

Earnings Call 4th Quarter 2013

January 9, 2014



INTL FCStone Inc.

www.intlfcstone.com NASDAQ "INTL"

Disclaimer

The following presentation should be taken in conjunction with the most recent financial statements and notes thereto as well as the most recent Form 10-Q or 10-K filed with the SEC. This presentation may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Company's control, including adverse changes in economic, political and market conditions, losses from the Company's market-making and trading activities arising from counter-party failures and changes in market conditions, the possible loss of key personnel, the impact of increasing competition, the impact of changes in government regulation, the possibility of liabilities arising from violations of federal and state securities laws and the impact of changes in technology in the securities, foreign exchange and commodities dealing and trading industries. Although the Company believes that its forward-looking statements are based upon reasonable assumptions regarding its business, future market conditions, there can be no assurances that the Company's actual results will not differ materially from any results expressed or implied by the Company's forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned that any forward-looking statements are not guarantees of future performance.

Adjusted operating revenues, adjusted net income, adjusted EBITDA and adjusted stockholders' equity are financial measures that are not recognized by U.S. GAAP, and should not be considered as alternatives to operating revenues, net income or stockholders' equity calculated under U.S. GAAP or as an alternative to any other measures of performance derived in accordance with U.S. GAAP. The Company has included these non-GAAP financial measures because it believes that they permit investors to make more meaningful comparisons of performance between the periods presented. In addition, these non-GAAP measures are used by management in evaluating the Company's performance.

The appendix to this presentation reflects all reconciling items between the GAAP and non-GAAP measures presented. For a full discussion of management's reasons for disclosing these adjustments, see 'Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations' in the Form 10-K for the fiscal year ended September 30, 2012.



Restatement – Background

- During our year-end close procedures we realized we had a \$10.2 million overstatement of certain assets in our swap-dealer subsidiary, indicating an overstatement of revenues, profits and stockholder equity in the previous three fiscal years.
- We traced the origins of these errors in each quarter from 2010 through 2013, an exhaustive process that resulted in the delayed filing.
- These errors arose during the acquisition and subsequent integration of Hanley acquisition.
- Flaws in our ongoing reconciliation process did not pick up these accumulated errors.



Restatement Summary

| \$ millions | 2012 | 2011 | 2010 |
|--|----------------|----------------|----------------|
| Annual Net Income Adjustment | (\$2.2) | (\$2.5) | (\$1.2) |
| Cumulative Adjustment to Stockholders Equity | (\$5.9) | (\$3.7) | (\$1.2) |
| Consolidated Adjusted Stockholders Equity | \$322.8 | \$298.0 | \$250.7 |
| Annual Impact | -1% | -1% | 0% |
| Cumulative Impact | -2% | -1% | 0% |
| GAAP Net Income (previously reported) * | \$15.0 | \$37.3 | \$12.4 |
| Annual Impact | -15% | -7% | -10% |
| Cumulative Impact | -9% | | |
| Non-GAAP Net Income (previously reported) * | \$19.2 | \$32.1 | \$16.1 |
| Annual Impact | -11% | -8% | -7% |
| Cumulative Impact | -9% | | |

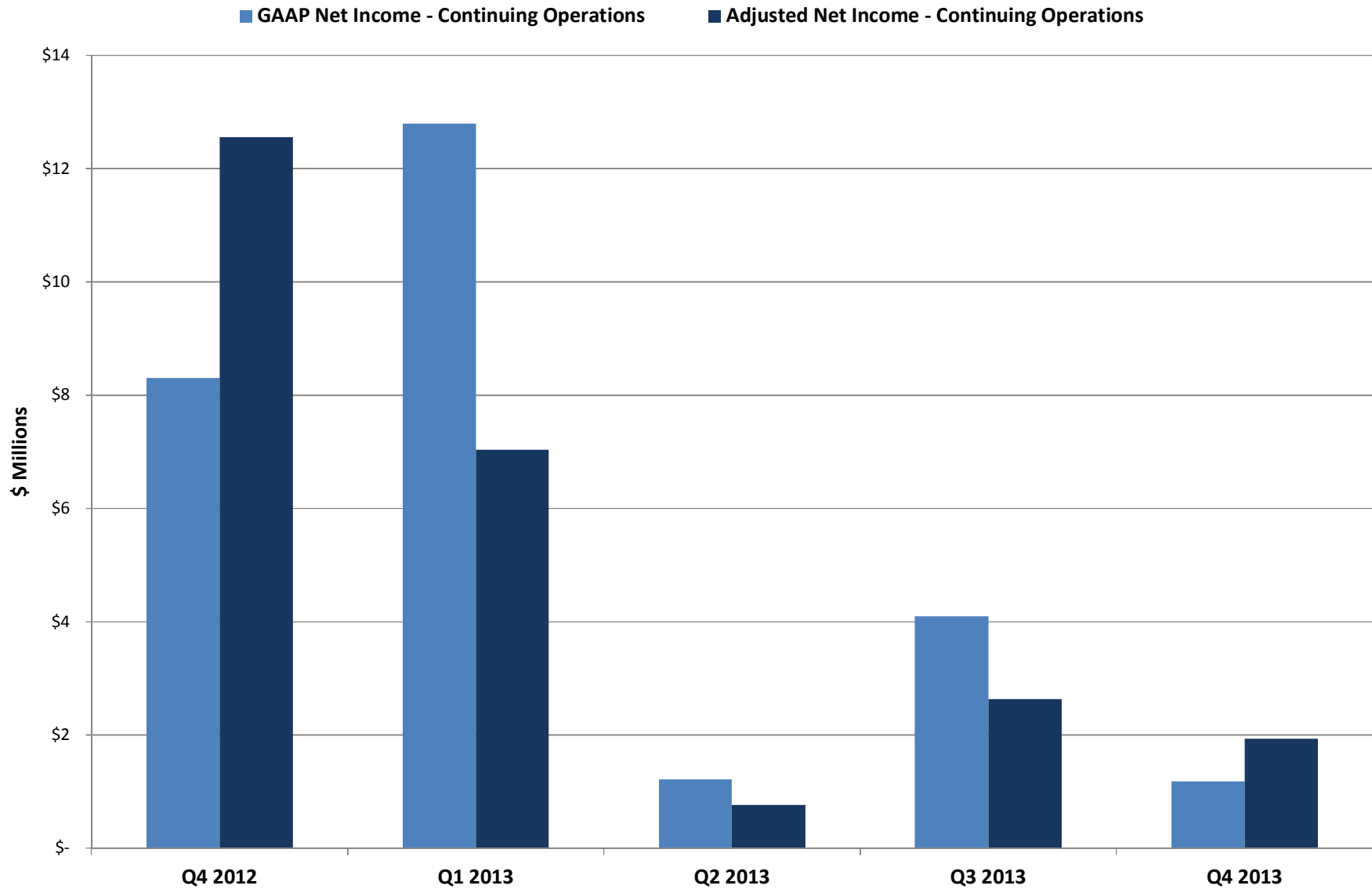
* Fiscal 2010 Net Income excludes extraordinary loss of \$7.0 million



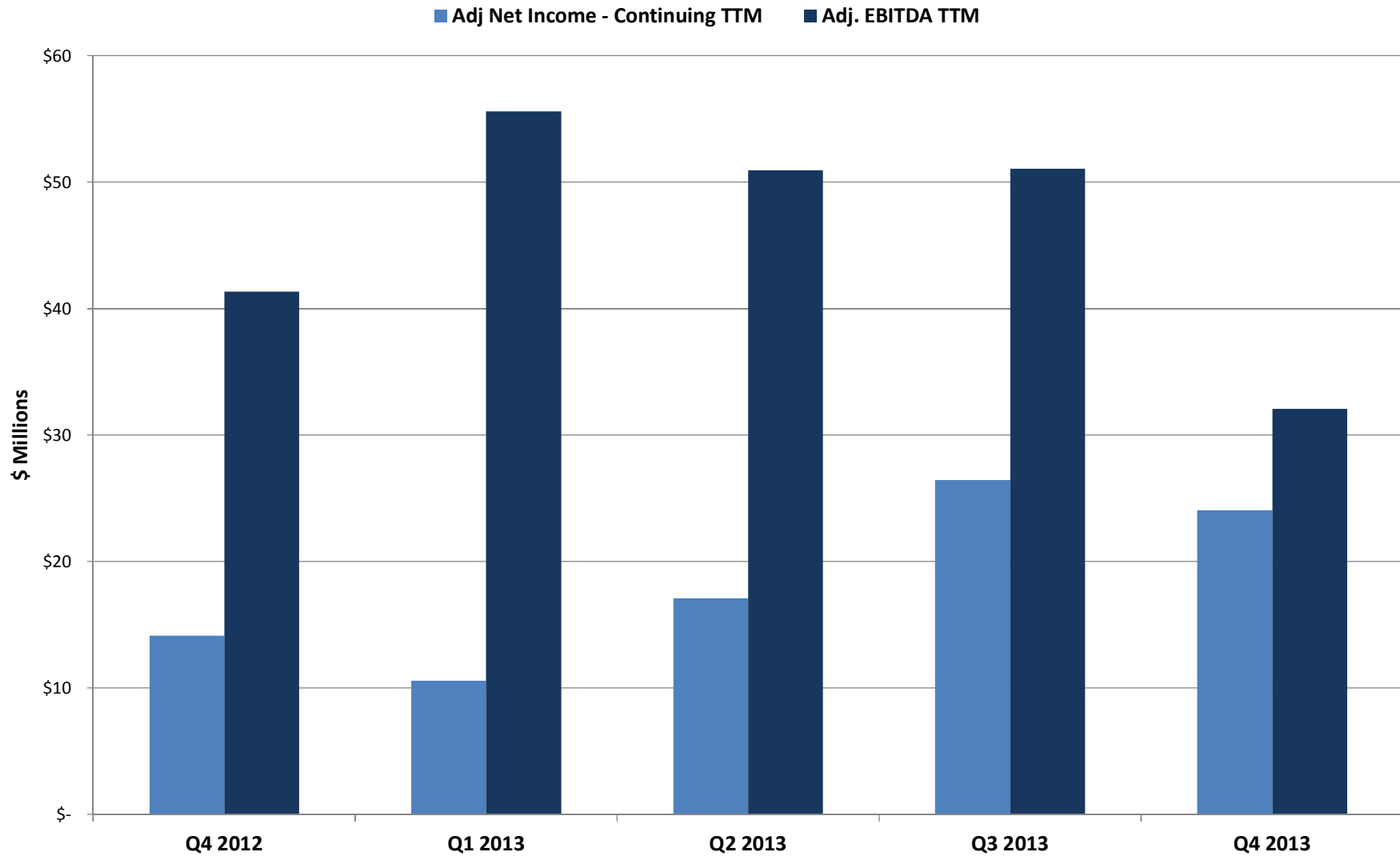
Restatement – Summary

- As a public company we are held to a much higher standard than many of our competitors – we believe this is valuable long term for our business and for our customers.
- We take our obligations very seriously and are committed to being transparent and straightforward with our shareholders, customers, regulators, bankers and staff.
- We will be conducting a full review of all of our procedures to ensure we are satisfied that they are sufficiently robust to discharge our obligations.
- No customer accounts or funds were affected at any point.
- There was never an unrecognized trading position or market exposure.
- We did not breach any bank covenants or regulatory requirements.
- The size of the errors and related adjustments are not material to the overall health and performance of the company:
 - Aggregate net income adjustment is \$5.9 mm, over three years
 - Aggregate adjustment is less than 2% of consolidated net worth
 - Adjustment equal to 9% of aggregate net earnings (GAAP and Adjusted) over the period
 - Adjustment immaterial versus aggregate adjusted revenues of nearly \$1.2bn over the period

Quarterly Performance



Trailing Twelve Month (“TTM”) Trend



Quarterly Financial Dashboard

| CONSOLIDATED | QUARTERLY | | Variance | TARGET |
|---|------------|------------|----------|--------------|
| | Q4 2013 | Q4 2012 | | |
| <i>In millions, except per share and employee data</i> | | | | |
| Adjusted (Adj.) Operating Revenues | \$ 113.8 | \$ 124.7 | ↓ -9% | |
| Total Non-Interest Expenses | \$ 112.2 | \$ 104.2 | 8% | |
| Variable Expenses % of Total Expenses | 53.9% | 55.5% | -2% | > 50% |
| Non-variable Expenses | \$ 51.7 | \$ 46.4 | ↓ 11% | |
| Total Compensation % of Adj. Revenues | 44.6% | 37.6% | 7% | < 40% |
| Adj. Net Income (Cont. Operations attributable to INTL) | \$ 2.0 | \$ 12.5 | ↓ -84% | |
| Adj. Net Income TTM (Cont. Operations attributable to INTL) | \$ 12.4 | \$ 17.0 | -27% | |
| Adj. EBITDA TTM (Cont. Operations) | \$ 32.0 | \$ 41.4 | -23% | |
| Adj. Return on Equity (Cont. Operations attributable to INTL) | 2.3% | 15.9% | ↓ -14% | > 15% |
| Total Assets | \$ 2,848.0 | \$ 2,953.0 | -4% | |
| Adj. INTL Stockholders' Equity | \$ 338.1 | \$ 322.8 | ↑ 5% | |
| Average Investable Customer Funds | \$ 1,741.8 | \$ 1,872.9 | -7% | |
| Adj. Rev. per Employee (Annualized) | \$ 414,461 | \$ 464,665 | ↓ -11% | > \$500k p.a |
| Average # of Employees | 1,097 | 1,074 | 2% | |
| Adj. Book Value per Share | \$ 17.60 | \$ 17.00 | ↑ 3% | |

Year to Date Financial Dashboard

| CONSOLIDATED | YEAR TO DATE | | Variance | TARGET |
|---|--------------|------------|----------|--------------|
| | Q4 2013 | Q4 2012 | | |
| <i>In millions, except per share and employee data</i> | | | | |
| Adjusted (Adj.) Operating Revenues | \$ 467.3 | \$ 461.0 | 1% | |
| Total Non-Interest Expenses | \$ 443.3 | \$ 426.8 | 4% | |
| Variable Expenses % of Total Expenses | 53.8% | 54.7% | -1% | > 50% |
| Non-variable Expenses | \$ 205.1 | \$ 193.4 | ↓ 6% | |
| Total Compensation % of Adj. Revenues | 43.1% | 43.9% | -1% | < 40% |
| Adj. Net Income (Cont. Operations attributable to INTL) | \$ 12.4 | \$ 17.0 | ↓ -27% | |
| Adj. Return on Equity (Cont. Operations attributable to INTL) | 3.7% | 5.5% | ↓ -2% | > 15% |
| Average Investable Customer Funds | \$ 1,674.9 | \$ 1,592.7 | 5% | |
| Adj. Rev. per Employee (Annualized) | \$ 425,861 | \$ 445,286 | -4% | > \$500k p.a |
| Average # of Employees | 1,098 | 1,035 | 6% | |

Appendix – Quarterly Performance, slide 6

| <i>(in millions)</i> | QUARTERLY | | | | |
|--|----------------|---------------|---------------|---------------|---------------|
| | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 |
| Net income from continuing operations attributable to INTL FCStone Inc. common stockholders (non-GAAP) reconciliation: | | | | | |
| Net income from continuing operations attributable to INTL FCStone Inc. common stockholders (GAAP) | \$ 8.3 | \$ 12.7 | \$ 1.3 | \$ 4.1 | \$ 1.2 |
| Marked-to-market adjustment (non-GAAP) | 6.8 | (9.2) | (0.7) | (2.4) | 1.2 |
| Tax effect on marked-to-market adjustment at blended rate of 37.5% (non-GAAP) | <u>(2.6)</u> | <u>3.4</u> | <u>0.3</u> | <u>0.9</u> | <u>(0.4)</u> |
| Adjusted net income from continuing operations attributable to INTL FCStone Inc. common stockholders (non-GAAP) | <u>\$ 12.5</u> | <u>\$ 6.9</u> | <u>\$ 0.9</u> | <u>\$ 2.6</u> | <u>\$ 2.0</u> |

Appendix – Trailing Twelve Month (“TTM”) Trend, slide 7

| <i>(in millions)</i> | QUARTERLY | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 |
| Trailing Twelve Months (TTM) net income from continuing operations attributable to INTL FCStone Inc. common stockholders (non-GAAP reconciliation: | | | | | |
| TTM net income from continuing operations (GAAP) | \$ 12.7 | \$ 25.9 | \$ 25.5 | \$ 26.4 | \$ 19.3 |
| TTM marked-to-market adjustment (non-GAAP) | 6.8 | 0.8 | (2.2) | (5.5) | (11.1) |
| TTM tax effect on marked-to-market adjustment at blended rate of 37.5% (non-GAAP) | <u>(2.6)</u> | <u>(0.4)</u> | <u>0.8</u> | <u>2.0</u> | <u>4.2</u> |
| TTM adjusted net income from continuing operations attributable to INTL FCStone Inc. common stockholders | <u>\$ 16.9</u> | <u>\$ 26.3</u> | <u>\$ 24.1</u> | <u>\$ 22.9</u> | <u>\$ 12.4</u> |
| Add: TTM interest expense | 11.6 | 13.0 | 12.3 | 12.9 | 12.5 |
| Add: TTM depreciation and amortization | 7.2 | 7.5 | 7.9 | 8.0 | 8.0 |
| Add: TTM income tax expense | 5.7 | 8.9 | 6.6 | 7.1 | (0.9) |
| TTM adjusted EBITDA (non-GAAP) | <u>\$ 41.4</u> | <u>\$ 55.7</u> | <u>\$ 50.9</u> | <u>\$ 50.9</u> | <u>\$ 32.0</u> |

Appendix – Quarterly Dashboard, slide 8

| <i>(in millions)</i> | QUARTERLY | |
|---|-----------------|-----------------|
| | Q4 2013 | Q4 2012 |
| Operating revenues (non-GAAP) reconciliation: | | |
| Operating revenues (GAAP) | \$ 112.6 | \$ 117.9 |
| Marked-to-market adjustment (non-GAAP) | 1.2 | 6.8 |
| Adjusted operating revenues, marked-to-market (non-GAAP) | <u>\$ 113.8</u> | <u>\$ 124.7</u> |
| Net income from continuing operations attributable to INTL FCStone Inc. common stockholders (non-GAAP) reconciliation: | | |
| Net income from continuing operations attributable to INTL FCStone Inc. common stockholders (GAAP) | \$ 1.2 | \$ 8.3 |
| Marked-to-market adjustment (non-GAAP) | 1.2 | 6.8 |
| Tax effect on marked-to-market adjustment at blended rate of 37.5% (non-GAAP) | (0.4) | (2.6) |
| Adjusted net income from continuing operations attributable to INTL FCStone Inc. common stockholders (non-GAAP) | <u>\$ 2.0</u> | <u>\$ 12.5</u> |
| Trailing Twelve Months (TTM) net income from continuing operations attributable to INTL FCStone Inc. common stockholders (non-GAAP) reconciliation: | | |
| TTM net income from continuing operations attributable to INTL FCStone Inc. common stockholders (GAAP) | \$ 19.3 | \$ 12.8 |
| TTM marked-to-market adjustment (non-GAAP) | (11.1) | 6.8 |
| TTM tax effect on marked-to-market adjustment at blended rate of 37.5% (non-GAAP) | 4.2 | (2.6) |
| TTM adjusted net income from continuing operations attributable to INTL FCStone Inc. common stockholders (non-GAAP) | <u>\$ 12.4</u> | <u>\$ 17.0</u> |

Appendix – Quarterly Dashboard, slide 8 cont'd

| <i>(in millions)</i> | QUARTERLY | |
|--|-----------------|-----------------|
| | Q4 2013 | Q4 2012 |
| Trailing Twelve Months (TTM) adjusted EBITDA (non-GAAP) reconciliation | | |
| TTM net income from continuing operations (GAAP) | \$ 19.3 | \$ 12.7 |
| Add: TTM marked-to-market adjustment (non-GAAP) | (11.1) | 6.8 |
| Add: TTM interest expense | 12.5 | 11.6 |
| Add: TTM depreciation and amortization | 8.0 | 7.2 |
| Add: TTM income tax expense | 3.3 | 3.1 |
| TTM adjusted EBITDA (non-GAAP) | <u>\$ 32.0</u> | <u>\$ 41.4</u> |
| INTL FCStone Inc. stockholders' equity (non-GAAP) reconciliation: | | |
| INTL FCStone Inc. stockholders' equity (GAAP) | \$ 335.4 | \$ 313.2 |
| Cumulative marked-to-market adjustment (non-GAAP) | 4.3 | 15.4 |
| Tax effect on marked-to-market adjustment at blended rate of 37.5% (non-GAAP) | (1.6) | (5.8) |
| Adjusted INTL FCStone Inc. stockholders' equity (non-GAAP) | <u>\$ 338.1</u> | <u>\$ 322.8</u> |

Appendix – Year to Date Dashboard, slide 9

| | YEAR TO DATE | |
|--|-----------------|-----------------|
| | Q4 2013 | Q4 2012 |
| <i>(in millions)</i> | | |
| Operating revenues (non-GAAP) reconciliation: | | |
| Operating Revenues (GAAP) | \$ 478.4 | \$ 454.2 |
| Marked-to-market adjustment (non-GAAP) | (11.1) | 6.8 |
| Adjusted operating revenues, marked-to-market (non-GAAP) | <u>\$ 467.3</u> | <u>\$ 461.0</u> |
| Net income from continuing operations attributable to INTL FCStone Inc. common stockholders (non-GAAP) reconciliation: | | |
| Net income from continuing operations attributable to INTL FCStone Inc. common stockholders (GAAP) | \$ 19.3 | \$ 12.8 |
| Marked-to-market adjustment (non-GAAP) | (11.1) | 6.8 |
| Tax effect on marked-to-market adjustment at blended rate of 37.5% (non-GAAP) | 4.2 | (2.6) |
| Adjusted net income from continuing operations attributable to INTL FCStone Inc. common stockholders (non-GAAP) | <u>\$ 12.4</u> | <u>\$ 17.0</u> |