

## Raymond James Thrives Despite Financial Sector's Woes

As you may already know, Raymond James recently reported record earnings for the quarter ended June 30. I think you'll agree that this performance is particularly impressive in an environment in which many financial firms are announcing huge losses, laying off employees and slashing dividends.

This strong performance, however, should come as no surprise to those familiar with Raymond James' commitment to conservative management, integrity and prudent planning. Tom James, the firm's chairman and CEO, put it succinctly in announcing the third-quarter results.

“Although Raymond James and the financial services industry are susceptible to the vicissitudes of the economy and stock market in the short term, we believe Raymond James' business model, over the long term, should generate excellent growth. ... Good asset management performance results, conjoined with lower beta risk, will stimulate vibrant growth in assets under management.”

While sometimes obscured by the clouds that have overshadowed the financial services industry, the Raymond James difference is becoming increasingly apparent to both the financial media and to industry analysts.

In April, Kiplinger.com, the personal finance website established by the publishers of the *Kiplinger Letter*, noted that while ongoing credit problems have prompted the financial services industry as a whole to write down more than \$150 billion in asset-backed securities, Raymond James had not marked down *any* of its assets. Also in April, as brokerages were coming under increasingly skeptical scrutiny, Forbes.com listed Raymond James as the *only* investment services firm among the large-cap and mid-cap companies in its 2008 ranking of “America's Most Trustworthy Companies.”

In May, Sandler O'Neil, a New York-based investment banking firm, initiated coverage of Raymond James, citing its pattern of successfully “bucking the trend in the financial services sector” and predicting that current turmoil in the financial sector should enable the company to emerge “even stronger.”

And in June, CNN Money noted that Raymond James' “large network of independent financial advisors has brought the company success,” enabling it to retain its focus and not be “compelled to move into riskier parts of the market.” That same month, the 16th annual *SmartMoney* broker survey gave Raymond James top marks for customer satisfaction and for the quality of its client statements.

Particularly in these turbulent times, you need and deserve to have confidence in your portfolio as well as the people who stand behind it. These developments confirm my own experience with and knowledge of Raymond James. I trust they do the same for you.

As always, please feel free to call me with any questions you may have.

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