



FISCAL 2Q20 RESULTS

April 29, 2020

RAYMOND JAMES

FISCAL 2Q20 OVERVIEW

Paul Reilly
Chairman & CEO, Raymond James Financial

OUR PRIORITIES IN RESPONSE TO COVID-19



Ensure the health and safety of our associates and advisors



Maintain continuous service and support for clients



Continue supporting our communities during these challenging times

FISCAL 2Q20 HIGHLIGHTS

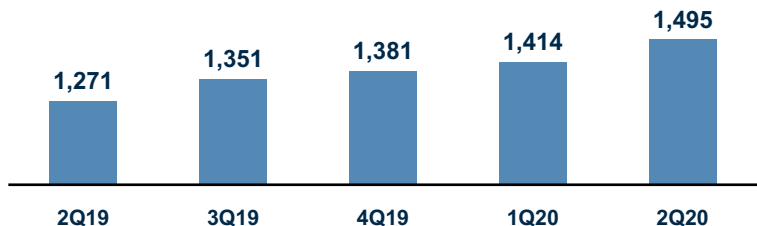
<i>\$ in millions, except per share amounts</i>		2Q20	vs. 2Q19	vs. 1Q20
Net revenues	RECORD	\$ 2,068	11%	3%
Net income		\$ 169	(35)%	(37)%
Earnings per common share - diluted		\$ 1.20	(34)%	(37)%
			2Q19	1Q20
Return on equity		9.9%	16.7%	16.0%
Return on tangible common equity*		10.8%	18.5%	17.5%

FISCAL 2Q20 KEY METRICS

<i>\$ in billions</i>		2Q20	vs. 2Q19	vs. 1Q20
Client assets under administration		\$ 773.9	(3)%	(14)%
Private Client Group (PCG) assets under administration		\$ 734.0	(3)%	(14)%
PCG assets in fee-based accounts		\$ 383.5	1%	(14)%
Financial assets under management		\$ 128.2	(7)%	(15)%
Total clients' domestic cash sweep balances	RECORD	\$ 52.9	27%	34%
PCG financial advisors	RECORD	8,148	4%	1%
Bank loans, net	RECORD	\$ 21.8	8%	2%

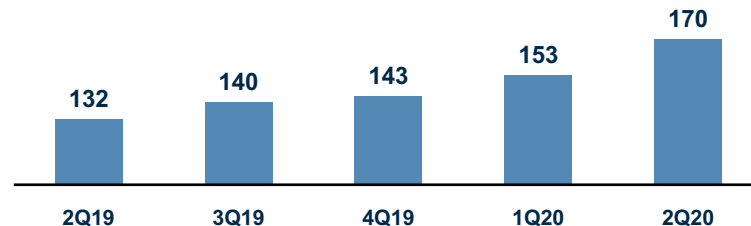
PRIVATE CLIENT GROUP

Net Revenues
\$ in millions



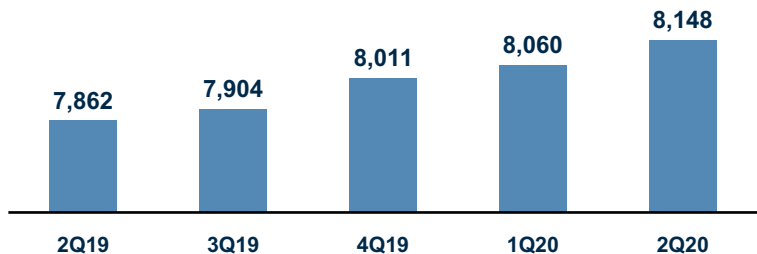
Year-over-year change: 18%
Sequential change: 6%

Pre-Tax Income
\$ in millions



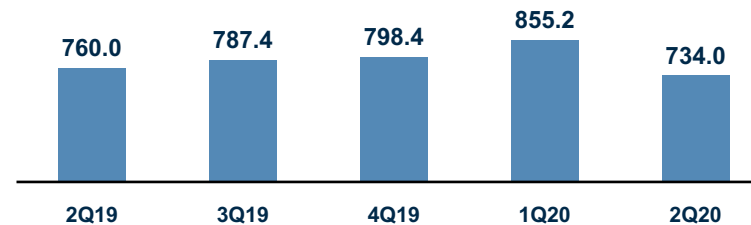
Year-over-year change: 29%
Sequential change: 11%

Number of Financial Advisors



Year-over-year change: 286
Sequential change: 88

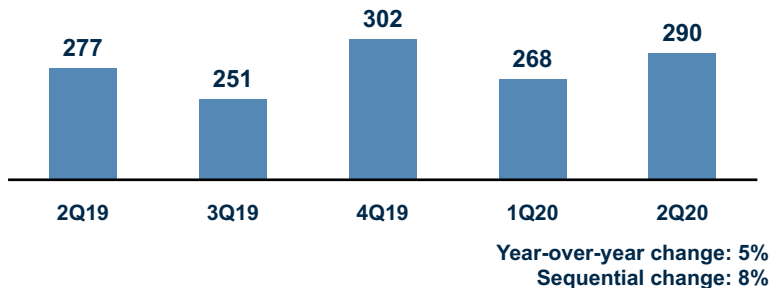
PCG Assets Under Administration
\$ in billions



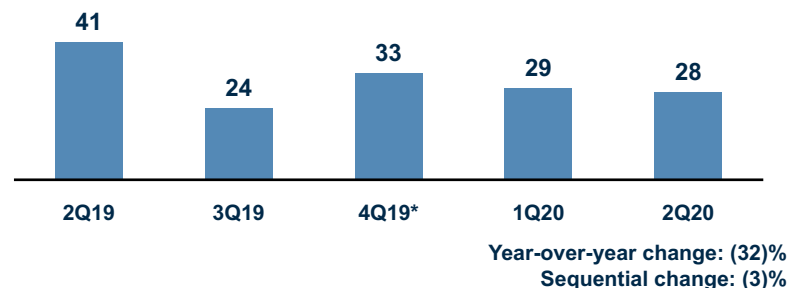
Year-over-year change: (3)%
Sequential change: (14)%

CAPITAL MARKETS

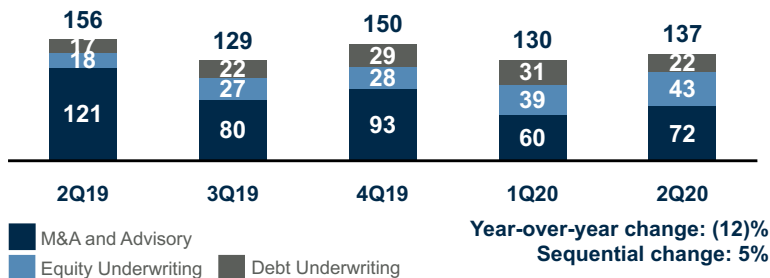
Net Revenues
\$ in millions



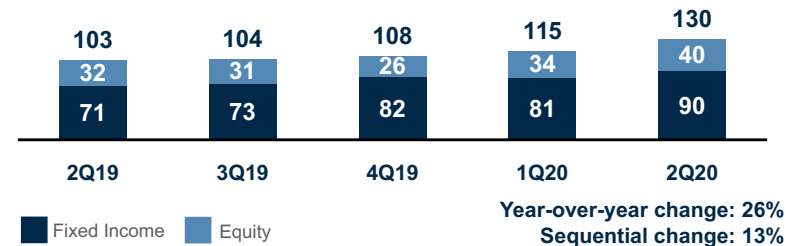
Pre-Tax Income
\$ in millions



Investment Banking Revenues
\$ in millions



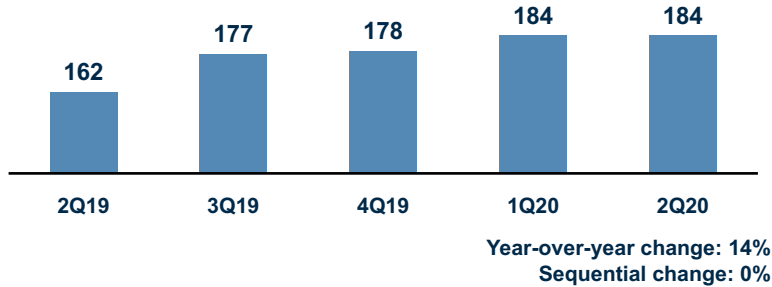
Brokerage Revenues
\$ in millions



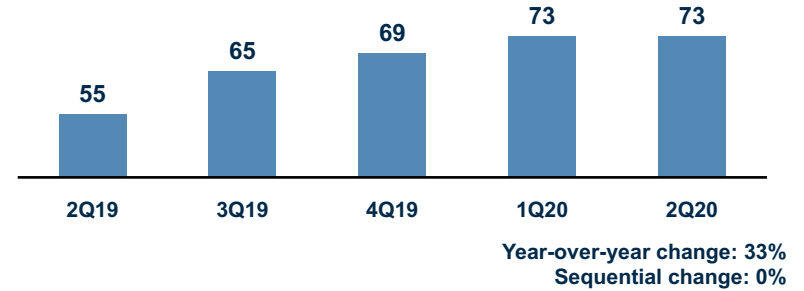
* 4Q19 included a \$19 million goodwill impairment charge associated with our Canadian Capital Markets business.

ASSET MANAGEMENT

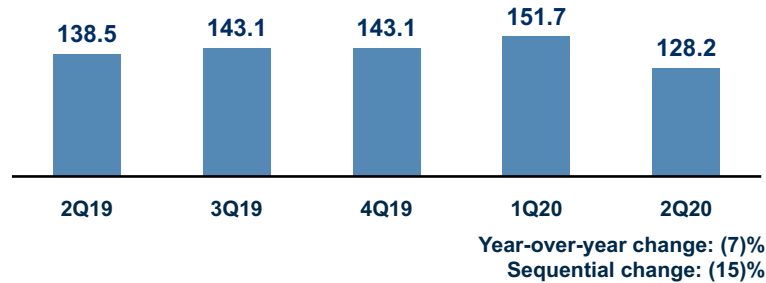
Net Revenues
\$ in millions



Pre-Tax Income
\$ in millions

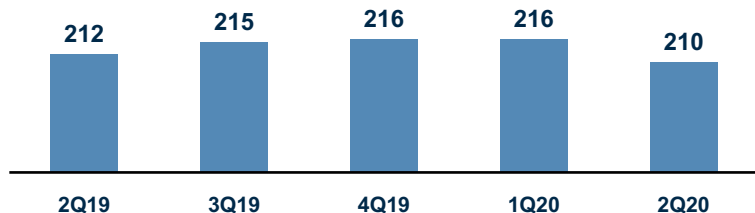


Financial Assets Under Management
\$ in billions



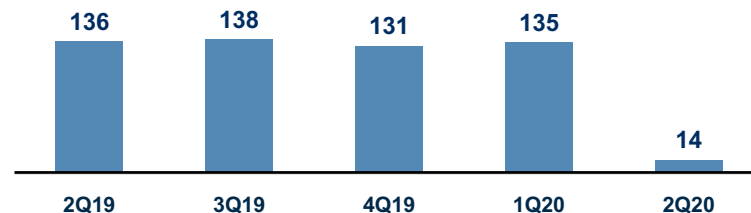
RAYMOND JAMES BANK

Net Revenues
\$ in millions



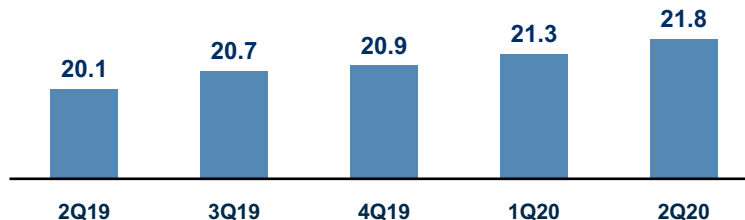
Year-over-year change: (1)%
Sequential change: (3)%

Pre-Tax Income
\$ in millions



Year-over-year change: (90)%
Sequential change: (90)%

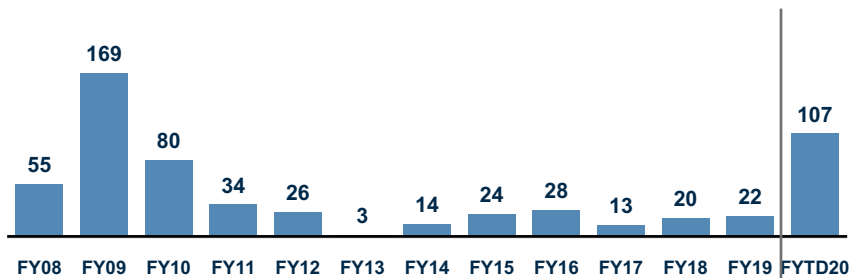
Bank Loans, Net
\$ in billions



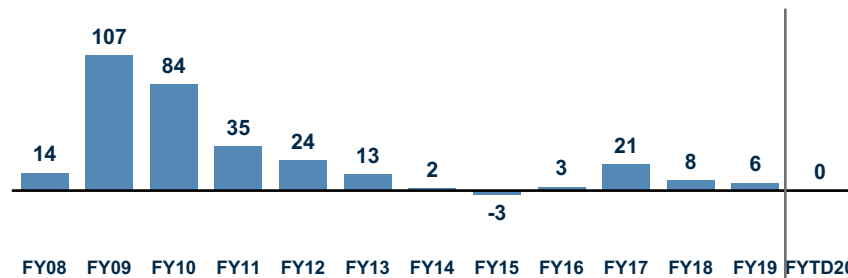
Year-over-year change: 8%
Sequential change: 2%

RAYMOND JAMES BANK KEY CREDIT TRENDS

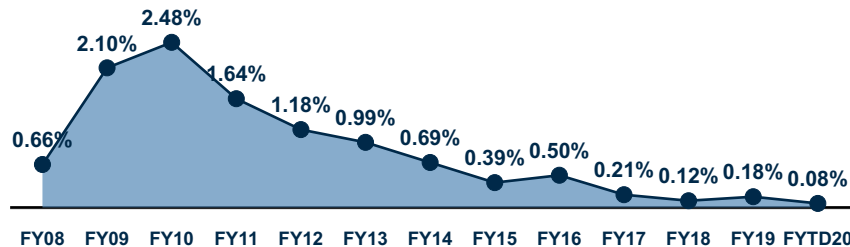
Loan Loss Provision
\$ in millions



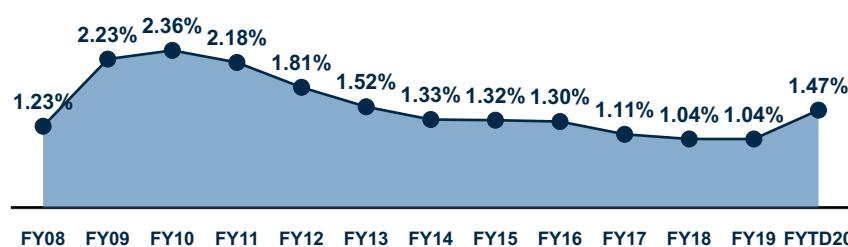
Net Charge-Offs/(Recoveries)
\$ in millions



Nonperforming Assets
as % of Total Assets



Allowance for Loan Losses
as % of Loans



FYTD 2020 HIGHLIGHTS

<i>\$ in millions, except per share amounts</i>		FYTD 2020	Compared to GAAP Results	Compared to Adjusted* Results
			vs. FYTD 2019	vs. FYTD 2019
Net revenues	RECORD	\$ 4,077	8%	NA
Net income		\$ 437	(14)%	(17)%
Earnings per common share - diluted		\$ 3.09	(12)%	(14)%
			FYTD 2019	FYTD 2019
Return on equity		13.0%	16.2%	16.7%
Return on tangible common equity*		14.2%	17.9%	18.4%

FINANCIAL REVIEW

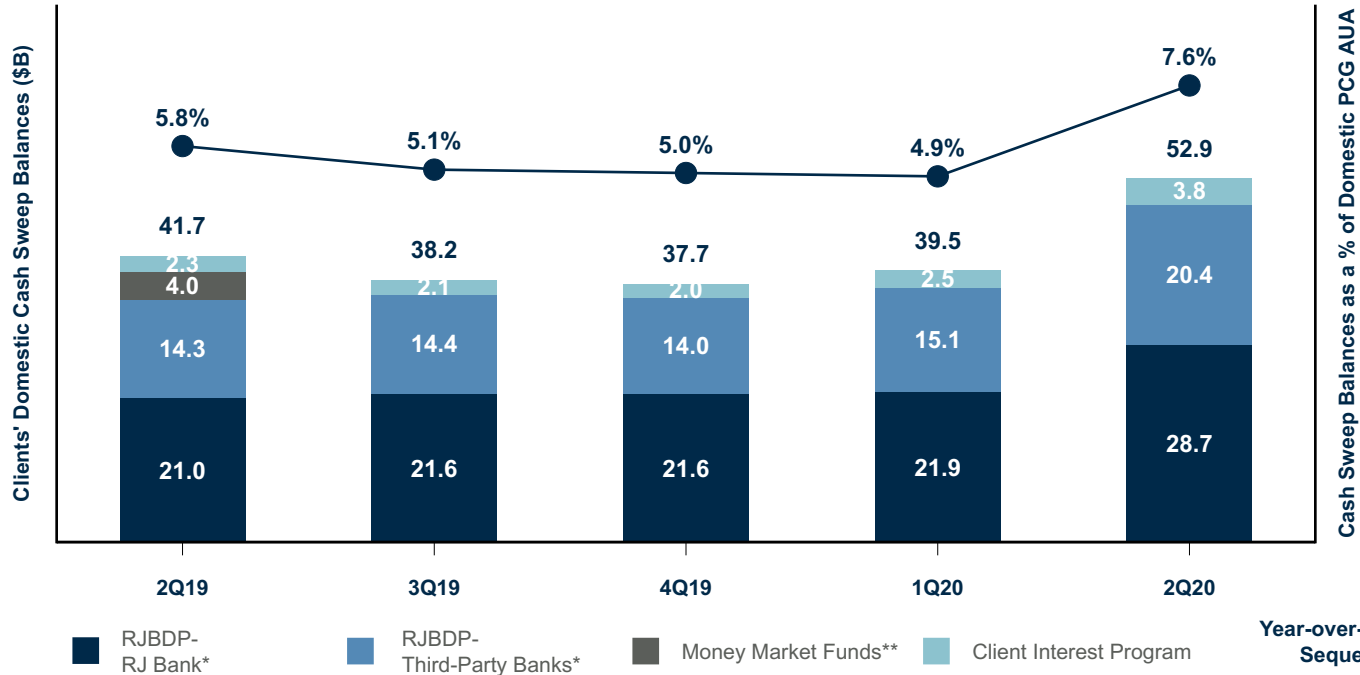
Paul Shoukry
Chief Financial Officer, Raymond James Financial

CONSOLIDATED NET REVENUES

<i>\$ in millions</i>	2Q20	vs. 2Q19	vs. 1Q20
Asset management and related administrative fees	\$ 1,006	28%	5%
Brokerage revenues	515	17%	12%
Account and service fees	172	(10)%	(3)%
Investment banking	148	(9)%	5%
Interest income	285	(12)%	(4)%
Other*	(15)	NM	NM
Total revenues	2,111	9%	2%
Interest expense	(43)	(43)%	(16)%
Net revenues	\$ 2,068	11%	3%

DOMESTIC CASH SWEEP BALANCES

Clients' Domestic Cash Sweep Balances
as a % of Domestic PCG Assets Under Administration (AUA)



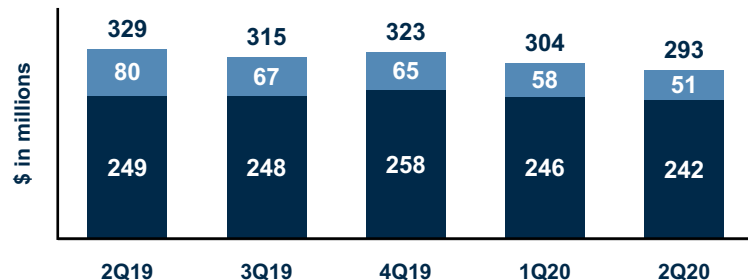
Note: May not total due to rounding.

* Raymond James Bank Deposit Program (RJBDP) is a multi-bank sweep program in which clients' cash deposits in their brokerage accounts are swept into interest-bearing deposit accounts at Raymond James Bank and various third-party banks. ** Money market funds were discontinued as a sweep option during the third fiscal quarter of 2019. Balances in those funds were converted to RJBDP or reinvested by the client.

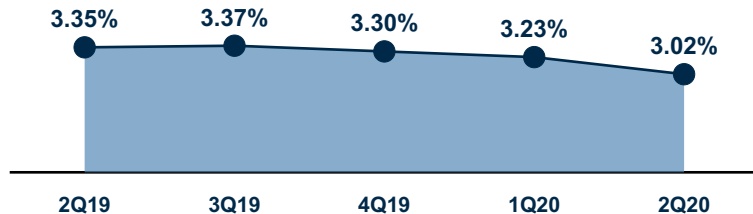
RAYMOND JAMES

NET INTEREST INCOME & RJB DP FEES (THIRD-PARTY BANKS)

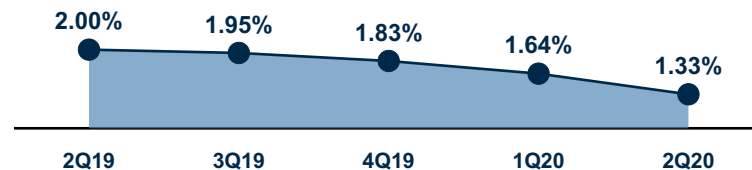
■ Firmwide Net Interest Income ■ RJB DP Fees (Third-Party Banks)*



Raymond James Bank
Net Interest Margin**



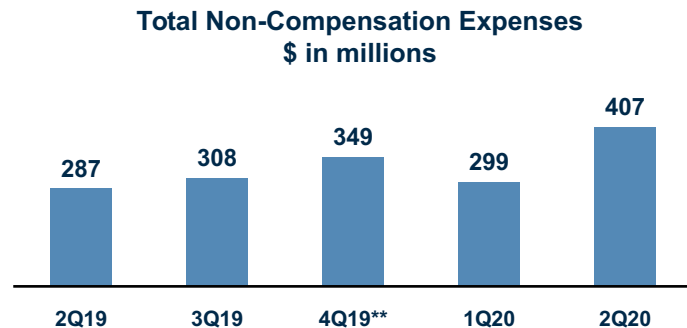
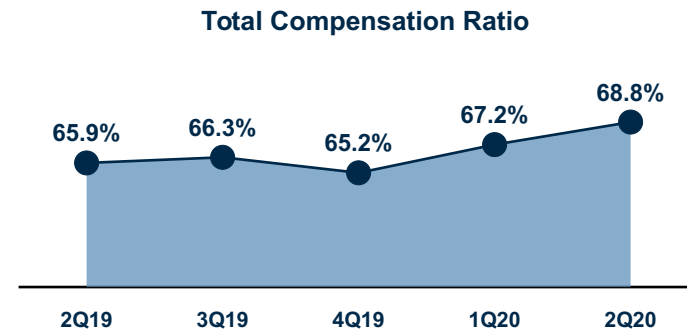
Average Yield on RJB DP
(Third-Party Banks)***



* As reported in Account and Service Fees in the PCG segment. ** Raymond James Bank represents a significant portion, but not all, of the firmwide Net Interest Income. Raymond James Bank Net Interest Margin represents the net yield on interest-earning banking assets. *** Computed by dividing annualized RJB DP fees - third-party banks, which are net of the interest expense paid to clients by the third-party banks, by the average daily RJB DP balance at third-party banks.

CONSOLIDATED EXPENSES

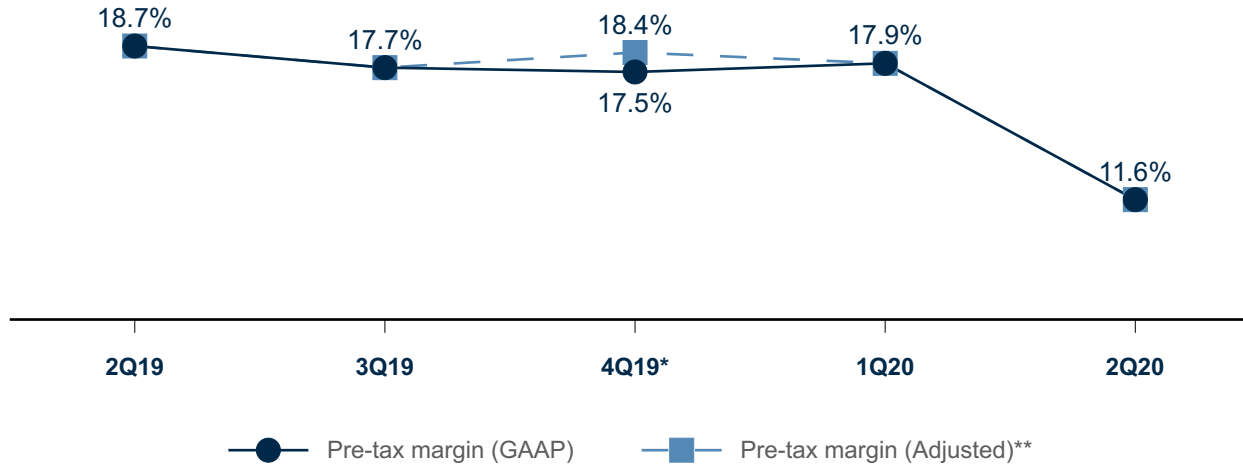
<i>\$ in millions</i>	2Q20	vs. 2Q19	vs. 1Q20
Compensation, commissions and benefits	\$ 1,422	16%	5%
Non-compensation expenses:			
Communications and information processing	99	5%	5%
Occupancy and equipment	56	6%	(2)%
Business development	41	—%	(7)%
Investment sub-advisory fees	26	18%	—%
Professional fees	23	35%	10%
Bank loan loss provision/(benefit)	109	2,080%	NM
Other*	53	(4)%	(10)%
Total non-compensation expenses	407	42%	36%
Total non-interest expenses	\$ 1,829	21%	11%



* Other revenues for the three months ended March 31, 2020 included \$39 million of private equity valuation losses. Of these losses, approximately \$22 million were attributable to noncontrolling interests and are presented as an offset in Other expenses.

** 4Q19 included a \$19 million goodwill impairment charge associated with our Canadian Capital Markets business.

CONSOLIDATED PRE-TAX MARGIN



* 4Q19 included a \$19 million goodwill impairment charge associated with our Canadian Capital Markets business.

** This is a non-GAAP measure. See the schedule in the Appendix of this presentation for a reconciliation of our non-GAAP measures to the most directly comparable GAAP measures and for more information on these measures.

OTHER FINANCIAL INFORMATION

<i>\$ in millions, except per share amounts</i>	2Q20	vs. 2Q19	vs. 1Q20
Total assets	\$ 49,809	30%	24%
RJF corporate cash*	\$ 1,925	63%	35%
Total equity attributable to RJF	\$ 6,798	7%	(1)%
Book value per share	\$ 49.69	10%	1%
Tangible book value per share**	\$ 45.50	11%	1%
Weighted-average common and common equivalent shares outstanding – diluted	141.1	(2)%	—%
		2Q19	1Q20
Tier 1 capital ratio	24.1%	24.3%	24.8%
Total capital ratio	25.3%	25.3%	25.7%
Tier 1 leverage ratio	14.2%	15.1%	15.8%

* This amount includes cash on hand at the parent, as well as parent cash loaned to Raymond James & Associates ("RJ&A"), which RJ&A has invested on behalf of RJF in cash and cash equivalents or otherwise deployed in its normal business activities.

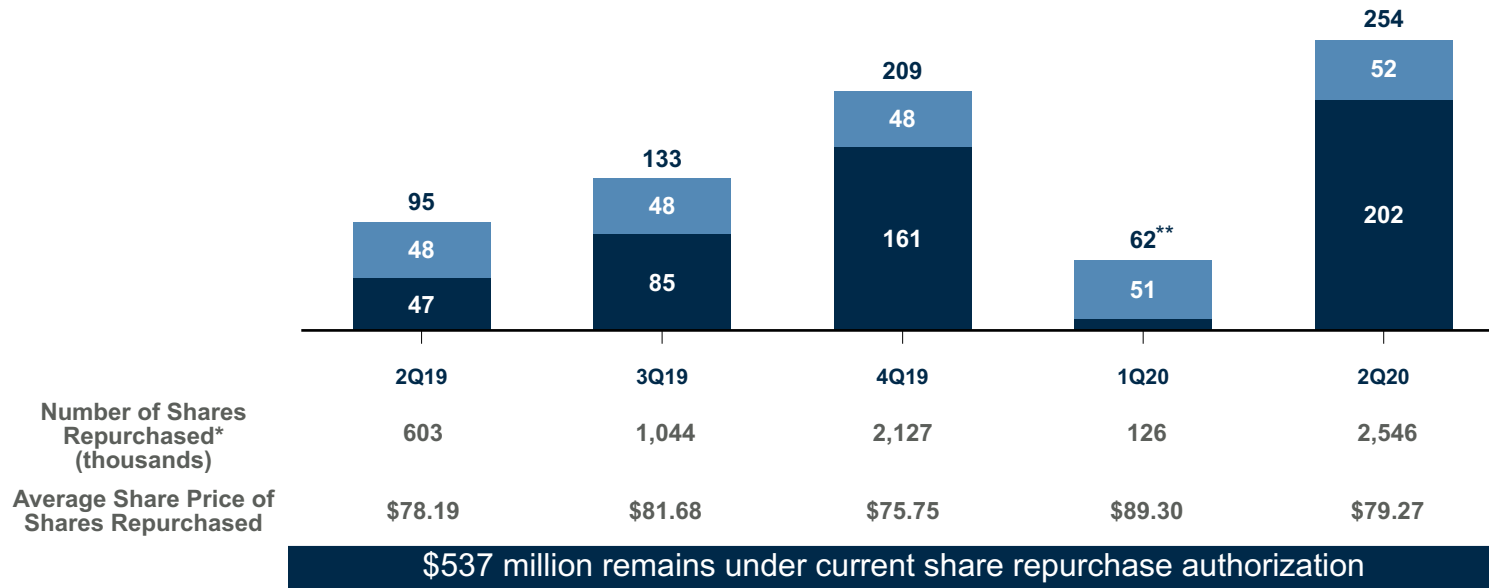
** This is a non-GAAP measure. See the schedule in the Appendix of this presentation for a reconciliation of our non-GAAP measures to the most directly comparable GAAP measures and for more information on these measures.

CAPITAL MANAGEMENT

Dividends Paid and Share Repurchases* \$ in millions

■ Share Repurchases* ■ Dividends Paid

Total of ~\$750 million
over the past 5 quarters

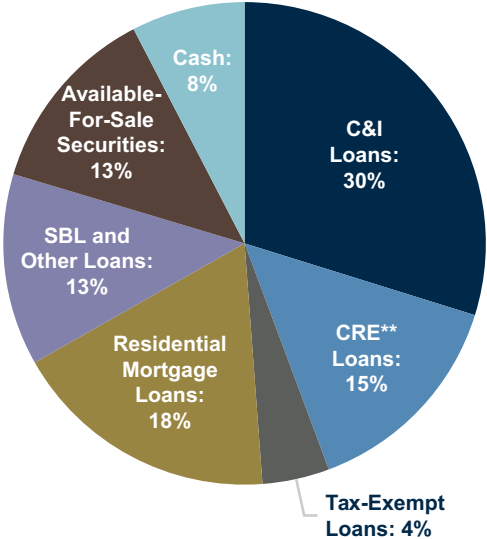


* Under the Board of Directors' share repurchase authorization.

** Share repurchases in 1Q20 totaled \$11 million.

RAYMOND JAMES BANK ASSET COMPOSITION

RJ Bank Asset Mix*



Total assets: \$33.7 billion
Total loans, net: \$21.8 billion

Commercial & Industrial Portfolio (C&I)

- All senior positions; no mezzanine lending
- Highly diversified with no industry category representing more than 4.1% of total loans (e.g. Energy ~1.7%, Airlines ~1.5%, Entertainment/Leisure ~1.2%, Restaurants ~1.1%, and Gaming ~0.7%)
- Typically loans to larger companies with EBITDA >\$100 million and track record of access to other capital sources; 70% of commitments are to public companies

Commercial Real Estate Portfolio (CRE)

- Almost 50% to REITs that are typically more diversified, have a track record of access to other capital sources, and have at or near investment grade ratings
- Majority of project loans are to fully stabilized properties with average loan-to-value of 60%; construction loans represent ~1% of total loans

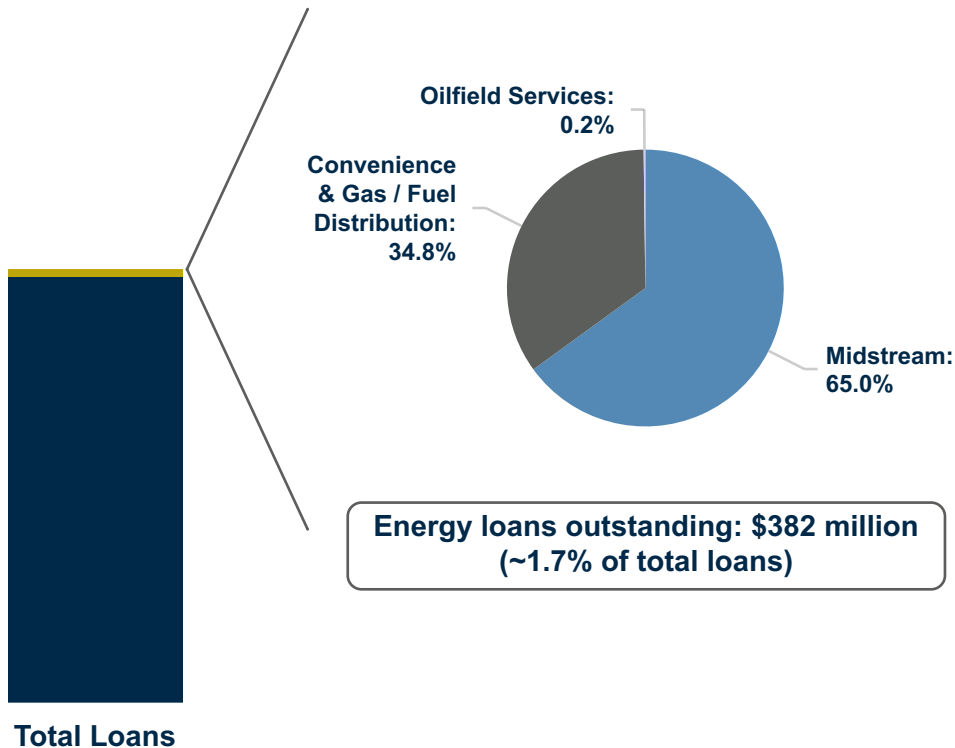
Residential Mortgage Portfolio

- Majority of mortgages to Private Client Group clients, diversified across the country
- Average loan-to-value of 64%
- Average FICO score of 762
- Almost entire portfolio are first mortgages; no Alt. A / subprime / negative amortizing mortgages

* Average balances for quarter ended March 31, 2020. Pie chart may not total due to rounding.

** Includes CRE construction loans.

ENERGY EXPOSURE



Energy (Oil & Gas)

- Energy outstandings only represent ~1.7% of total loans
- No exploration and production (E&P) loans
- Mostly to midstream distribution and convenience stores
- Portfolio has minimal direct commodity price exposure
- Majority of midstream borrowers have fee-based contracts with primarily minimum volume commitments (MVCs) / take-or-pay structures, primarily with investment grade producers

OUTLOOK



APPENDIX

RECONCILIATION OF GAAP MEASURES TO NON-GAAP FINANCIAL MEASURES (UNAUDITED)

We utilize certain non-GAAP financial measures as additional measures to aid in, and enhance, the understanding of our financial results and related measures. These non-GAAP financial measures have been separately identified in this document. We believe certain of these non-GAAP financial measures provides useful information to management and investors by excluding certain material items that may not be indicative of our core operating results. We utilize these non-GAAP financial measures in assessing the financial performance of the business, as they facilitate a comparison of current- and prior-period results. We believe that return on tangible common equity and tangible book value per share are meaningful to investors as they facilitate comparisons of our results to the results of other companies. In the following table, the tax effect of non-GAAP adjustments reflects the statutory rate associated with each non-GAAP item. These non-GAAP financial measures should be considered in addition to, and not as a substitute for, measures of financial performance prepared in accordance with GAAP. In addition, our non-GAAP financial measures may not be comparable to similarly titled non-GAAP financial measures of other companies. The following table provides a reconciliation of GAAP measures to non-GAAP financial measures for those periods which include non-GAAP adjustments.

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RECONCILIATION OF GAAP MEASURES TO NON-GAAP FINANCIAL MEASURES (UNAUDITED)

<i>\$ in millions, except per share amounts</i>	<u>Three months ended</u>	<u>Six months ended</u>
	September 30, 2019	March 31, 2019
Net income	\$ 265	\$ 510
Non-GAAP adjustments:		
Acquisition and disposition-related expenses ⁽¹⁾	—	15
Goodwill impairment ⁽²⁾	19	—
Pre-tax impact of non-GAAP adjustments	19	15
Tax effect of non-GAAP adjustments	—	—
Total non-GAAP adjustments, net of tax	19	15
Adjusted net income	<u>\$ 284</u>	<u>\$ 525</u>
Pre-tax income	\$ 354	\$ 679
Pre-tax impact of non-GAAP adjustments (as detailed above)	19	15
Adjusted pre-tax income	<u>\$ 373</u>	<u>\$ 694</u>
Pre-tax margin ⁽³⁾	17.5%	17.9%
Adjusted pre-tax margin ⁽³⁾	18.4%	18.3%
Earnings per common share ⁽⁴⁾		
Basic	\$ 1.90	\$ 3.58
Adjusted basic	<u>\$ 2.04</u>	<u>\$ 3.68</u>
Diluted	\$ 1.86	\$ 3.51
Adjusted diluted	<u>\$ 2.00</u>	<u>\$ 3.61</u>

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RECONCILIATION OF GAAP MEASURES TO NON-GAAP FINANCIAL MEASURES (UNAUDITED)

Book value per share <i>\$ in millions, except per share amounts</i>	As of		
	March 31, 2019	December 31, 2019	March 31, 2020
Total equity attributable to Raymond James Financial, Inc.	\$ 6,366	\$ 6,842	\$ 6,798
<u>Less non-GAAP adjustments:</u>			
Goodwill and identifiable intangible assets, net	630	609	603
Deferred tax liabilities, net	(35)	(31)	(30)
Tangible common equity attributable to Raymond James Financial, Inc.	\$ 5,771	\$ 6,264	\$ 6,225
Common shares outstanding	140.4	138.9	136.8
Book value per share ⁽⁵⁾	\$ 45.34	\$ 49.26	\$ 49.69
Tangible book value per share ⁽⁵⁾	\$ 41.10	\$ 45.10	\$ 45.50

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RECONCILIATION OF GAAP MEASURES TO NON-GAAP FINANCIAL MEASURES (UNAUDITED)

Return on equity	Three months ended			Six months ended	
	March 31, 2019	December 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020
<i>\$ in millions</i>					
Average equity ⁽⁶⁾	\$ 6,255	\$ 6,712	\$ 6,820	\$ 6,292	\$ 6,740
<u>Impact on average equity of non-GAAP adjustments:</u>					
Acquisition and disposition-related expenses ⁽¹⁾	NA	NA	NA	10	NA
Adjusted average equity ⁽⁶⁾	NA	NA	NA	\$ 6,302	NA
Average equity ⁽⁶⁾	\$ 6,255	\$ 6,712	\$ 6,820	\$ 6,292	\$ 6,740
<u>Less:</u>					
Average goodwill and identifiable intangible assets, net	632	610	606	634	608
Average deferred tax liabilities, net	(35)	(30)	(31)	(34)	(30)
Average tangible common equity ⁽⁶⁾	\$ 5,658	\$ 6,132	\$ 6,245	\$ 5,692	\$ 6,162
<u>Impact on average equity of non-GAAP adjustments:</u>					
Acquisition and disposition-related expenses ⁽¹⁾	NA	NA	NA	10	NA
Adjusted average tangible common equity ⁽⁶⁾	NA	NA	NA	\$ 5,702	NA
Return on equity ⁽⁷⁾	16.7%	16.0%	9.9%	16.2%	13.0%
Adjusted return on equity ⁽⁷⁾	NA	NA	NA	16.7%	NA
Return on tangible common equity ⁽⁷⁾	18.5%	17.5%	10.8%	17.9%	14.2%
Adjusted return on tangible common equity ⁽⁷⁾	NA	NA	NA	18.4%	NA

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FOOTNOTES

1. The six months ended March 31, 2019 included a \$15 million loss in our Capital Markets segment on the sale of our operations related to research, sales and trading of European equities.
2. The three months ended September 30, 2019 included a \$19 million goodwill impairment charge associated with our Canadian Capital Markets business.
3. Pre-tax margin is computed by dividing pre-tax income by net revenues for each respective period or, in the case of adjusted pre-tax margin, computed by dividing adjusted pre-tax income by net revenues for each respective period.
4. Earnings per common share is computed by dividing net income (less allocation of earnings and dividends to participating securities) by weighted-average common shares outstanding (basic or diluted as applicable) for each respective period or, in the case of adjusted earnings per share, computed by dividing adjusted net income (less allocation of earnings and dividends to participating securities) by weighted-average common shares outstanding (basic or diluted as applicable) for each respective period.
5. Book value per share is computed by dividing total equity attributable to Raymond James Financial, Inc. by the number of common shares outstanding at the end of each respective period or, in the case of tangible book value per share, computed by dividing tangible common equity by the number of common shares outstanding at the end of each respective period. Tangible common equity is defined as total equity attributable to Raymond James Financial, Inc. less goodwill and intangible assets, net of related deferred taxes.
6. Average equity is computed by adding the total equity attributable to Raymond James Financial, Inc. as of the date indicated to the prior quarter-end total, and dividing by two, or in the case of average tangible common equity, computed by adding tangible common equity as of the date indicated to the prior quarter-end total, and dividing by two. For the year-to-date period, computed by adding the total equity attributable to Raymond James Financial, Inc. as of each quarter-end date during the indicated year-to-date period to the beginning of year total, and dividing by three, or in the case of average tangible common equity, computed by adding tangible common equity as of each quarter-end date during the indicated year-to-date period to the beginning of year total, and dividing by three. Adjusted average equity is computed by adjusting for the impact on average equity of the non-GAAP adjustments, as applicable for each respective period. Adjusted average tangible common equity is computed by adjusting for the impact on average tangible common equity of the non-GAAP adjustments, as applicable for each respective period.
7. Return on equity is computed by dividing annualized net income by average equity for each respective period or, in the case of return on tangible common equity, computed by dividing annualized net income by average tangible common equity for each respective period. Adjusted return on equity is computed by dividing annualized adjusted net income by adjusted average equity for each respective period, or in the case of adjusted return on tangible common equity, computed by dividing annualized adjusted net income by adjusted average tangible common equity for each respective period.