Current Structure and Business Segments

- Shareholders
- 12 Person Board of Directors
- FCStone Group, Inc.
  - FCStone Trading, LLC (OTC & Energy) 100%
  - FCStone, LLC (Commodity Futures & Options) 100%
  - FCStone Merchant Services 100%
  - FGDL, LLC (Grain Merchandising) 25%

Long Track Record of Success

- 2006 – October: Files for an initial public offering of common stock
- 2005 – Converts corporate structure from a cooperative to a stock corporation
- 1988 – FCC is spun out of Agri Industries as a cooperative
- 1979 – FCC is incorporated as a subsidiary of Agri Industries
- 1968 – Agri Industries begins providing execution services to members
- 1955 – Agri Industries purchases first seat on the CBOT
- 1930 – Saul Stone becomes one of the first clearing members of the CME

Unique, Integrated Business Model

- Customers / Industries Served
  - Agriculture
  - Energy
  - Renewable Fuels
  - Weather
  - Fuel Surcharge
  - Livestock
  - Food Products
  - Forest Products
  - Latin America
  - China
  - Carbon Credits
  - Introducing Brokers

- Customers
  - Floor Traders
  - Professional Traders
  - Introducing Brokers

Consultative Approach to Business

- Integrated Risk Management Program (IRMP)
  - Goals Objectives
  - Strategic Plan
  - Execution
  - Performance
  - Industry Intelligence
  - Planning
  - Accountability
  - Periodic and Annual Reviews

- Risk Management Consultants Employed
  - FY2002: 86
  - FY2003: 87
  - FY2004: 89
  - FY2005: 96
  - FY2006: 102
Leading Independent FCM

- Fastest growing independent FCM
- Access to all international commodity exchanges

<table>
<thead>
<tr>
<th>Required Customer Segregated Assets (1)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2005</td>
<td>November 2006</td>
</tr>
<tr>
<td>FCStone LLC</td>
<td>$551</td>
</tr>
<tr>
<td>Rosenthal Collins Group LLC</td>
<td>$519</td>
</tr>
<tr>
<td>RJ O’Brien Associates Inc</td>
<td>$1,710</td>
</tr>
<tr>
<td>Man Financial Inc</td>
<td>$7,490</td>
</tr>
</tbody>
</table>

(1) Per CFTC requirements, not reflective of actual balances
Source: CFTC Website

Divisions

- Energy
- Renewable Fuels
- Food Service
- Livestock
- Forest
- International
- Agriculture
- Clearing / Brokerage
- Over the Counter
- Cash Grain
- Transportation
- Currency Exchange

The Conversion and Evolution of FCStone

Member VS Nonmember Revenues 2005-2006 Estimated
Strategic Planning 2003-2004
Structure, Capital and Goals and Objectives

- Maintain or improve high level of service to our members.
  1. Preserve the commitment to our members.
  2. Retain the culture of the organization.
  3. Focus on expanding risk management services and platforms.
- Generate additional capital to continue to grow risk management related commodities business.
- Maintain control of company with current members.
- Allow members to participate in non-member company growth and profitability.
- Provide limited stock liquidity to members.
- Engage investment banking firm to assist in alternative evaluation.

Shattuck Hammond
Strategic Assessment and Recommendations

- The process and procedures included the assimilation of the following key elements:
  - Stakeholder objectives- Members, Board and employee expectations of building a stable, profitable and growing organization.
  - Management goals- To maintain the existing relationship with our members and accelerate the pace of growth and profitability in targeted market segments.
  - Strategic alternatives- What strategic alternatives are available as a cooperative or as alternative structures?

Shattuck Hammond
Strategic Assessment and Recommendations

- Capital requirements- What are the current capital needs and capital needed to maintain the pace of growth and expansion?
- Capital availability- What alternative capital sources exist and are viable?
- Corporate structure- What structure provides the best avenue for sourcing capital, maintaining control, providing liquidity and providing the best conduit to member owners?
- Senior lender concerns- Current lender concerns and capabilities.

Shattuck Hammond
Strategic Assessment and Recommendations

- Strategic Options Reviewed:
  - Maintain Status Quo- Continue to maintain the growth and capitalization of FCStone through earnings.
  - Pursue a Sale of FCStone Group- Sell the company to the highest bidder.
  - Sale of the Stone Division- Sell the clearing division of FCStone eliminating the need for regulatory capital.
  - Restructure FTDI Credit Facilities- Look for additional participants in providing capital and credit lines.
Shattuck Hammond
Strategic Assessment and Recommendations

• Strategic Options Reviewed:
  • Issue Subordinated Debt- Look at the viability of utilizing subordinated debt to continue the growth and expansion of company.
  • Issue Fixed-Rate Capital Securities- Review the viability of offering a preferred stock to interested parties.
  • Bring in an Equity Partner- Look at private equity investors as an alternative source of capital.

Shattuck Hammond
Strategic Assessment and Recommendations

• Strategic Options Reviewed:
  • Implement an ESOP- Provide an avenue to allow employees to participate in the growth and profitability of the company.
  • Pursue Acquisitions- What are the best alternatives to access capital and leverage that into growth through acquisitions.
  • Initial Public Offering- Is the public market a viable alternative to access capital, provide liquidity and still maintain the culture, commitment and control.

Shattuck Hammond
Strategic Assessment and Recommendations

• Shattuck Hammonds Recommendation:
  1. Convert to a stock company
  2. Implement an ESOP
  3. Accept a private equity partner

This recommendation met the standard of providing additional capital, growth and employee participation.

The participation of a private equity investor would insert some outside control in the form of veto authority and the need for a liquidity event at a predetermined time.

Shattuck Hammond
Strategic Assessment and Recommendations

• Management's Recommendation:
  1. Convert to a stock company
  2. Implement an ESOP
  3. Allow additional investment from members

This structure provided for additional capital from current cooperative members and employees, limited liquidity, a conduit for nonmember business while maintaining control of the company.

FCStone Board adopted managements recommendation.
Implemented Structure, Process and Timeframe

• Implemented Structure- The conversion of FCStone from a cooperative to a business corporation took place in March of 2005 with the existing shareholders only administrated by the current board of directors, while implementing an ESOP. This process also allowed for additional initial investment by members and ESOP participants.

• Implemented Process- The process included a stock distribution based on appraised market value to members prorated on the previous three years of patronage.

• Timeframe- The transfer and structural change took effect at fiscal year end August 31, 2004.

• Legal Requirements- The conversion required registrations with securities regulatory authorities, including the SEC, since we had over 500 shareholders.

FCStone Group Inc.  
Appraised Market Value Stock Distribution

<table>
<thead>
<tr>
<th>Allocated Excess Appraisal Value to Members</th>
<th>Based on Three Year Patronage (2004 Estimated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Company</td>
<td></td>
</tr>
<tr>
<td>Patronage Class</td>
<td></td>
</tr>
<tr>
<td>Class A Commissions and Fees</td>
<td>$2,879,915</td>
</tr>
<tr>
<td>Class A Interest</td>
<td>$1,611,798</td>
</tr>
<tr>
<td>Class B Contracts @ $1.35</td>
<td>$217,164</td>
</tr>
<tr>
<td>Three Year Total Patronage</td>
<td>$4,708,877</td>
</tr>
<tr>
<td>Current Outstanding Stock</td>
<td>$17,000,000</td>
</tr>
<tr>
<td>Estimated Appraised Value of FCStone Group, Inc.</td>
<td>$42,000,000</td>
</tr>
<tr>
<td>Estimated Appraised Value to Be Distributed</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Three Year Percentage Estimate</td>
<td>$4,708,877</td>
</tr>
<tr>
<td>Estimated Appraised Value to Be Distributed</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Ratio of Patronage to Stock Distribution</td>
<td>5.31</td>
</tr>
<tr>
<td>Estimated Appraised Value to Be Distributed</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Current Outstanding Stock</td>
<td>$17,000,000</td>
</tr>
<tr>
<td>Average Additional Stock Distributed</td>
<td>1.47</td>
</tr>
</tbody>
</table>

Pre IPO Member Coop Investment in FCStone  
Sample Average Book Value

• Original Shares 10,000 @ $3.97 = $39,700
• Appraised Value 12,200 @ $.00 = $0
• Subscription 6,100 @ $10.00 = $61,000
• Merger Shares 10,000 @ $3.97 = $39,700
• Purchased Stock 7,000 @ $8.00 = $56,000
• Total Stock 45,300 @ $4.34 = $196,400
Financial Performance

FCStone Group, Inc. Profile

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yearly Revenues</td>
<td>$4 million</td>
<td>$30 million</td>
<td>$76 million</td>
<td>$182 million</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$3.9 million</td>
<td>$300 million</td>
<td>$705 million</td>
<td>$1,069 million</td>
</tr>
<tr>
<td>Pretax Profits</td>
<td>$5.1 million</td>
<td>$6.4 million</td>
<td>$6.1 million</td>
<td>$28.5 million</td>
</tr>
<tr>
<td>Number of Contracts</td>
<td>250,000</td>
<td>1.2 million</td>
<td>36.9 million</td>
<td>47.1 million</td>
</tr>
<tr>
<td>2007 FIA Ranking</td>
<td>N/A</td>
<td>40</td>
<td>23</td>
<td>20</td>
</tr>
<tr>
<td>Domestic Charity Ranking</td>
<td>N/A</td>
<td>N/A</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Number of ISM Accounts</td>
<td>0</td>
<td>347</td>
<td>412</td>
<td>440</td>
</tr>
</tbody>
</table>

Rapid Industry Growth

- Growth of hedge funds and influence of professional traders
- Robust growth in both exchange-traded and OTC volume
- Exchange-traded and OTC product innovation
### Demonstrated Historical Growth

<table>
<thead>
<tr>
<th></th>
<th>FY2002</th>
<th>LTM Nov. 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>OTC Volume</td>
<td>$860.4</td>
<td>$621.3</td>
</tr>
<tr>
<td>Exchange-Traded Volume</td>
<td>$262.5</td>
<td>$122.2</td>
</tr>
<tr>
<td>Customer Segregated Assets</td>
<td>$32% CAGR</td>
<td>$32% CAGR</td>
</tr>
<tr>
<td>Revenue, Net of Cost of Commodities Sold</td>
<td>$18.2</td>
<td>$18.2</td>
</tr>
<tr>
<td>Net Income</td>
<td>$29</td>
<td>$29</td>
</tr>
</tbody>
</table>

### Growth Initiatives

- **Penetrate New Customer Segments**
  - Ethanol, biodiesel and carbon credits
- **Expand C&RM Services**
  - React to changing needs of customers and identify new product opportunities (e.g., Accumulator)
- **Expand International Presence**
  - Further expand into international markets, where customers are in the early stage of acceptance of commodity risk management
- **Penetrate New Customer Segments**
  - Continue expansion in areas such as food products, weather and livestock
  - Leverage agricultural and energy experience into renewable fuels areas
- **Capitalize on Electronic Trading**
  - Results in lower trading costs and higher trading volume, increasing employee productivity and enhancing importance of customer service
- **Industry Consolidation**
  - Industry is still fragmented, and the ability to use stock as acquisition currency will facilitate consolidation

### IPO Process and Timetable

- **11/05** Initial discussions with potential investment bank.
- **06/06** Beginning of process to organize the effort to take the company public.
- **07/06** Due diligence with lead underwriter, attorneys and CPA firm.
- **10/06** Completion of initial due diligence and preparation of S-1 filing.
- **11/06** Interview and select co-manager and underwriters.
- **12/06** Special shareholder meeting to approve IPO and various structural and legal items.

- **02/07** File amended S-1 with 1st Quarter financial results and print “Red Herrings”.
- **02/07** Commence “Roadshow” with Underwriter teach-ins.
- **03/1/07** Roadshow presentations to institutional investors.
- **03/15/07** Meet with “Book Runners” to price stock and allocate shares.
- **03/15/07** File final S-1 and print the final Prospectus that night.
- **3/16/07** Stock opens on the NASDAQ at $24 and closes at $32.
### Post IPO Member Coop Investment in FCStone

#### Sample Average Book Value

- **Original Shares** 10,000 @ $3.97 = $39,700
- **Appraised Value** 12,200 @ $.00 = $0
- **Subscription** 6,100 @ $10.00 = $61,000
- **Merger Shares** 10,000 @ $3.97 = $39,700
- **Purchased Stock** 7,000 @ $8.00 = $56,000
- **Total Stock** 45,300 @ $4.34 = $196,400
- **3-1 Split** 129,300 shares @ $1.45 = $196,400

---

### Post IPO Member Coop Investment in FCStone

#### Sample Average Book Value

- **3-1 Split 129,300 shares @ $1.45 = $196,400**
- **FCStone Group, Inc. Listed March 16, 2007**
  
  **NASDAQ symbol FCSX**

- **Initial Public Offering Range** $22.00 to $24.00
- **IPO Redemption 15% (19,395 shares) at $24 minus fees = $426,690**
- **Remaining shares 109,905 locked for 6,12, 18 months.**
- **Current FCSX value per share? $__________**

---

### What has this process accomplished for our original Member Shareholders

- **Maintain or improve high level of service to our members.**
  1. The commitment to our customer continues to be to add bottomline results to their organization.
  2. FCStone’s culture of providing innovative risk management strategies, structures and platforms continues to lead the industry.
  3. FCStone’s platforms, systems and administrative functions are being expanded and strengthened in all aspects of the company.

- **Generate additional capital to continue to grow risk management related commodities business.**
  1. The company has increased equity in the organization from $40 million in 2003 to over $160 million through nine months of this fiscal year.
  2. Through the offering of the IPO over $48 million was returned to our original members and an additional $90 million of stock was sold in a secondary offering.
  3. The company currently has a market cap in excess of $900 million of which our original members have close to 40% of the ownership.

---

### What has this process accomplished for our original Member Shareholders

- **Maintain control of company with current members.**
  1. The FCStone Board of Directors is currently made up of the same members that were directors of FCStone as a cooperative organization.
  2. Two additional directors have been added a financial expert and the CEO of FCStone Group, Inc.

- **Allow members to participate in non-member company growth and profitability.**
  1. The company’s gross revenues have grown from $66 million in 2002 to $182 million in fiscal 2006.
  2. Pretax profits have grown from $5.3 million to $24.5 million in the same time period.

- **Provide limited stock liquidity to members.**
  1. Through the offering of the IPO over $48 million was returned to our original members and an additional $90 million of stock was sold in a secondary offering.
  2. The company currently has a market cap in excess of $900 million of which our original members have close to 40% of the ownership.
Questions??