



KCA HOUSTON ENERGY BREAKFAST

James K. Wicklund
Managing Director
Stephens

An Independent Financial Services Leader

Stephens Inc.

Investment
Banking

Institutional
Sales & Trading

Equity Research

Wealth
Management

Principal
Investing

Public Finance

Insurance

1200+

Stephens Employees⁽¹⁾

220+

Investment Banking
Professionals⁽¹⁾

11

Corporate Finance Offices⁽¹⁾

9

Industry Groups

500+

Companies Covered

350+

M&A Transactions

225+

Equity Offerings

110+

Debt Offerings

(1) Includes affiliates

Note: Stephens statistics since 2010

Powerful Intercontinental Platform



(1) Offices of Stephens Europe Limited, affiliate of Stephens Inc.



Unrivalled US Mid
Market Coverage

80+

Years of U.S
Experience

Well Established
European Presence

30+

Bankers
Based in
Europe⁽¹⁾

Strong Partner
Network Across Asia

100+

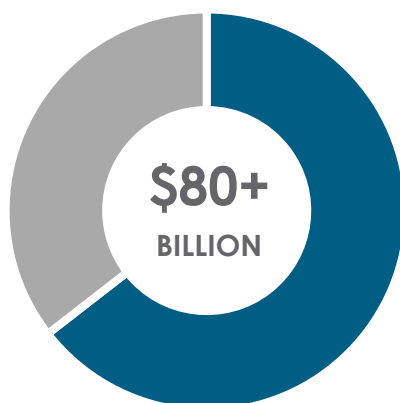
Correspondent
Relationships

Our Investment Banking Platform

Mergers & Acquisitions

Deal Type

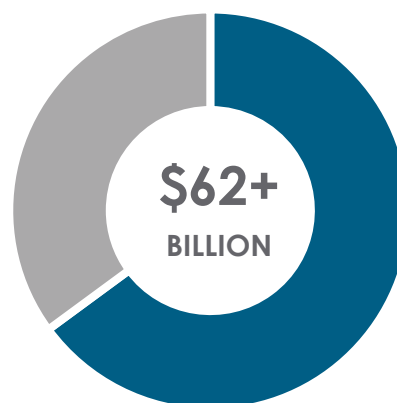
- Sell-Side
- Buy-Side



Equity Capital Markets

Deal Type

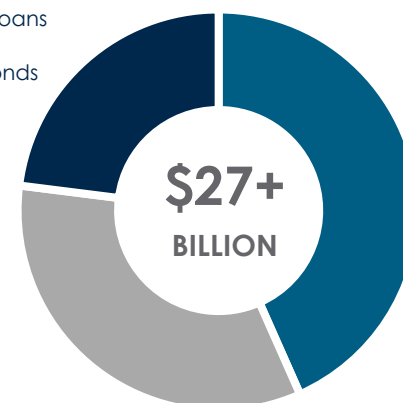
- Follow-On
- IPO



Debt Capital Markets

Deal Type

- Leveraged Loans
- High Yield Bonds
- Investment Grade Bonds



Financial Sponsors Group

355+

Sponsor-Backed
Transactions

\$36+

Aggregate M&A
Transaction Volume in Billions

\$46+

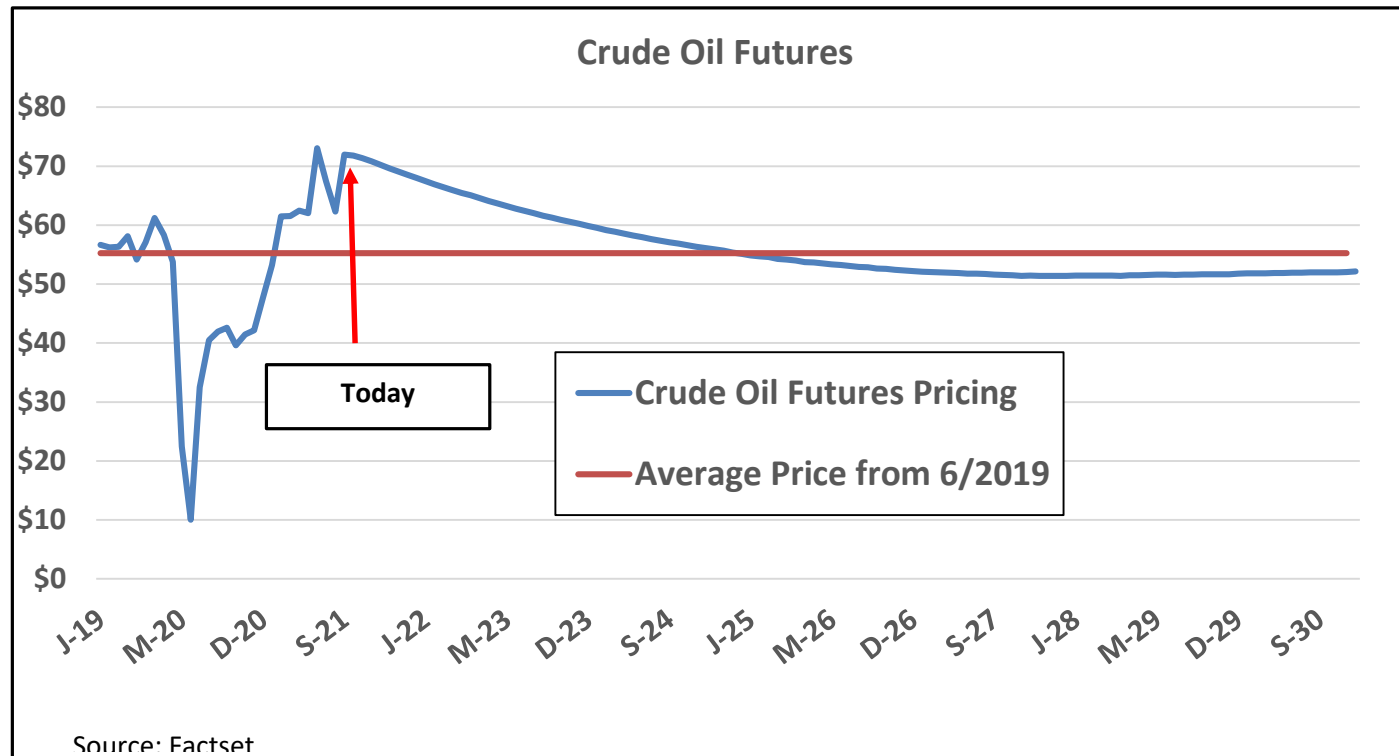
Aggregate Capital Markets
Transaction Volume in Billions

\$208+

Avg. Sponsor-Backed
M&A Deal Size in Millions

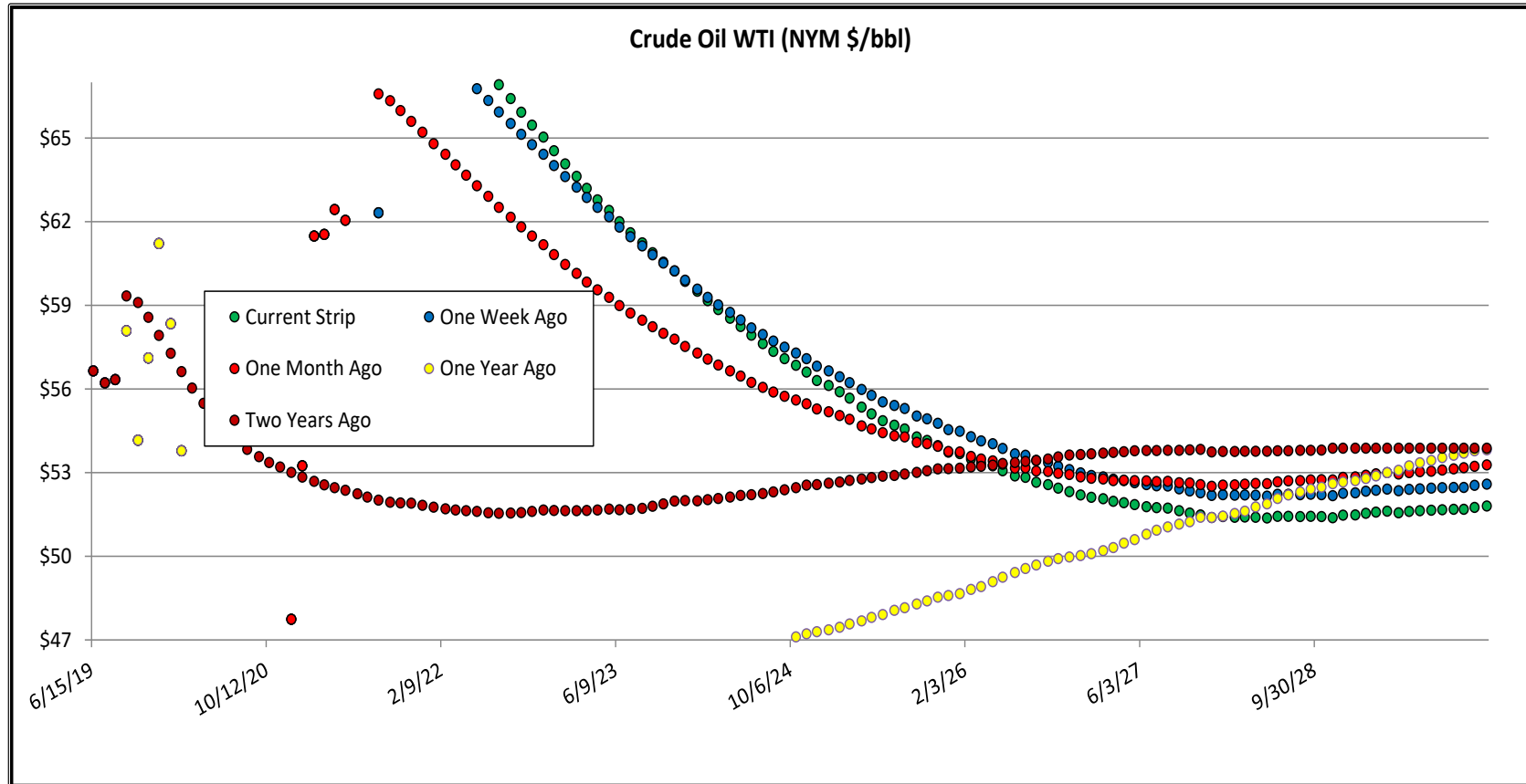
Note: Stephens statistics since 2010.

The Obligatory Crude Oil Price Slide



- **The volatility of the last 3 years is stunning**
- **History means little in the brave new world of today**
- **Oil will be critical forever but a 50% decrease in gasoline demand would impact the industry**
- **We will continue to adapt**

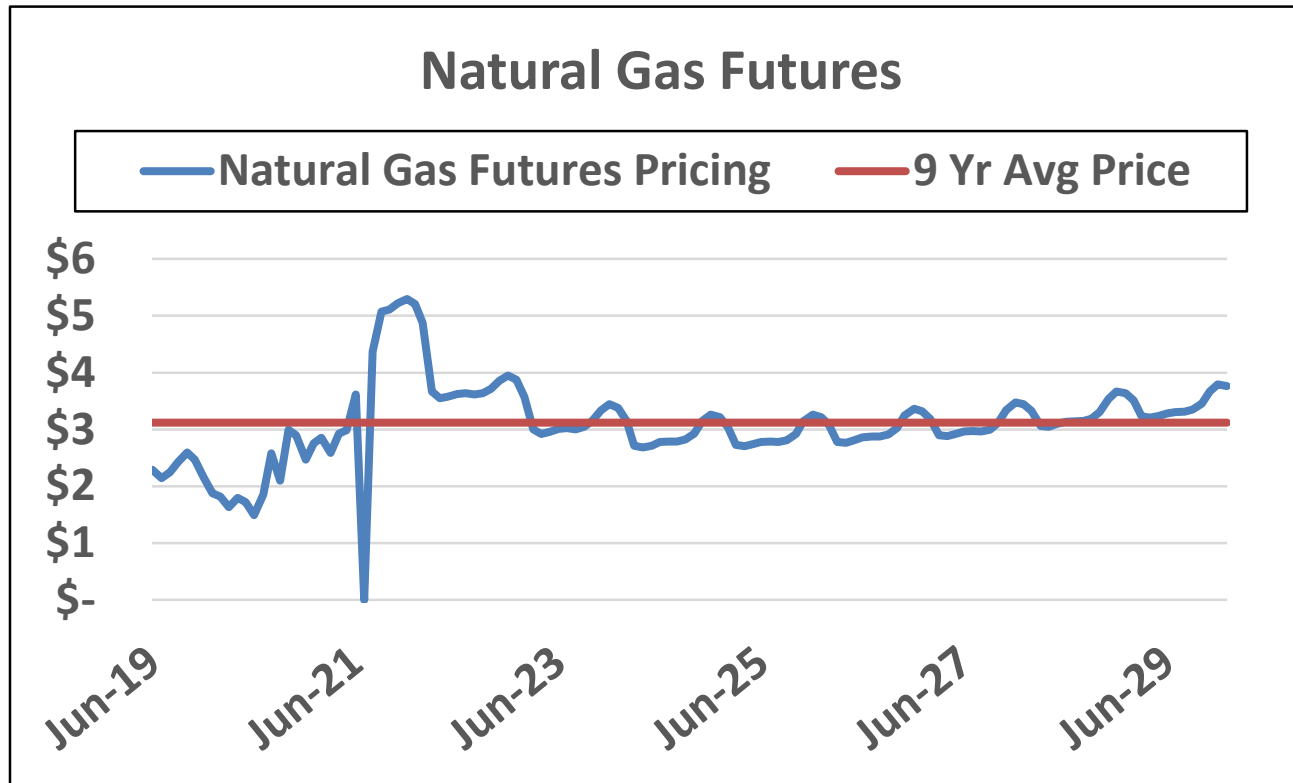
All Roads Lead to Rome



The futures strip for oil into the future has really not changed over the past couple of years, hovering around the **\$55 mark**

While never completely “right”, it drives the **borrowing, spending, investment decisions** made for the industry

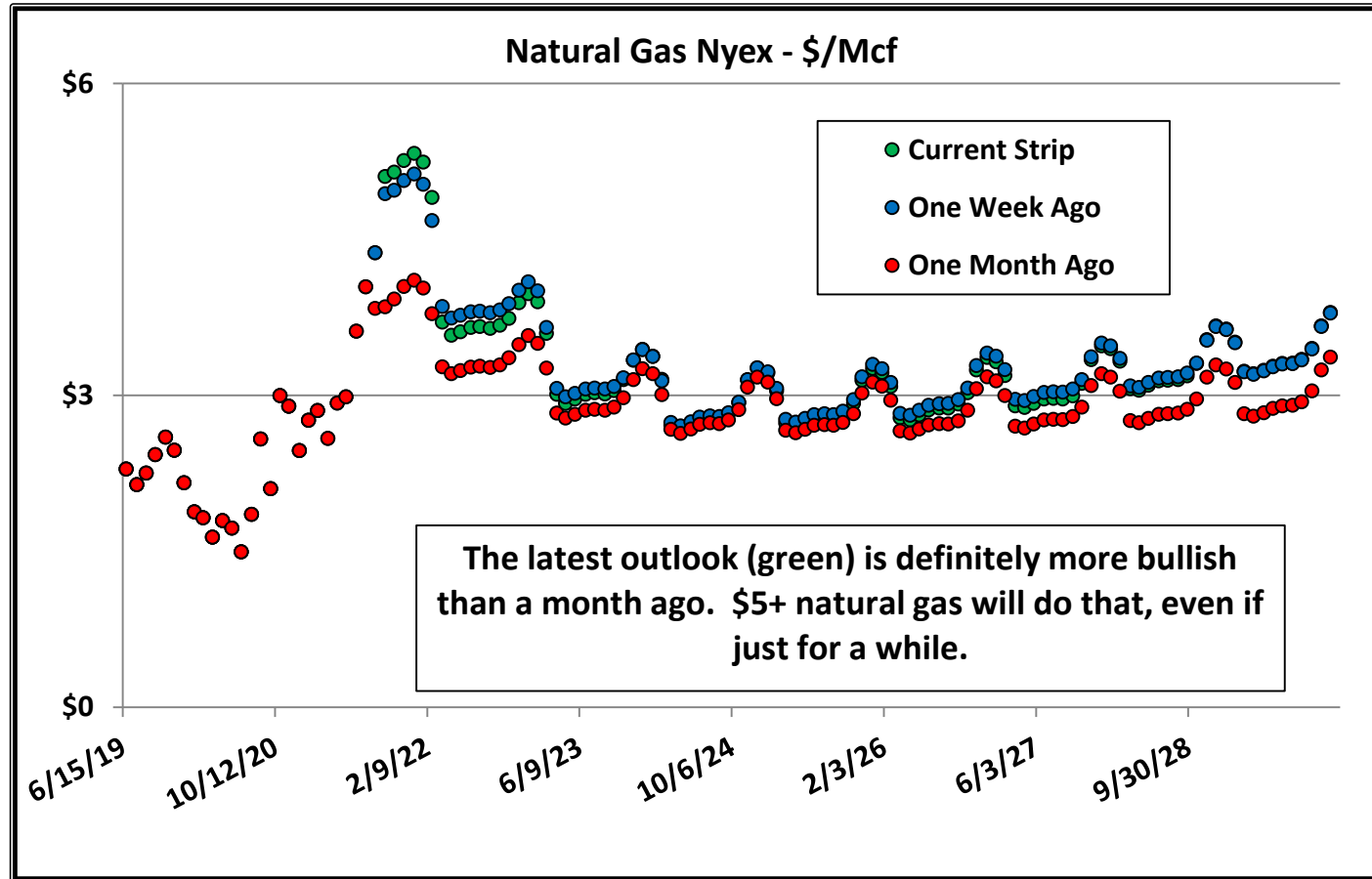
Natural Gas – Still A Party



Natural gas at \$5 is worthy of a party and a “sell all you can” effort. As noted in the chart, the party cools off

Source: Factset

The Seasonal Road to Rome

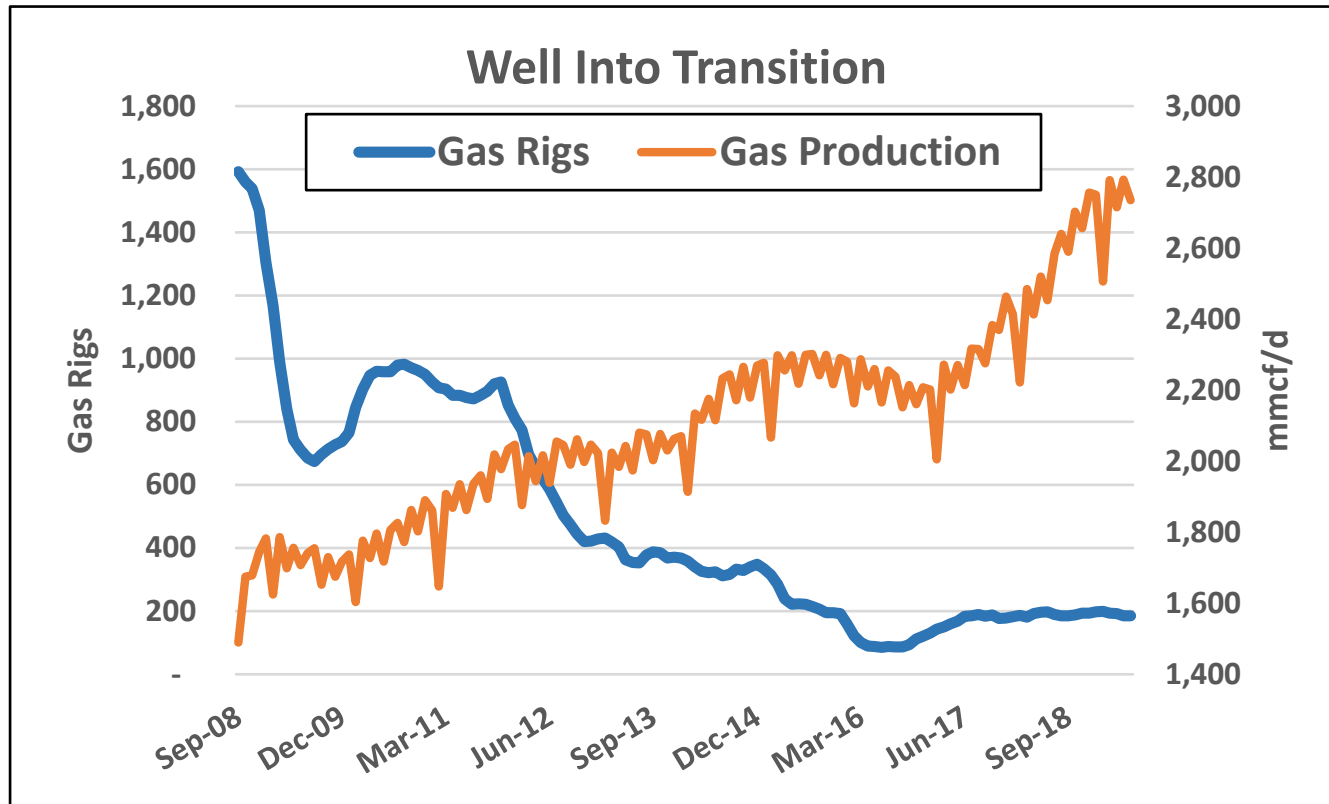


Natural gas has a much **better use profile** than crude oil

It is now part of the global market with 10 bcf/d of exports

Source; Factset

Energy Transition – We Are Well Underway



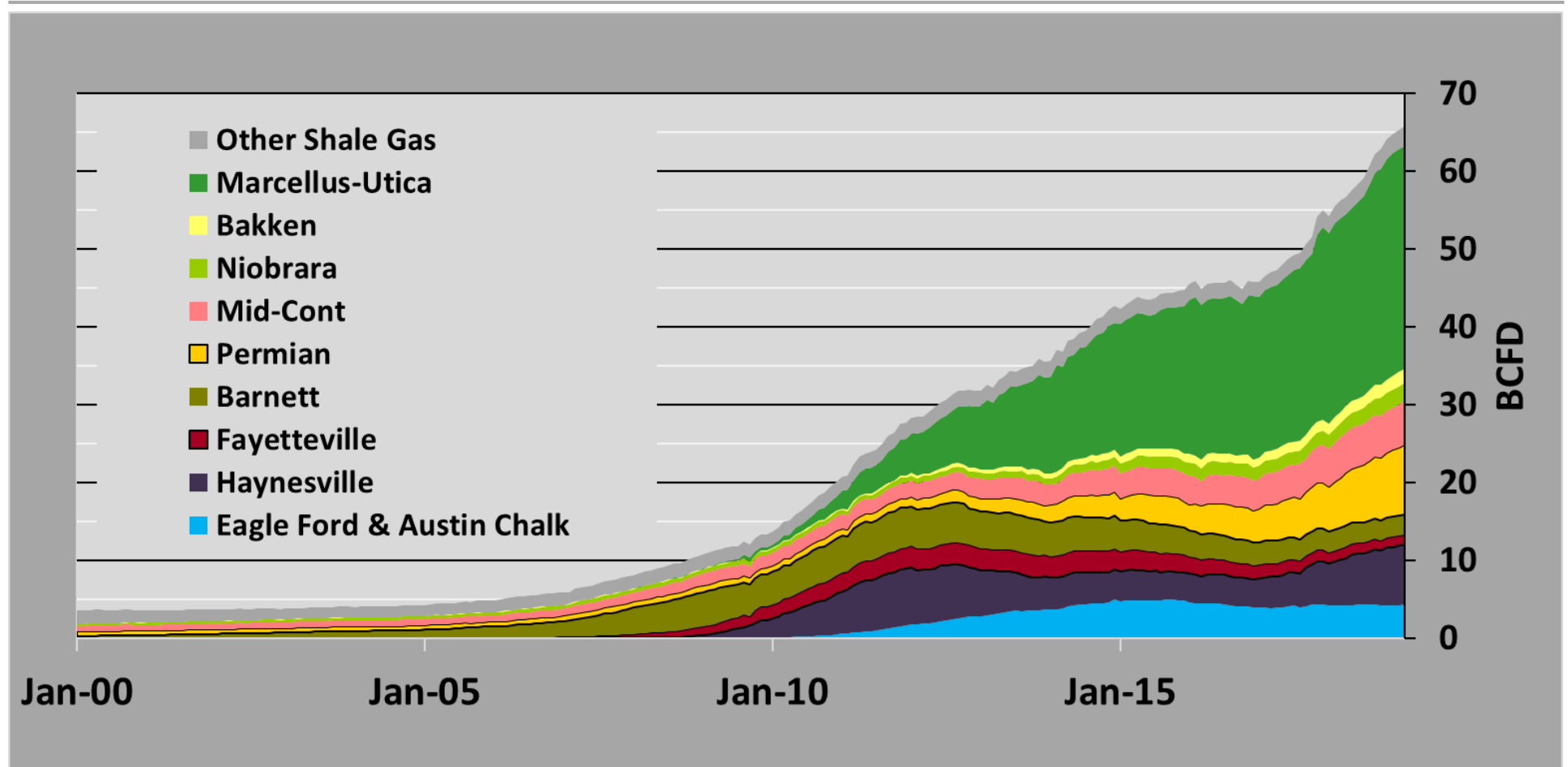
Step 1: Get incredibly more efficient

Step 2: Adapt – make money, a profit, figure out how ✓

Step 3: Expand – hundreds of billions of dollars will chase energy

Step 4: Identify your place in the new world

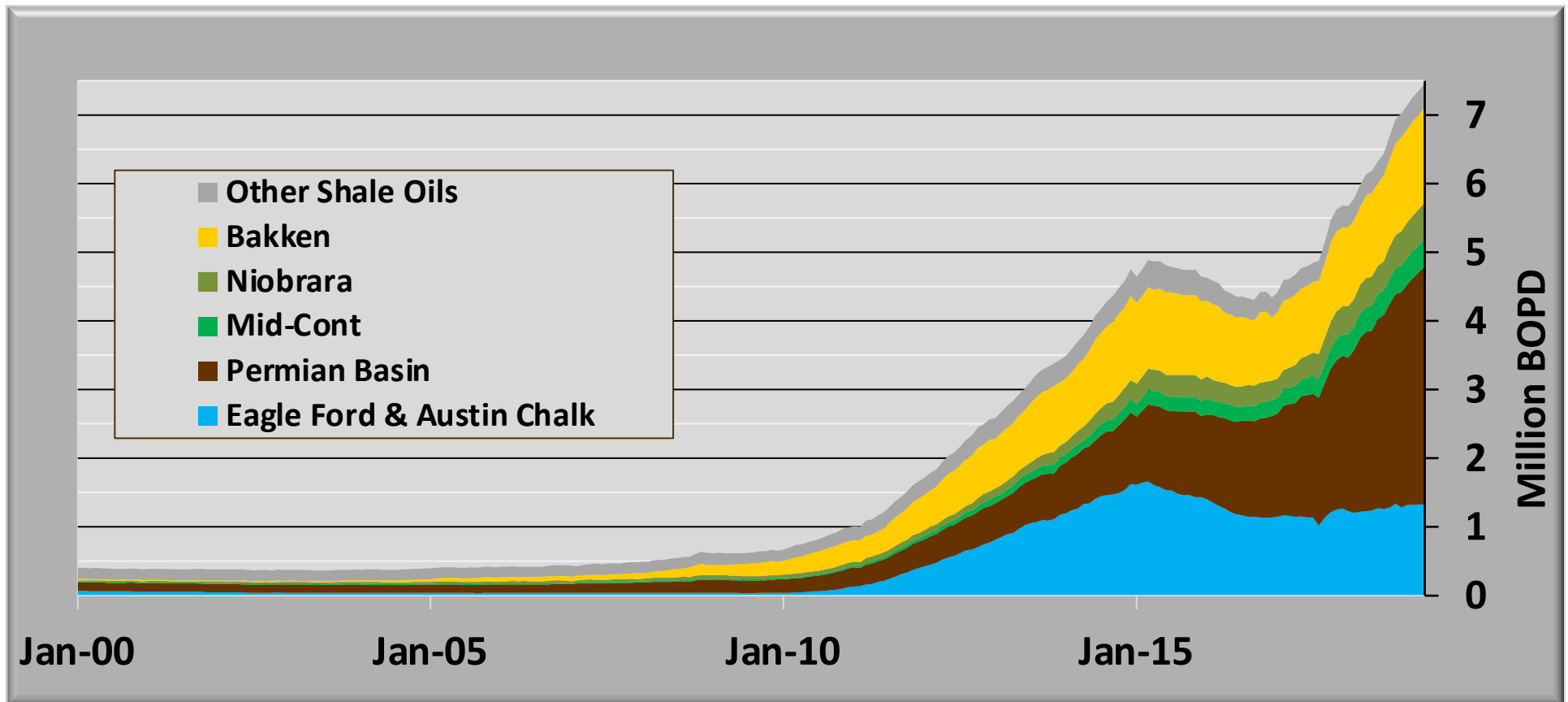
US Shale Gas Production



The Northeast has dominated natural gas production growth

Data: BP Statistical View of World Energy (2018)

Shale Oil Growth



The Bakken was early, then the Permian dominated with the Eagle Ford & Austin chalk having peaked