of 7% over 2018, and achieved record profitability. Our Institutional business also achieved record revenue of \$1.2 billion.

Our Private Client Group now consists of more than 2,200 financial advisors who serve clients from 382 offices across the country. We had a strong year for financial advisor recruiting, opening 18 new Private Client Group offices and adding 150 financial advisors from a variety of firms. Our Wealth Management business continues to benefit from growth and stability of revenue. As of the end of 2019, we managed approximately \$330 billion in client assets. The success of this group emanates from the entrepreneurial character of each of our financial advisors. As always, our goal is to support them with the tools and resources they need to do what they do best: build strong relationships with clients to better define and meet their financial goals.

As it relates to client communication and marketing, we continue to grow our technology and digital offerings to create a more efficient and personalized experience for clients and advisors. We've ramped up efforts to provide our financial advisors with the most cutting-edge digital marketing capabilities in the marketplace. We now have a suite of offerings that enable our advisors to better communicate with their clients on social media platforms like Facebook and LinkedIn, as well as online with customized advisor websites.

2019 RESULTS

(in thousands)

	2019	%
TOTAL FIRM		
Total Revenues	\$3,514,961	10
Non-GAAP Net Income	479,636	12
Non-GAAP EPS	6.10	16
GLOBAL WEALTH MANAGEMENT		
Net Revenues	2,130,559	7
Contribution	785,960	7
AUM	329,495,000	22
INSTITUTIONAL		
Equity Net Revenues	797,591	5
Fixed Income Net Revenues	416,426	40
Net Revenues	1,214,017	15
Contribution	175,670	12
INSTITUTIONAL CLIENT SERVICES		
Equity	166,577	(10)
Fixed Income	255,969	38
Total	422,546	14
INVESTMENT BANKING		
Equity	599,748	17
Fixed Income	217,673	11
Total	817,421	16
Capital Raising	369,442	10
Advisory	447,979	21

Percent represents the increase/(decrease) over prior year results.

Stifel Bancorp ended the year with \$16.9 billion in assets while maintaining a conservative risk profile. Stifel Bancorp's credit metrics remained solid, with a non-performing asset ratio of 0.09%, an improvement of five basis points from 2018. Our asset quality metrics compare very favorably to the overall market and reflect our conservative approach. Firm-wide assets totaled \$24.6 billion, and we ended the year with a Tier 1 leverage ratio of 10.0% and a risk-based capital ratio of 17.6%.

Investment Banking revenues totaled \$817 million in 2019. Capital-raising revenue totaled \$369 million, while advisory revenue was \$448 million, up 21% from 2018.

On the advisory front, we completed over 130 M&A strategic advisory assignments. This number includes 18 transactions from our new colleagues from Mooreland Partners, who joined the firm this year and solidified our foothold in European and technology advisory.

Noteworthy assignments include being the exclusive financial advisor to ESCO Technologies (NYSE: ESE) on the sale of its technical packaging segment, TEQ, to Sonoco (NYSE: SON); advisor to the COFINA Senior Bond Coalition on the \$17.6 billion debt restructuring of Puerto Rico's bonds; exclusive financial advisor to Electro Scientific Industries (Nasdaq: ESIO) on its \$1.1 billion sale to MKS Instruments (Nasdaq: MKSI); financial and restructuring advisor to Gymboree Group, a multi-brand children's clothing retailer; and exclusive financial advisor and placement agent to Century Casinos in its \$385 million acquisition of three casino assets from Eldorado Resorts.

We would be remiss if we did not highlight KBW, which posted another exceptional year. In 2019, KBW advised on 10 of the top 15 bank mergers, was the No. 1 bank IPO lead book-runner, and advised on the largest mutual to mutual insurance company merger in the past decade. KBW's specialized focus on the financial sector and long-standing client relationships helped fuel the best year for M&A advisory in its illustrious history.

With respect to equity capital raising, we completed 30 book-run IPOs and 84 book-run follow-ons in 2019. Our strength across key sectors, including healthcare, technology, financials, and energy, continued with book-managed transactions for a number of clients, including the IPOs of IGM Biosciences, an early-stage, oncology-focused biotech company; HBT Financial, a bank holding company that provides a comprehensive suite of banking products and services to businesses, families, and local governments; DWF, the first IPO of a global legal business on the London Stock Exchange; and Lyft, a \$2.6 billion offering for a leading peer-to-peer marketplace for on-demand ridesharing. Equally impressive, we acted as sole structuring advisor, initial purchaser, and placement agent for a \$175 million private 144a offering of common stock by NetSTREIT, an internally managed real estate company that acquires, owns, and manages a diversified portfolio of single-tenant commercial retail real estate leased on a long-term, primarily triple-net basis.

Our Institutional Sales and Trading businesses posted revenue of \$423 million, an increase of 14% over 2018. Fixed Income Brokerage was up 38%, buoyed by strategic positioning and our acquisition of First Empire.

Equity Brokerage was down 10% largely due to the implementation of the most significant regulatory change in the brokerage business in decades (MiFID II). We are confident that the equity brokerage business will improve in 2020 as the significant regulatory headwinds subside.

The closing of the acquisitions of MainFirst in Europe and GMP in Canada in the fourth quarter of 2019 significantly bolstered our equity capabilities. On a combined basis, Stifel is now the largest provider of research coverage in North America and Europe. A primary focus of the division in 2020 is cross-selling the new products and capabilities to clients globally.

Stifel's debt capital raising is anchored by our Public Finance business, which is driven by both geographic and sector diversification. For the sixth consecutive year, Stifel led the nation in the number of municipal negotiated issues, serving as sole or senior manager for 803 transactions with a total par value of nearly \$16.3 billion. In addition, the acquisition of the business of George K. Baum expanded Stifel's reach both in terms of geographic coverage and growing specialty practices. The strength of Stifel's combined integrated platform has also been demonstrated by extremely strong secondary market activity during the recent municipal bond market dislocation, in which our municipal desks have cleared a significant volume of trades with entities that do not conventionally participate in the market, allowing new investors to find opportunities and allowing the market to clear tax-exempt fund outflows.

Looking forward, 2020 will be a year of uncertainty and increased volatility. The social and economic impact of COVID-19 is yet to be determined, and we have a national election in November of this year. Yet, despite the uncertainty, we are confident in Stifel's ability to successfully navigate this environment.



VICTOR J. NESI
Co-President

JAMES M. ZEMLYAK
Co-President

As Ron notes, we are writing these letters during a time when the fear and anxiety caused by the impact of the COVID-19 virus, both personal and professional, are palpable. Ron further mentions that one of Stifel's many strengths is the geographic and revenue diversity of our operating model. As evidence of that fact, at the time of writing this letter, up to 80% of our associates are working remotely.

We recognize that we need that same benefit of diversity when it comes to our associates and have taken the initial steps to implement programs to accomplish that goal. In addition to many business line-specific initiatives, we established the Stifel Women's Initiative Network ("WIN") in 2018 and appointed a Head of Diversity & Inclusion in 2019.

During times of crisis that impact individuals and entire societies, such as the one we are now facing, it is not the leadership or strength of a single individual that shines through, but the collective strength of a group of individuals that eventually leads the way. Stars shine brightest when it is darkest.

So it is at Stifel. What has become clear through this crisis is that Stifel is a collection of diverse, strong, caring, inclusive individuals, united in helping each other and in serving our clients. As we continue to grow, our focus on diversity of all types will only make that culture of inclusiveness and strength more resilient and impactful for the betterment of us all and our clients.

We have the privilege of leading these exceptional individuals on a daily basis. We thank you, our shareholders, and our associates for that privilege.

DIVERSITY AND INCLUSION

Given our ever-changing, increasingly interconnected world, there is a strong business case for developing and maintaining a diverse workforce. After all, having a mix of perspectives, experiences, and ideas can lead to more innovation and better decision-making. Studies have shown that companies with diverse workforces often deliver better financial results.

But that's not the proper lens through which to view diversity and inclusion. It's not about numbers; it's simply the right thing to do.

Here at Stifel, we've built a culture that rewards collaboration, hard work, and empathy. And at the core of that culture is the Golden Rule of treating others as one would wish to be treated.

As a society, there is much work to be done. The gender wage gap still exists. Racial inequality still exists. But as a company, we are committed to working for change.

Take, for instance, our Women's Initiative Network – or WIN. Started organically by a small group of the firm's top female advisors, WIN has evolved into a company-wide initiative designed to engage, equip, and empower women to recognize their value, set goals, and reach their potential in both their personal and professional lives. Today, it includes every woman at Stifel, providing networking and mentoring opportunities for women at every stage of their careers at the firm.

Under the leadership of Crystal Schlegl and Carol DeNatale, WIN has made tremendous strides. More broadly, it has provided a framework for future initiatives to increase diversity at Stifel by enabling everyone in the company to thrive. One such initiative is the Stifel Diversity & Inclusion Champions, a group of associates focused on outreach – to employment candidates, to our associates, and to our community – with the goal of helping make Stifel a firm that truly reflects the diverse clients we serve. Carrie Kramer, Head of Diversity & Inclusion, is spearheading this initiative as well as a number of other programs in the coming year as we continue to weave diversity and inclusion into the core fabric of how we do business.

We also recently announced that Stifel will serve as a 2020 President's Circle sponsor of the Financial Women's Association (FWA) of New York. The FWA is an organization committed to developing future women leaders and enhancing the role of women in finance, and this partnership will bring even more opportunities for our female associates to collaborate, network, and expand their skill sets while also giving back to the community through mentoring.

We understand that correcting decades of inequity is not something that can be achieved quickly. Nor is it something that can be done through empty platitudes. It takes buy-in and commitment. It also requires us to take a look in the mirror and ask if we're truly doing all we can. By developing a culture of respect, where everyone is a valued contributor, we will position Stifel to continue to grow, adapt, and succeed.

STIFEL WOMEN'S INITIATIVE NETWORK



CAROL DENATALE
Chief Operating Officer
Investment Banking

CRYSTAL SCHLEGL
First Vice President
Private Client Group



STIFEL DIVERSITY & INCLUSION CHAMPIONS

A MESSAGE FROM THE CEO

“While Stifel has long been the firm of choice for successful women, it’s clear to me that we need to do more.

Nurturing gender, racial, and cultural diversity is imperative to our future success.

This is a male-dominated industry, and I am going to change that. I am committed to it.”

Ron Kruszewski

Chairman and CEO
Stifel Financial Corp.

WEALTH MANAGEMENT

PRIVATE CLIENT GROUP

Stifel has grown to become one of the nation's largest wealth management firms, ranking No. 7 in terms of number of financial advisors.

At the heart of our success is a culture built on respect. Respect for our clients and the financial advisors who serve them. To that end, we foster an entrepreneurial environment for our advisors, empowering them to do what's best for their clients. We also provide our advisors with the tools and support to deliver outstanding service and address even the most complex client needs.

150

Financial Advisors
Joined Stifel
in 2019

18

New Private
Client Group
Offices

382

Private Client
Group Branches

\$330

Billion
in Assets Under
Management

7th

**largest full-service investment firm in the
nation in number of financial advisors**

RANK	FIRM	ADVISORS
1	Bank of America Merrill Lynch	17,458
2	Morgan Stanley Wealth Management	15,468
3	Wells Fargo Advisors	13,512
4	Raymond James	8,060
5	UBS	6,549
6	JPMorgan	2,890
7	Stifel	2,222

Source: SIFMA and publicly available information for U.S. brokerage networks. Includes investment banks only.

STIFEL BANK

\$17 Billion

in Assets

- Collaborates with Stifel financial advisors and investment bankers to serve the broader needs of clients
- Delivers a full range of banking and lending services, including mortgage lending, securities-based lending, and private banking services
- Offers sponsor finance, venture banking and lending, and fund banking services to private equity and venture capital investors and their portfolio companies, often in conjunction with additional services through Stifel's investment banking and wealth management professionals, among others
- Provides corporate lending and treasury management services with a focus on middle-market companies, often in collaboration with the firm's broad institutional capabilities for the middle market

STIFEL TRUST

\$4.3 Billion

in Assets Under Administration

- Offers integrated trust services, including corporate successor trustee appointments, charitable and special needs trusts, and Delaware trust services
- Launched donor-advised funds and legacy funds to further the planning and philanthropic needs of our wealth management clients

ASSET MANAGEMENT

Providing investment management and services to individuals and institutions and over a breadth of asset classes

STIFEL ASSET MANAGEMENT AFFILIATES

19/19 INVESTMENT
COUNSEL

 **Equity**Compass

WASHINGTON
CROSSING
ADVISORS

TOTAL ASSETS UNDER MANAGEMENT*

\$16 Billion

in Assets Under Management

\$8 Billion

in Assets Under Advisement

*Total assets under management, excluding private equity funds discussed herein that are direct or indirect subsidiaries of Stifel.

INVESTMENT BANKING

Stifel is the industry's preeminent middle-market investment bank. Stifel advises on mergers and acquisitions and raising public and private debt and equity through our corporate clients as well as through our dedicated financial sponsors and venture capital effort, maintaining regular dialogue and transaction flow with corporations and private equity firms focused on Stifel's core industry groups.

The combination of a full-service product offering and the deep domain expertise of our more than 600 bankers empowers us to provide solutions for our clients' evolving needs.

SINCE 2010, IN THE MIDDLE MARKET, STIFEL INVESTMENT BANKING IS ...

No. 1 in Total Number of Managed Equity Deals Under \$1 Billion¹

No. 2 in Total Number of Bookrun Equity Deals Under \$1 Billion¹

No. 1 in Total Number of Preferred & Baby Bonds Under \$200 Million²

No. 1 in Total Number of M&A Deals Under \$1 Billion³



GEOGRAPHIC EXPANSION

Extended our global reach into Canada, China, France, Germany, Israel, Italy, Japan, and Korea.



SECTOR GROWTH

Expanded sector coverage for Business Services, Cannabis, and Media & Telecom, and doubled the size of the firm's Global Technology Group.



INCREASED SPONSOR COVERAGE

Tripled the size of our Sponsor Coverage Group, completing more than 100 sell-side transactions.

\$125B+

Completed Transactions

235+

Executed Debt and Equity Offerings

IN 2019

110+

Executed Offerings Serving as Bookrunner

130+

M&A Strategic Advisory Assignments

OUR CAPABILITIES:

ADVISORY

M&A
Activism
Restructuring

EQUITY CAPITAL MARKETS

Initial Public Offerings
Follow-Ons/Blocks/Buybacks
144A/Private Placements
Convertible Notes/Preferreds/SPACs

DEBT CAPITAL MARKETS

Investment Grade
Leveraged Finance
Private Placements

Source: Dealogic

¹ Rank-eligible SEC-registered IPOs and follow-on offerings

² Excludes closed-end funds and trust preferreds

³ M&A Analytics



KEEFE, BRUYETTE & WOODS
A Stifel Company

A full-service boutique investment bank and broker-dealer specializing in the financial services sector

Advised on
**10 of the
Top 15**
bank mergers
in 2019¹

Ranked No. 1
bank IPO
lead bookrunner²

Advised on the
**largest
mutual to mutual
insurance
company merger**
in the past decade³

Achieved
**record M&A
revenue**

Ranked No. 1
FIG Equity Sales Force,
FIG Equity Trading Desk,
and U.S. SMID Bank
Research by
Greenwich Associates



MILLER BUCKFIRE
A Stifel Company

A leading investment bank specializing in corporate restructuring and recapitalization

THE M&A ADVISOR DEALS OF THE YEAR

**Restructuring
Deal
of the Year**
(\$10 billion or more)
COFINA

**Distressed M&A
Deal of the Year**
(\$50 million
to \$75 million)
Acquisition of B&G
Crane Services
by Maxim Crane

**Distressed M&A
Deal of the Year**
(\$10 million
to \$25 million)
Sale of select Things
Remembered Stores

**TURNAROUND ATLAS
AWARDS OF THE YEAR**

**Mega
Restructuring
Deal of the Year**
COFINA

EATON

PARTNERS
A Stifel Company

One of the world's largest fund placement agents and advisory providers

Raised
\$100+ billion
across more than
140 highly differentiated
alternative investment
funds and offerings
since 1983

Served as
**exclusive
advisor and
placement agent**
on the restructuring of
Spirit Music Group
and its portfolio of 200+
Billboard hits

Met or exceeded
hard caps for
70% of funds
in 2019 – despite
volatile market
conditions

**Grew our network
of investors**
to include more of the
world's largest pension
funds, asset managers,
endowments,
foundations, and
family offices

¹Source: S&P Global Market Intelligence

²Source: Dealogic

³Source: S&P Global Market Intelligence

INSTITUTIONAL SERVICES

EQUITY RESEARCH

Stifel's breadth and quality of equity research are unparalleled. We lead the industry with the largest equity research platform in the U.S. and have the 8th largest global platform. The quality of our research has been consistently recognized, with 13 consecutive top 10 finishes in the StarMine Analyst Awards.

Our unwavering focus is to help our clients make the best investment decisions possible. Our analysts are at the heart of our research, averaging more than two decades of experience – many of whom have hands-on experience in the industries they cover. This continuity and experience enable proprietary and differentiated insights that drive better research and better results for our clients and advisors.

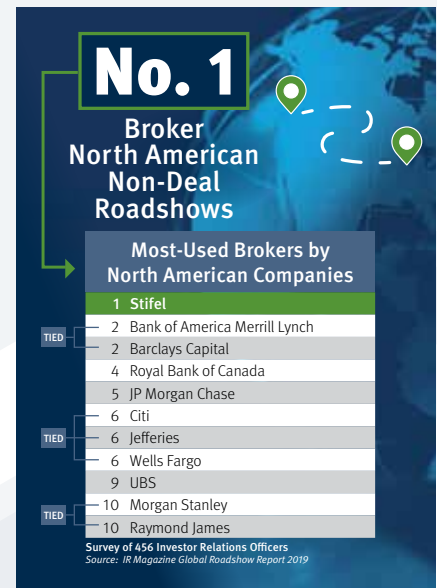
UNITED STATES

THIRTEEN
consecutive
top ten finishes
in the **StarMine Analyst Awards**,
with **No. 1** rankings
in 2016 and 2017 and
Top 3 rankings
in 2010, 2011, 2012,
2013, 2014, and 2018

- Largest U.S. equity research platform
- Largest U.S. provider of small and mid cap research

TOP FIVE PROVIDER OF U.S. EQUITY COVERAGE IN:

- Banks
- Capital Markets
- Commercial Services & Support
- Construction & Engineering
- Healthcare Equipment
- Information Technology
- Insurance
- Machinery
- Oil & Gas Consumable Fuels
- Real Estate



GLOBAL

EXTEL AWARDS

No. 1 Germany
Country Research

No. 1 Germany
Leading Brokerage Firm

No. 1 Switzerland
SMID Research

No. 2 Switzerland
Country Research

No. 2 Switzerland
Leading Brokerage Firm

No. 3 Germany
SMID Research

No. 5 France
Leading Brokerage Firm

No. 5 Pan-European Brokerage
Firm for Research – UK SMID

TOP FIVE PROVIDER OF GLOBAL EQUITY COVERAGE IN:

- Banks
- Capital Markets
- Commercial Services & Support
- Construction & Engineering
- Energy Equipment
- Healthcare Equipment
- Information Technology
- Insurance
- Machinery
- Materials
- Oil & Gas Consumable Fuels
- Real Estate

MORE THAN 2,100 STOCKS UNDER COVERAGE

159 ANALYSTS ACROSS 15 SECTORS

- Largest provider of coverage across North America and Europe
- Largest global provider of small cap and mid cap coverage
- Largest global provider of coverage in financials, industrials, energy, and information technology

Source: StarMine, 12/31/19

Includes firms acquired by Stifel. See www.stifel.com/research for more information on the StarMine Analyst Awards.



INSTITUTIONAL SALES AND TRADING

FIXED INCOME

- 📍 80+ traders with annual client trade volume of more than \$475 billion^{1,2}
- 📍 60+-member Fixed Income Research and Strategy Group
- 📍 220+-person fixed income institutional sales force
- 📍 40+ institutional fixed income offices nationwide
- 📍 Offices in Geneva, London, Madrid, and Zurich

INSTITUTIONAL INVESTOR ALL-AMERICA RESEARCH RANKINGS

- 📍 Ranked No. 8 among all U.S. firms with recognition in five analyst fields
- 📍 Ranked No. 5 in Investment Grade, No. 8 in High Yield

GREENWICH ASSOCIATES 2019 STUDY RESULTS*

- 📍 Investment Grade: No. 1 in Market Penetration and Forward Momentum
- 📍 High Yield: No. 1 in Service, Market Share, and Forward Momentum

EQUITIES

- 📍 Third largest U.S. equity trading platform³
- 📍 Traded more than 6.7 billion shares in 2019 (Stifel and KBW combined)
- 📍 Relationships with more than 3,500 institutional accounts globally
- 📍 Active daily market-maker in more than 4,000 stocks
- 📍 Major liquidity provider to largest equity money management complexes
- 📍 Multi-execution venues: high-touch, algorithms, program trading, and options trading
- 📍 Dedicated convertible sales, trading, and research desk
- 📍 Active equity trading desks in the U.S., Canada, London, and Europe

¹ As of 12/31/19

² Trailing 12 months, 12/31/19

³ Among non-bulge bracket firms



PUBLIC FINANCE

TOP-RANKED PUBLIC FINANCE PLATFORM

- No. 1-ranked senior manager of negotiated municipal bond issues
- Funding capital projects and supporting governmental and not-for-profit clients

BROAD GEOGRAPHIC AND SECTOR COVERAGE

- 270 public finance associates in 36 offices
- Broad diversity of experience and depth of resources to best serve our clients
- Dedicated quantitative resources and sector groups

STIFEL'S NATIONAL SCHOLARSHIP COMPETITION

Awards \$2,000 scholarships to 50 high school seniors who compose essays reflecting on their challenges and accomplishments.



No. 1 by Par Amount in

K-12, Land Secured, National Development, and Tax Increment

No. 1 by Par Amount in

Indiana, Michigan, and Missouri

No. 1 by Number of Issues in

Bank Qualified, Multifamily Housing, Tax Increment Financing

No. 1 by Number of Issues in

Arizona, California, Illinois, Indiana, Michigan, and Ohio

Note: State rankings include George K. Baum issues prior to acquisition.

RANK	FIRM	# OF ISSUES	MARKET SHARE	PAR AMOUNT (MILLIONS)
1	Stifel	803	11.8%	\$16,263.4
2	RBC	619	9.1	24,831.9
3	Raymond James	450	6.6	11,874.3
4	Piper Sandler	413	6.1	11,034.7
5	D.A. Davidson	368	5.4	4,708.0
6	Robert W. Baird	340	5.0	4,713.2
7	Bank of America Merrill Lynch	326	4.8	45,312.0
8	Citi	311	4.6	35,520.8
9	JPMorgan	250	3.7	24,919.4
10	Morgan Stanley	232	3.4	28,868.0

Source: Thomson Reuters SDC

Stifel delivers a full-service investment bank to companies and investors in the middle market across Europe. Stifel Europe is based in London, with offices in Frankfurt, Geneva, Madrid, Milan, Munich, Paris, and Zurich. In our chosen sectors, Stifel Europe offers advice across the capital structure, connecting growing companies with investors who are willing and able to support their expansion.

Stifel Europe successfully executed a total of 26 equity capital markets deals across the London markets in 2019, representing a near 10% market share.

According to data from ECM Insight, Stifel Europe ranked second among all investment banks, as measured by volume of UK deals, up from No. 4 in 2018.

Stifel Europe raised more than 1.3 billion pounds for clients in 2019. Notable transactions include a secondary share placing for Diversified Gas & Oil PLC (AIM: DGOC), which ranked as the year's third largest fundraise on the Alternative Investment Market, and the initial public offering of DWF Group PLC (LON: DWF), the largest UK law firm to ever go public.

The firm has now participated in 176 transactions that have raised more than 33 billion pounds for clients in Europe since entering the London market in mid-2014. We maintain market-leading positions in several European sectors, including real estate, investment funds, oil & gas, and technology, along with powerful trans-Atlantic franchises in healthcare and in financial services through KBW.

Thanks to our acquisition of MainFirst Bank AG, our pan-European platform is now equipped to deliver superior capabilities and meaningful reach across the continent, with our combined business offering equity research coverage of more than 700 European companies. Our MainFirst platform allows us to offer European execution services to clients regardless of the outcome of Brexit negotiations.

Completed the acquisition of MainFirst Bank AG

Grew to more than 500 professionals

Won five awards in StarMine's Europe and United Kingdom/Ireland rankings

Ranked

- No. 1 in Germany*
- No. 2 in Switzerland*
- No. 5 Overall UK Research (up from 11)
- No. 6 Overall Brokerage (up from 10)

in the Extel 2019 UK Small and Mid Caps Survey

and

- No. 2 in Banks by volume and No. 6 by value
- No. 3 in Financial Advisers by volume and No. 5 by value
- No. 5 in Banks in the Alternative Investment Market by volume and No. 6 by value

in the London markets by ECM Insight

*Rankings pertain to MainFirst Bank AG, acquired by Stifel in November 2019

Source: ECMi Report 2019

BOARD OF DIRECTORS



Ronald J. Kruszewski
*Chairman of the Board
and Chief Executive Officer*



Adam T. Berlew
*Executive Director of Americas Marketing
Google Cloud*



Kathleen Brown
*Partner
Manatt, Phelps & Phillips, LLP*



Michael W. Brown
*Former Vice President and
Chief Financial Officer
Microsoft Corporation*



John P. Dubinsky
*President and Chief Executive Officer
Westmoreland Associates, LLC*



Robert E. Grady
*Partner
Gryphon Investors
Lead Independent Director*





Daniel J. Luedeman, Sr.
President and CEO
Concordance Academy of Leadership



Maura A. Markus
Former President and Chief Operating Officer
Bank of the West



James M. Oates
Chairman
Hudson Castle Group, Inc.



David A. Peacock
President and Chief Operating Officer
Schnuck Markets, Inc.



Thomas W. Weisel
Senior Managing Director



Michael J. Zimmerman
Vice Chairman
Continental Grain Company



SHAREHOLDER INFORMATION

ANNUAL MEETING

The current public health and travel situation may make it difficult for some shareholders to make plans to attend an in-person meeting. For this reason, our 2020 Annual Meeting of Shareholders will be virtual-only, Friday, May 15, 2020, at 9:30 a.m. Central. For instructions on how to access, vote, and submit questions at the virtual meeting, please refer to page 2 of our proxy statement distributed on April 3, 2020.

TRANSFER AGENT

The transfer agent and registrar for Stifel Financial Corp. is Computershare Trust Company, N.A., Canton, Massachusetts.

STOCK LISTINGS

The common stock of Stifel Financial Corp. is traded on the New York Stock Exchange and Chicago Stock Exchange under the symbol "SF." The high/low sales prices for Stifel Financial Corp. common stock for each full quarterly period for the last two calendar years are as follows:

	SALES PRICE				CASH DIVIDENDS	
	2018		2019		2018	2019
	High	Low	High	Low		
First Quarter	\$ 68.76	\$ 56.36	\$ 57.03	\$ 39.80	\$ 0.12	\$ 0.15
Second Quarter	61.93	52.21	59.93	52.90	0.12	0.15
Third Quarter	57.14	51.01	61.94	50.75	0.12	0.15
Fourth Quarter	53.23	38.39	63.52	49.63	0.12	0.15

RECONCILIATION OF GAAP NET INCOME TO NON-GAAP NET INCOME

A reconciliation of GAAP Net Income to Non-GAAP Net Income and GAAP Net Income Per Diluted Common Share, the most directly comparable measure under GAAP, to Non-GAAP Earnings Per Diluted Common Share is included in the table below.

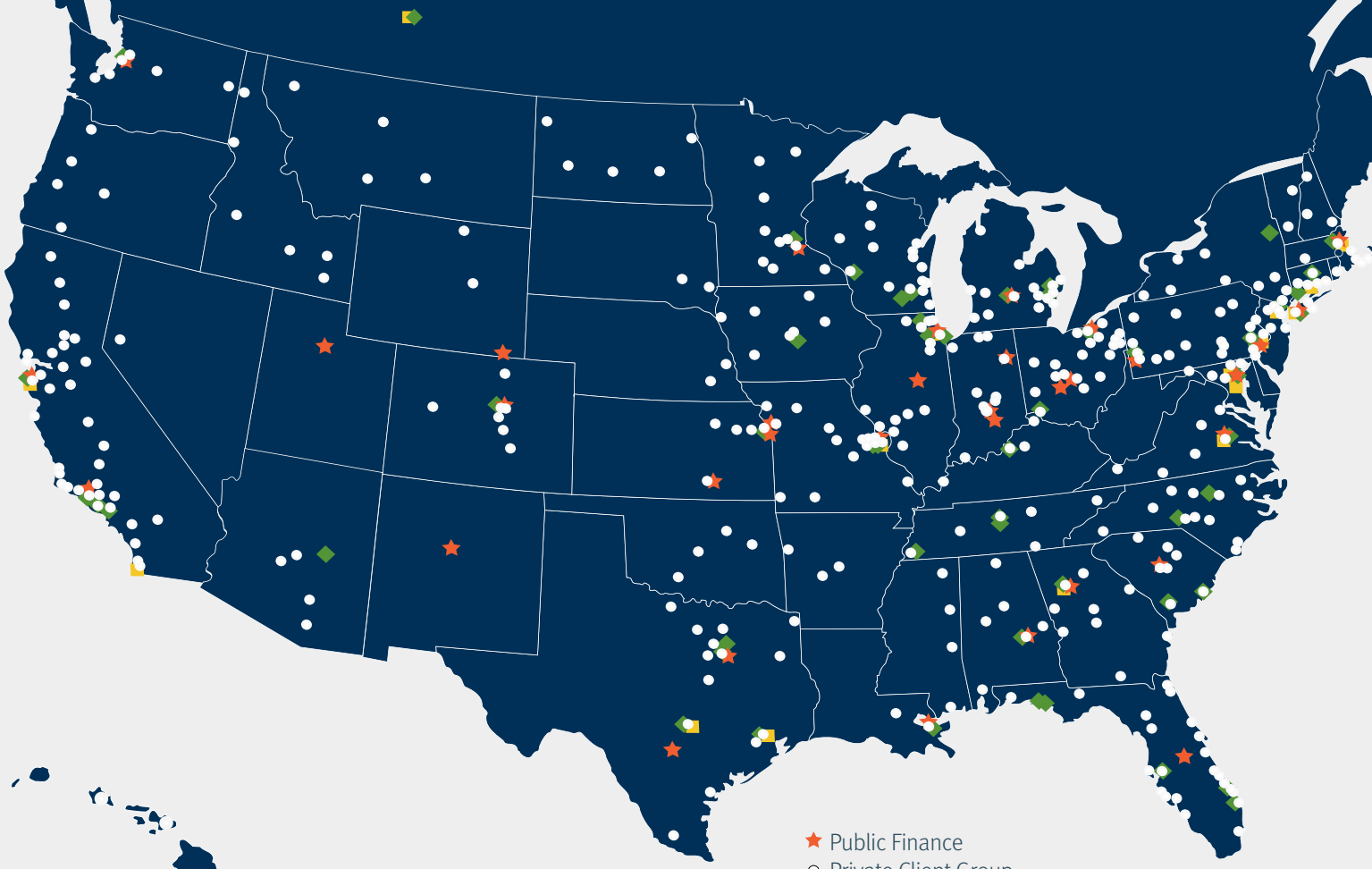
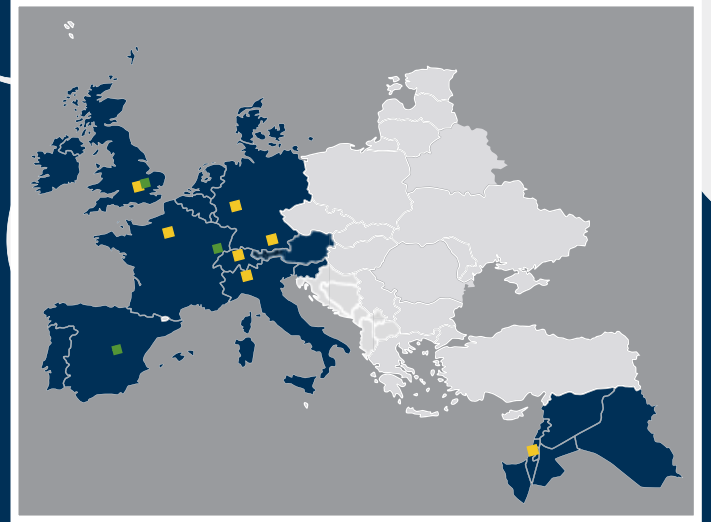
(in thousands, except per share amounts)	2015	2016	2017	2018	2019
GAAP net income	\$92,336	\$81,520	\$182,871	\$393,968	\$448,396
Preferred dividends	—	3,906	9,375	9,375	17,319
GAAP net income available to common shareholders	92,336	77,614	173,496	384,593	431,077
Tax reform, net of tax	—	—	85,426	—	—
Litigation charges, net of tax	—	—	22,667	5,251	—
Acquisition revenues, net of tax	2,367	2,681	1,251	19	132
Acquisition charges, net of tax					
Compensation	38,356	63,718	21,766	13,400	24,288
Other non-compensation	16,193	41,692	14,930	26,179	24,139
U.S. tax benefit ¹	—	—	3,847	—	—
Non-GAAP net income	\$149,252	\$185,705	\$323,383	\$429,442	\$479,636
GAAP earnings per diluted common share	\$1.18	\$1.00	\$2.14	\$4.73	\$5.49
Adjustments	0.72	1.39	1.85	0.55	0.61
Non-GAAP earnings per diluted common share	\$1.90	\$2.39	\$3.99	\$5.28	\$6.10

¹ U.S. tax benefit in connection with the favorable impact of the adoption of new accounting guidance associated with stock-based compensation and the revaluation of the Company's deferred tax assets as a result of the enacted tax legislation in 2017.

STIFEL LOCATIONS

More than
400
global
offices

Approximately
8,000
Associates



- ★ Public Finance
- Private Client Group
- Investment Banking
- ◆ Institutional Sales Offices (Equity & Fixed Income)

STIFEL

Stifel Financial Corp. | www.stifel.com
One Financial Plaza | 501 North Broadway | St. Louis, Missouri 63102