

Investor Presentation

May 2023

Piper Sandler Investor Presentation Disclosures

Cautionary notice regarding forward-looking statements

This presentation contains forward-looking statements. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated, including those factors identified in the document entitled “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022 and updated in our subsequent reports filed with the SEC.

These reports are available at our Website at www.pipersandler.com and at the SEC Website at www.sec.gov.

Forward-looking statements speak only as of the date they are made, and Piper Sandler undertakes no obligation to update them in light of new information or future events.

Piper Jaffray and Sandler O’Neill merged on January 3, 2020 to become Piper Sandler Companies

Financial measures for periods ending on or prior to December 31, 2019 and presented herein, represent the results of Piper Jaffray Companies not including Sandler O’Neill. Financial results and measures beginning from the date of merger on January 3, 2020 include Sandler O’Neill.

About Piper Sandler Companies

Piper Sandler Companies (NYSE: PIPR) is a leading investment bank driven to help clients Realize the Power of Partnership®. Securities brokerage and investment banking services are offered in the U.S. through Piper Sandler & Co., member SIPC and NYSE; in Europe through Piper Sandler Ltd., authorized and regulated by the U.K. Financial Conduct Authority; and in Hong Kong through Piper Sandler Hong Kong Ltd., authorized and regulated by the Securities and Futures Commission. Alternative asset management and fixed income advisory services are offered through separately registered advisory affiliates.

© 2023. Since 1895. Piper Sandler Companies. 800 Nicollet Mall, Minneapolis, Minnesota 55402-7036

For more information, please contact Tim Carter, chief financial officer at 612 303-5607 or investorrelations@psc.com

Contents

- I. Value proposition and business highlights**
- II. Investment rationale**
- III. Reconciliation of non-GAAP financial measures**



Section I

Value proposition and business highlights

A leading investment bank

We enable growth and success for our clients through deep sector expertise, candid advice and a differentiated, highly productive culture.

- Diversified firm with market leadership across businesses, deep expertise in focus sectors, and broad product capabilities
- One of the largest and broadest middle-market investment banks on the street with a reputation for client-first approach
- Top-ranked M&A advisor and represents one of the fastest growing platforms in the U.S.
- Book run, market-leading equity and debt underwriting franchises
- Scaled equity brokerage business and premier client destination that combines top-ranked research, trading, and capital markets capabilities
- Differentiated, advice-driven fixed income business
- Well capitalized and low leverage with meaningful capacity to generate free cash flow across cycles

\$1.4B

LTM 1Q 2023
ADJUSTED NET
REVENUES¹



INVESTMENT BANKING | \$824M

- M&A advisory
- Equity and debt capital markets
- Debt advisory
- Restructuring advisory

PUBLIC FINANCE | \$112M

- Municipal underwriting and advisory

EQUITY BROKERAGE | \$214M

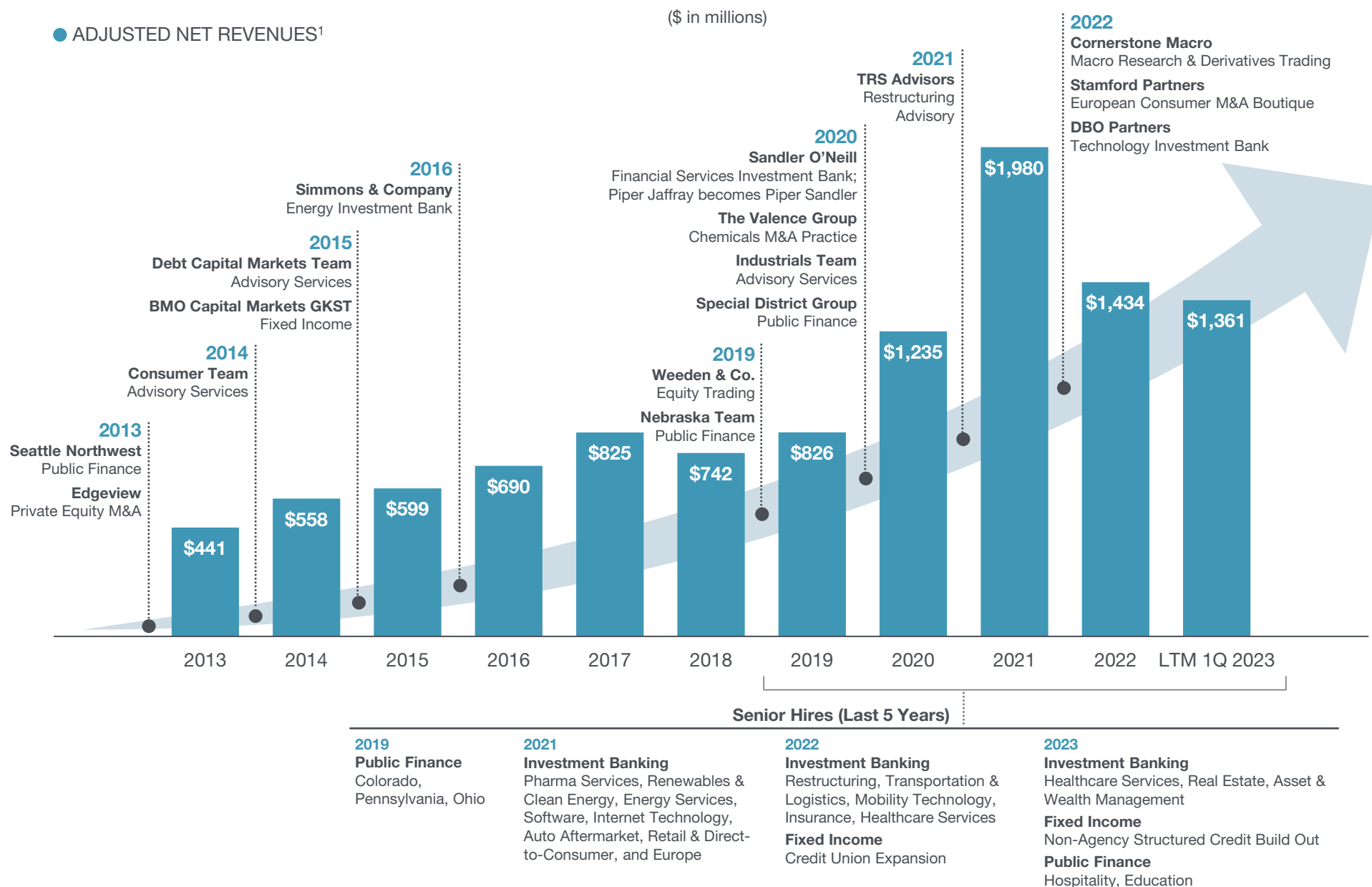
- Institutional sales and trading
- Equity and macro research

FIXED INCOME | \$183M

- Municipal and taxable sales and trading
- Balance sheet strategy and analytics

Transforming our business through strategic investments

Building a Stronger and More Durable Platform



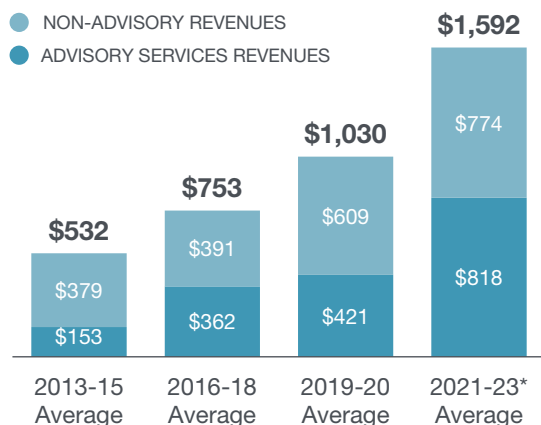
1) A non-GAAP financial measure. See Appendix for a reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure

Elevating the earnings power of our platform

Consistently Growing our Platform

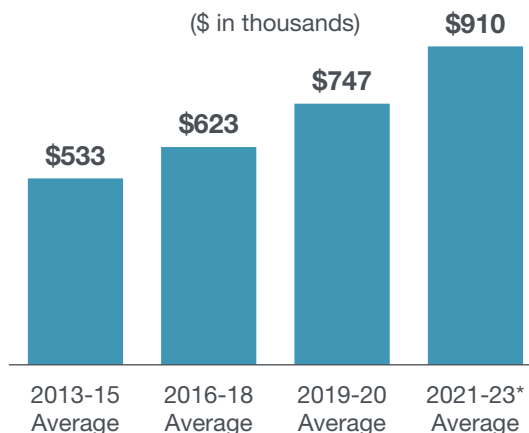
Adjusted Net Revenues¹

(\$ in millions)

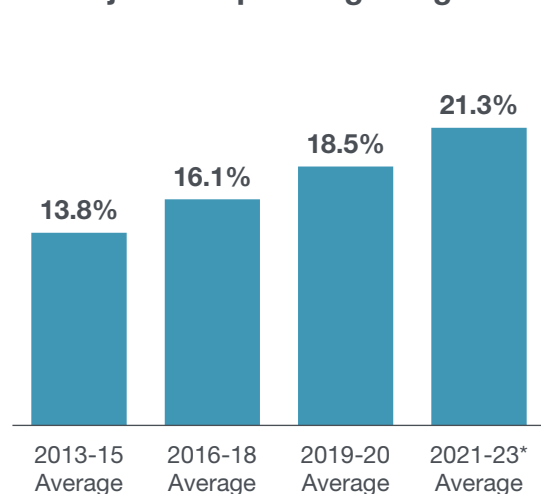


Adjusted Net Revenues¹ Per Employee

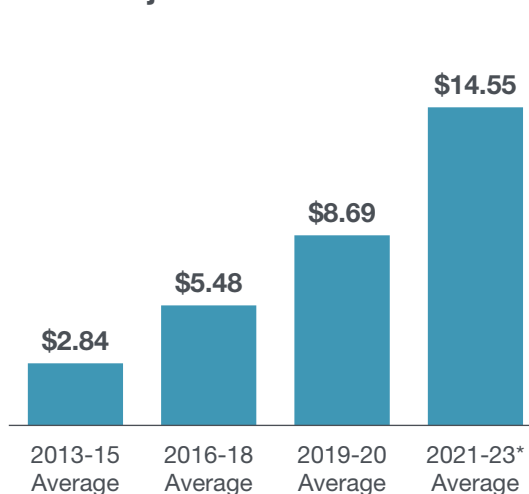
(\$ in thousands)



Adjusted Operating Margin¹

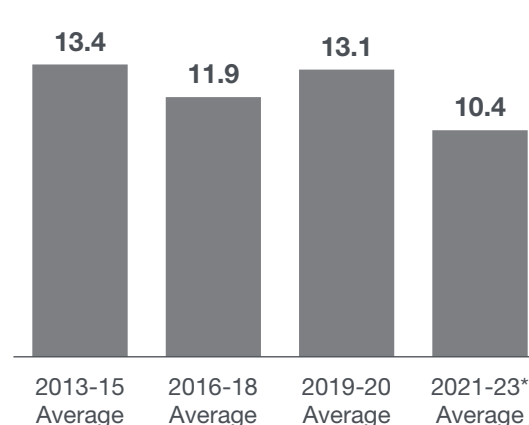


Adjusted Diluted EPS¹

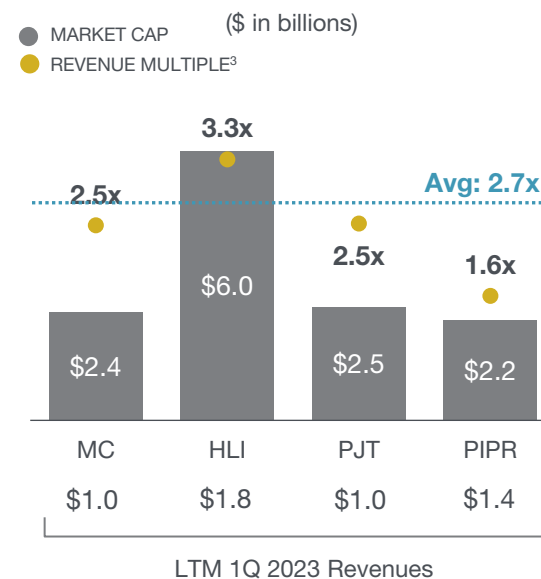


Compelling Valuation

NTM P/E Multiple²



Market Cap & LTM Revenue Multiple



* Note 2021-23 represents the average of FY 2021, FY 2022, and LTM 1Q 2023

1) A non-GAAP measure

2) NTM P/E Multiple represents the median NTM P/E multiple for each calendar year, then averaged according to the year groupings. Source: Capital IQ.

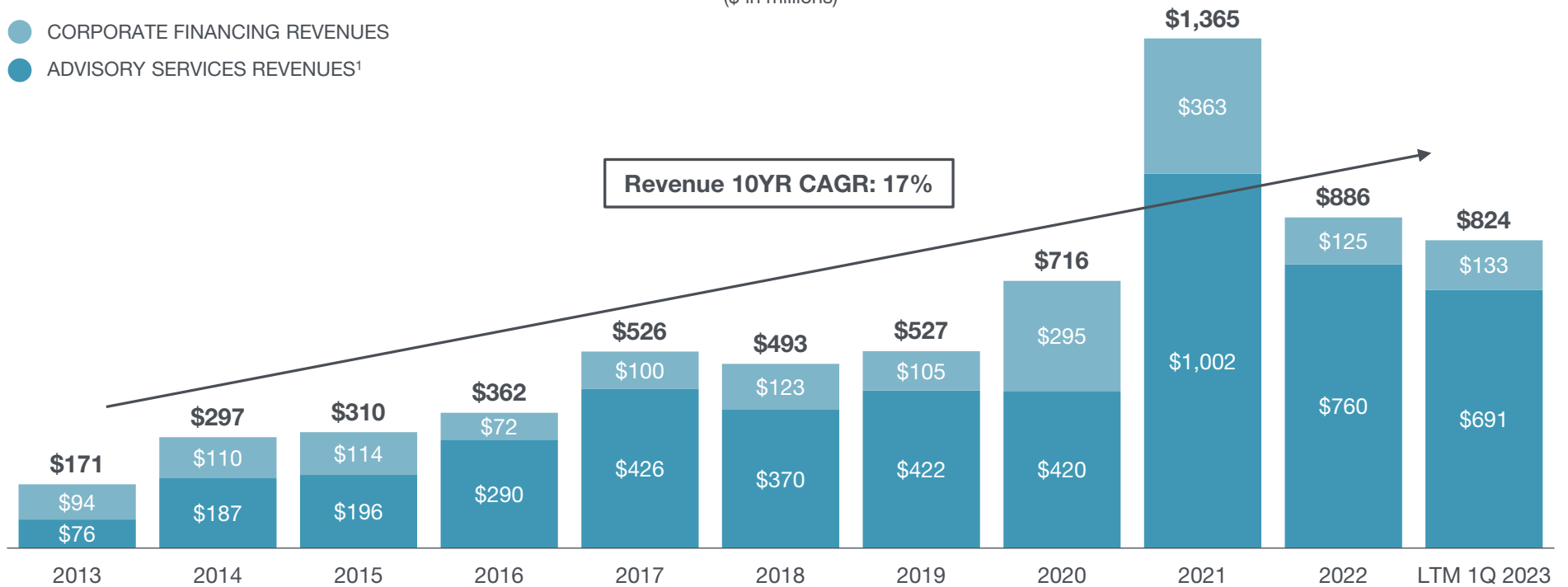
3) Revenue multiple represents market cap as of May 16, 2023 / LTM 1Q 2023 revenues, average multiple of 2.7x excludes PIPR. Source: Capital IQ.

Corporate investment banking

A Decade of Investing for Growth

(\$ in millions)

- CORPORATE FINANCING REVENUES
- ADVISORY SERVICES REVENUES¹



49
MDs

Managing Director Headcount 10YR CAGR: 13%

171
MDs

Market share
gains

Larger
assignments /
higher fees

MD growth through
strategic hiring and
internal development

Momentum
with private
equity

Accretive
combinations

1) Advisory services revenues exclude public finance advisory

Comprehensive suite of products and services

Providing the Highest Quality Advice

M&A ADVISORY

- Top-ranked M&A advisor
- Industry-focused M&A
- Advised more than 950 M&A transactions worth more than \$370 billion in the past 5 years¹

EQUITY SECURITIES

- Leading underwriter of growth companies
- Leading aftermarket trading support
- Focused and dedicated research coverage

DEBT SECURITIES

- Product expertise across entire leveraged capital spectrum
- Leading market share in bank debt²

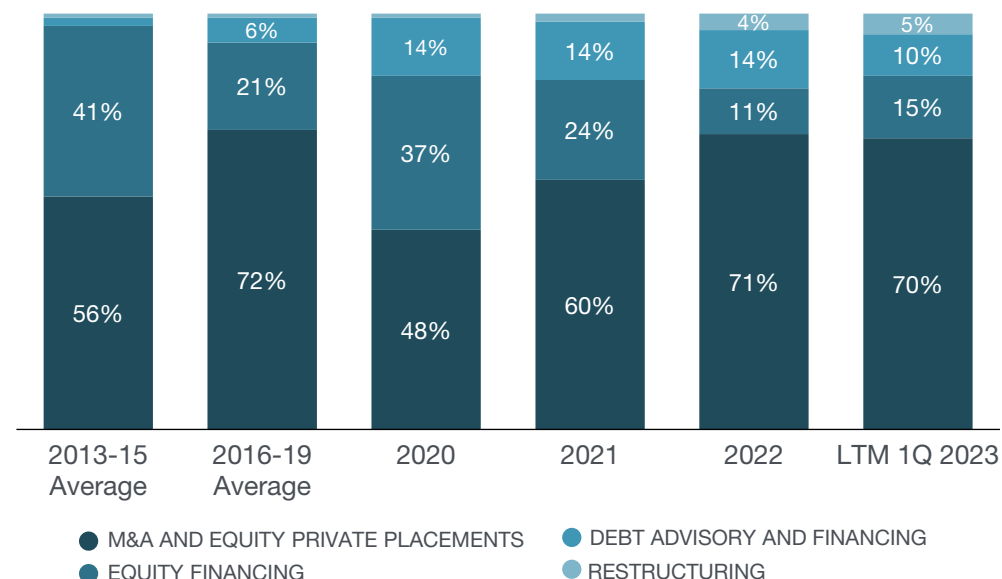
PRIVATE PLACEMENTS

- Leading industry expertise and products knowledge
- Extensive relationships with private equity and venture firms

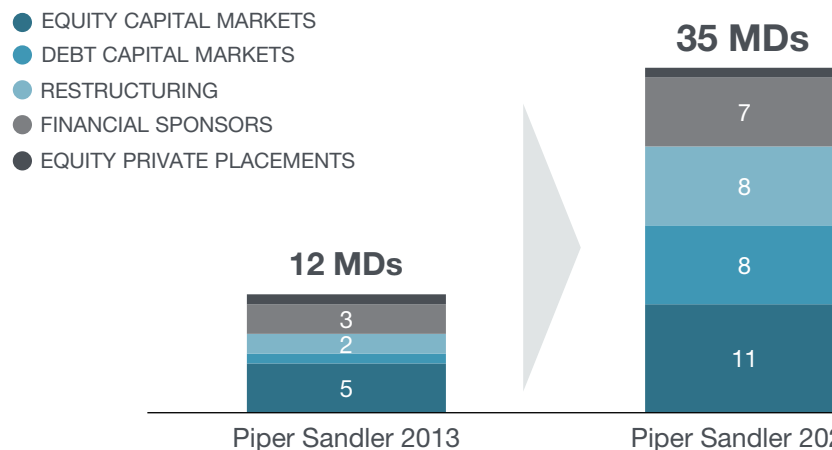
RESTRUCTURING AND SPECIAL SITUATIONS

- Advisor of recapitalization and balance sheet management for financial institutions
- Leading advisor to financially stressed businesses, creditor constituencies, investors
- Chapter 11, out-of-court workouts, sale of assets, reorganizations, exchange/tender offers, acquisitions

Corporate Investment Banking Revenue Mix by Product



Expanding our Product-Focused Managing Directors



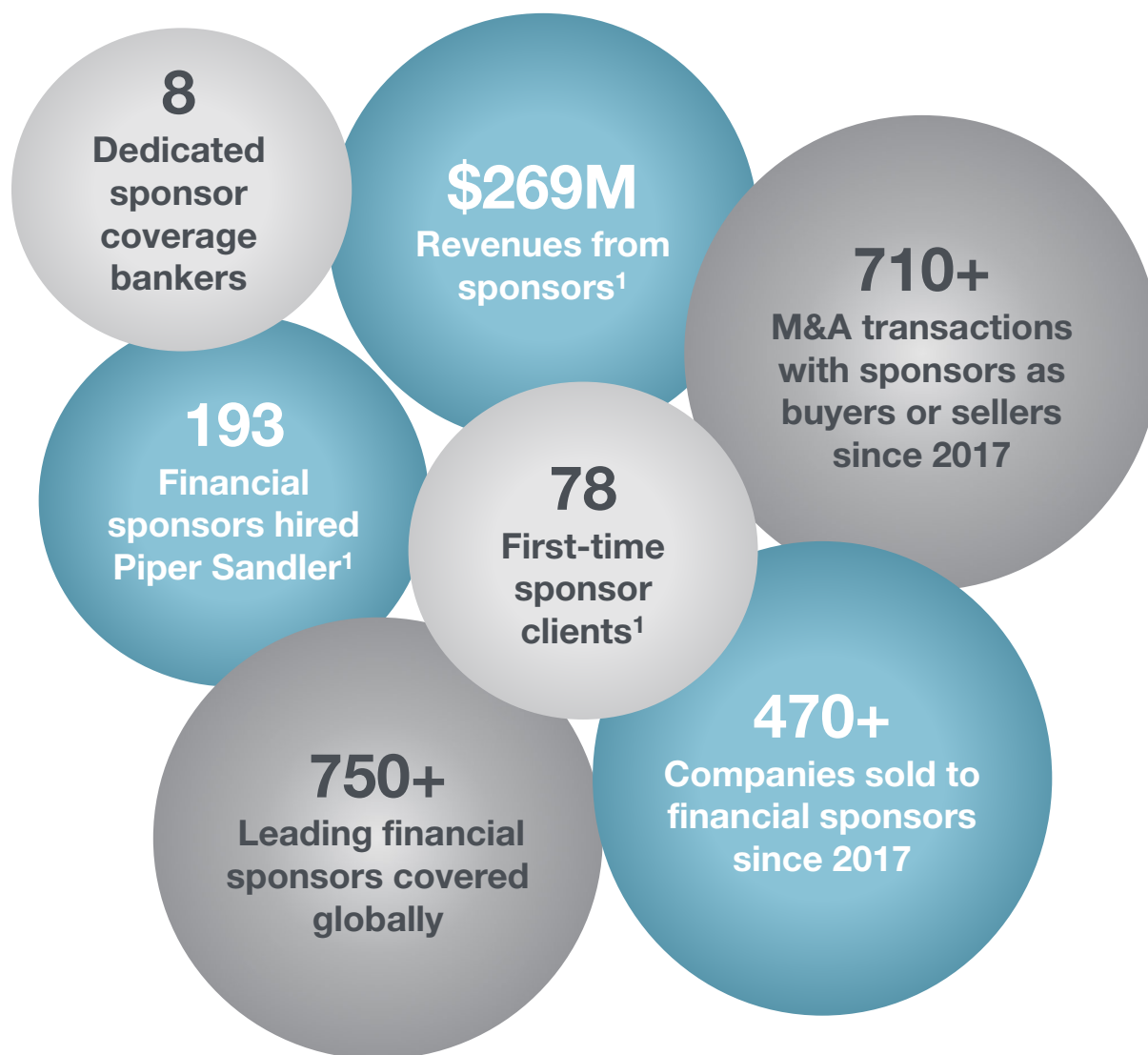
Note: Piper Sandler 2023 is as of March 31, 2023

1) Completed M&A transactions from January 1, 2018 to December 31, 2022; reflects combined data of Piper Sandler and its predecessors

2) Sources: S&P Global Market Intelligence, Bloomberg, Piper Sandler Syndicate Desk.

Best-in-class connectivity to private equity buyers

Leading Private Equity Advisory Practice



Most Active Investment Banks to U.S. Private Equity²

LTM 1Q 2023

1	Jefferies	295
2	Houlihan Lokey	278
3	William Blair	235
4	Evercore	212
5	Lincoln	200
6	Piper Sandler	191
7	Raymond James	164
8	Stifel	135

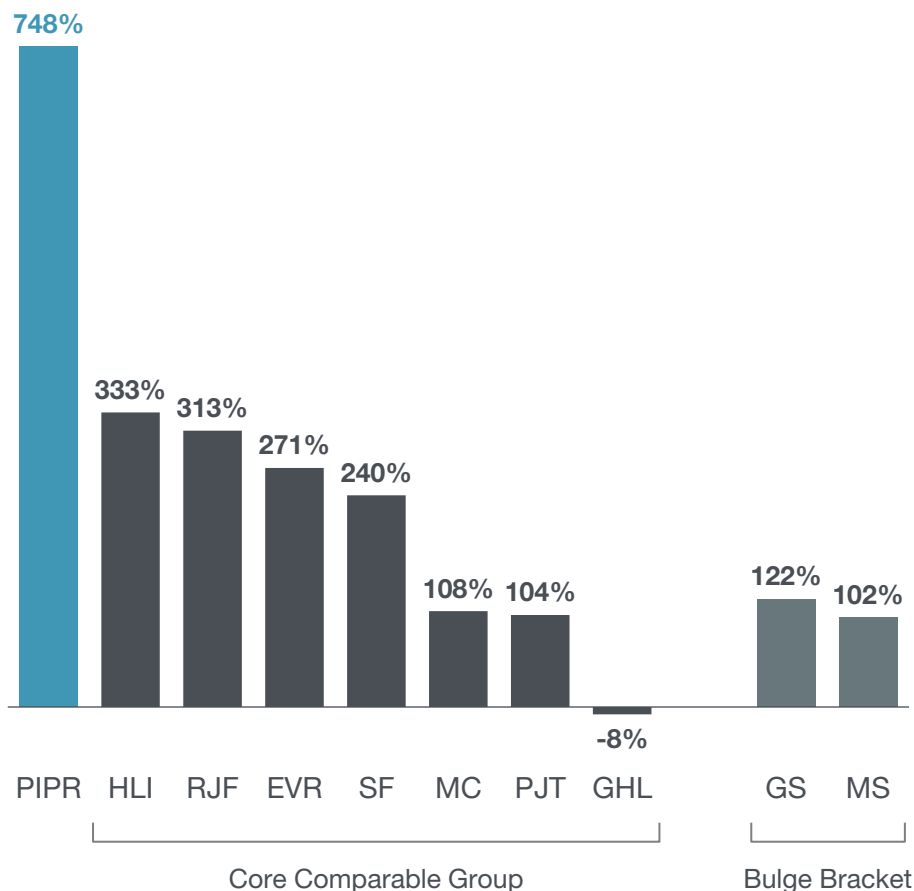
1) LTM 1Q 2023

2) Represents transactions closed in the U.S. by middle market banks on behalf of private equity groups. Source: Pitchbook.

Exceptional growth of advisory practice

Long-Term Growth in Advisory Revenues¹

LTM 1Q 2023 vs. 2013



Advisory Revenues 3-Year CAGR²

(\$ in millions)

	2020	2021	2022	LTM 1Q 2023	CAGR
HLI	\$658	\$1,615	\$1,150	\$1,127	20%
SF	\$428	\$856	\$715	\$684	17%
PIPR	\$443	\$1,026	\$776	\$706	17%
RJF	\$379	\$761	\$540	\$488	9%
Median					9%
EVR	\$1,757	\$2,753	\$2,394	\$2,232	8%
PJT	\$872	\$763	\$824	\$810	-2%
MC	\$943	\$1,558	\$970	\$857	-3%
GHL	\$312	\$318	\$258	\$263	-6%
Total	\$5,792	\$9,650	\$7,627	\$7,167	7%

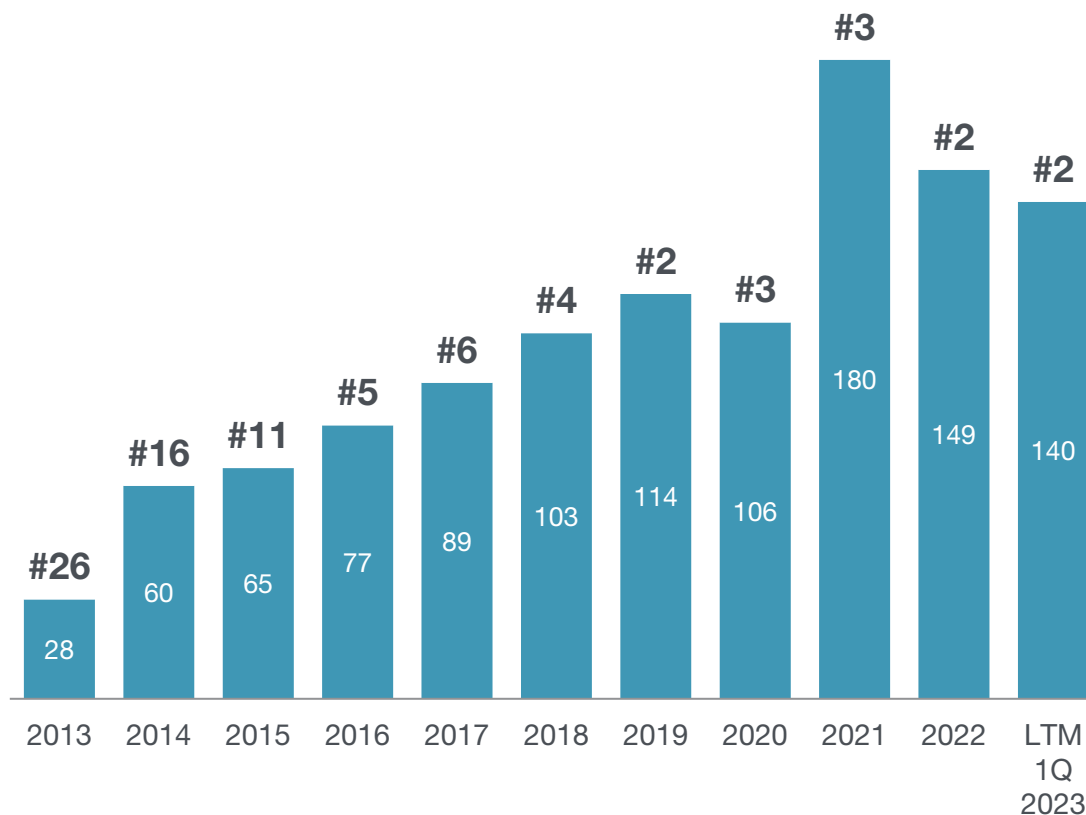
1) Represents growth in advisory revenues for LTM 1Q 2023 (i.e., the twelve months ended March 31, 2023) compared to 2013 (i.e., the twelve months ended December 31, 2013); amounts for HLI exclude restructuring revenues, and 2013 for HLI is the twelve months ended March 31, 2014. Source: SEC Filings & Earnings Releases.

2) Table is sorted based on CAGR. Source: SEC Filings & Earnings Releases.

Market leadership in U.S. M&A

U.S. M&A Market Share Growth¹

● NUMBER OF DEALS & RANKING



Top Ranked Financial Advisor in U.S. M&A¹

LTM 1Q 2023

1	Houlihan Lokey	169
2	Piper Sandler	140
3	Lincoln International	119
4	Raymond James	108
5	Jefferies	107
6	Goldman Sachs & Co.	87
7	Stifel/KBW	85
8	Bank of America	84
9	JPMorgan	83
10	William Blair & Company	81

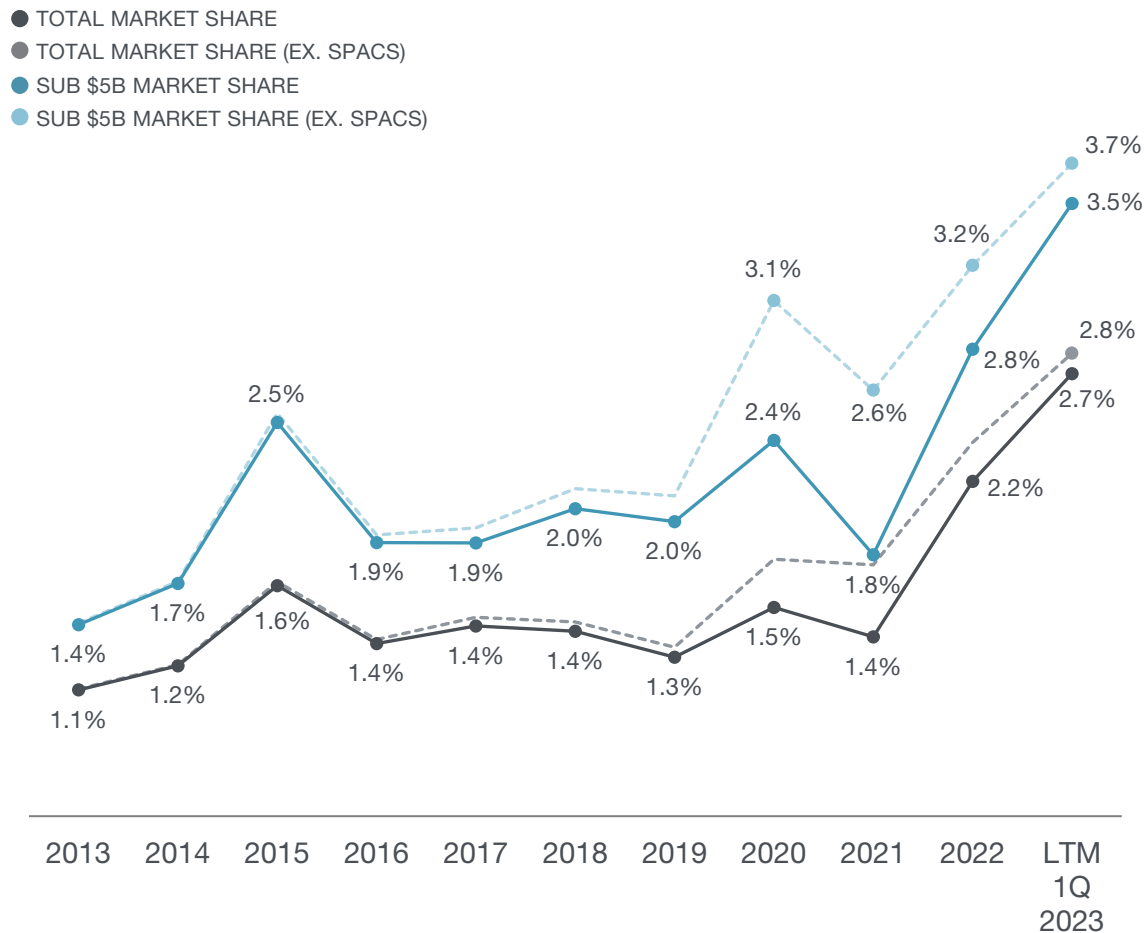
2013

26	Piper Sandler	28
----	---------------	----

1) Includes U.S. M&A announced activity across all industries with deal value <\$1B; rankings based on number of deals announced for the same criteria. Source: Mergermarket.

Market leadership in equity underwriting

Equity Underwriting Economic Fee Market Share Growth¹



Top Ranked, Book Run Equity Underwriting Franchise²

LTM 1Q 2023

1	JPMorgan	87
2	Jefferies	68
3	Goldman Sachs	67
4	BofA Securities	67
5	Morgan Stanley	56
6	SVB Leerink	46
7	Cowen & Co	42
8	Piper Sandler	41
9	Citigroup	37
10	Barclays Bank	34

2013

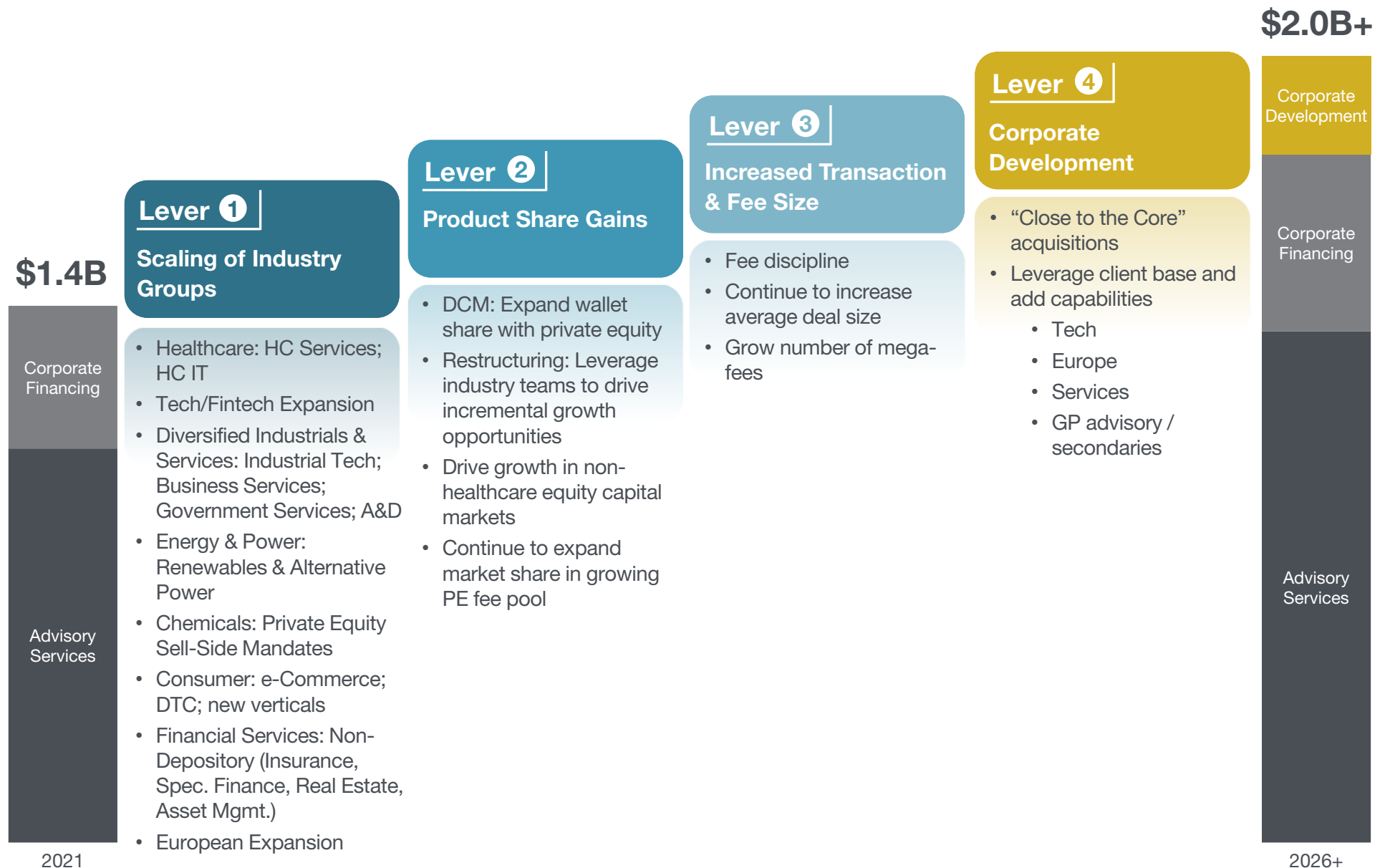
14	Piper Sandler	40
----	---------------	----

1) Includes IPO, FO & CVT deal values > \$10 million, and PIPEs/RDs > \$5 million; SPAC IPO fees represented as the standard 2% up front fee unless noted as smaller on the IPO cover. Source: Dealogic & Piper Sandler ECM.

2) Ranking based on number of book run equity underwriting deals during LTM 1Q 2023 for companies with < \$5 billion of market cap; includes IPO, FO & CVT deal values > \$10 million, and PIPEs/RDs > \$5 million, excludes SPACs. Same criteria for 2013. Source: Dealogic & Piper Sandler ECM.

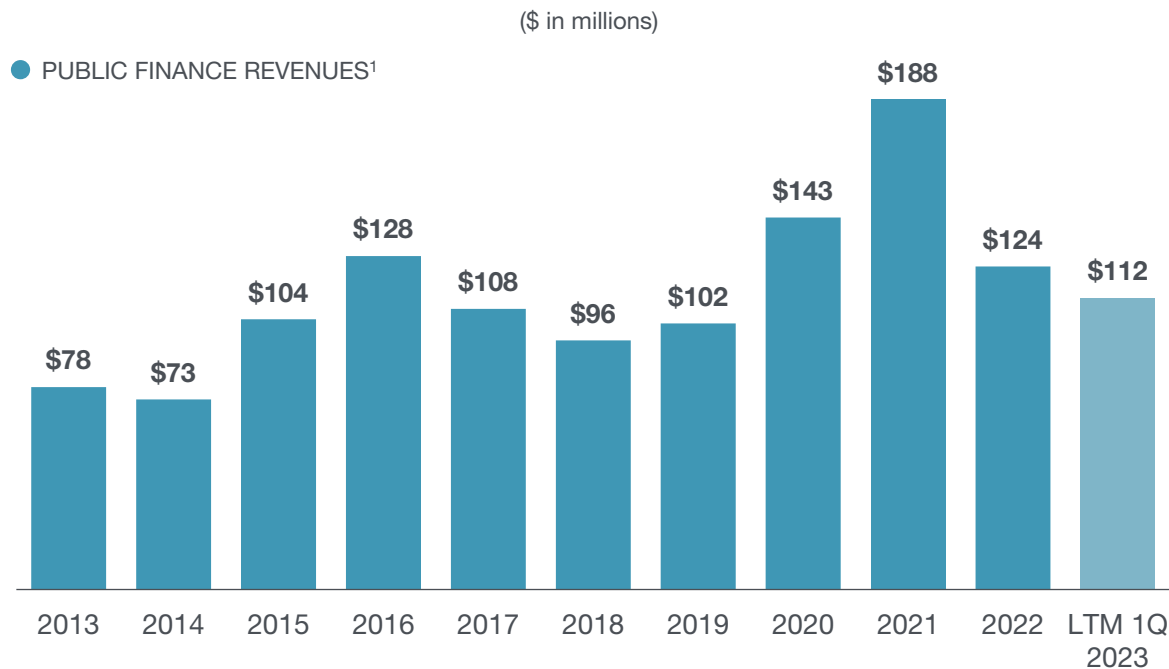
Path to \$2 billion of corporate investment banking revenues

Growth as a Core Competency: The Same Playbook As The Last Decade



Public finance

Leading Middle-Market Tax-Exempt Underwriter



Local market relationships and knowledge amplified by the strength of substantial scale and expertise

- Uniquely positioned market leader in a steady business with solid margins
- Broad product set to meet client's needs
- Robust distribution capabilities with a team of 300+ public finance and distribution professionals
- Industry sector expertise in high-margin specialty sectors
- We are a destination of choice – we continually attract professionals or firms and their clients

Sector Expertise

GOVERNMENT

- Local Municipalities
- School Districts
- State and State Agencies
- Infrastructure for Development

SPECIAL DISTRICTS

HEALTHCARE

- Non-Profit Health Care Providers

SENIOR LIVING

- Assisted & Independent Living
- Retirement Communities (CCRCs)

EDUCATION

- Higher Education
- Charter Schools

HOSPITALITY

- Hotels and Convention Centers

HOUSING

- Single & Multi-Family Housing

TRANSPORTATION

- Toll Roads & Surface Transportation
- Airports

1) Public finance revenues include municipal financing and public finance advisory

Longstanding public finance leadership

National Platform, Regional Expertise



42

OFFICES¹

27

STATES¹

159

PROFESSIONALS¹

4.8%

LTM 1Q 2023
PAR VALUE
MARKET SHARE³

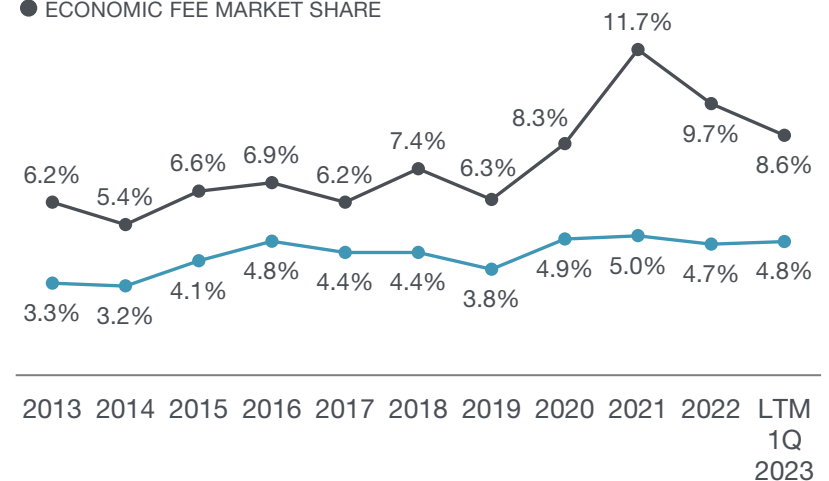
Negotiated and Private Placements²

LTM 1Q 2023

1	Stifel Nicolaus & Co Inc	730
2	Piper Sandler & Co	486
3	RBC Capital Markets	329
4	Robert W Baird & Co Inc	319
5	Raymond James	296

Consistently Improving a Strong Franchise³

- PAR VALUE MARKET SHARE
- ECONOMIC FEE MARKET SHARE



1) As of March 31, 2023

2) Rank based on number of sole/senior negotiated and private placement transactions during LTM 1Q 2023. Source: Refinitiv.

3) Par value market share based on par value of sole/senior negotiated and private placement transactions. Economic fee market share is calculated using Piper Sandler municipal financing revenues for deals < \$500 million divided by the public finance sub-\$500 million market fee pool which is estimated using spread detail from The Bond Buyer. Source: Refinitiv, The Bond Buyer, and Piper Sandler & Co.

Equity institutional brokerage

Creating Real Value for Institutional Investors

Combination of top-ranked research, trading, and capital markets capabilities creates a premier client destination

- Delivers deep sector expertise, trading excellence, advisory resources, and natural liquidity to our clients
- Complemented by fully integrated research, investment banking, corporate access and execution services
- Consistently providing strong guidance and transaction skills to our corporate and institutional clients

EQUITY TRADING

One of the largest and most experienced trading teams on Wall Street

- A leader in client breadth, with the No. 4 largest U.S. account base and No. 8 largest global account base (inclusive of all investment banks)¹
- One of the highest crossing rates on Wall Street (over 20%)², we find the true buyers and sellers in the marketplace
- Bespoke mix of high-touch trading, program trading, algorithmic trading, commissions management, derivatives trading, international trading, and event-driven trading minimizes market impact

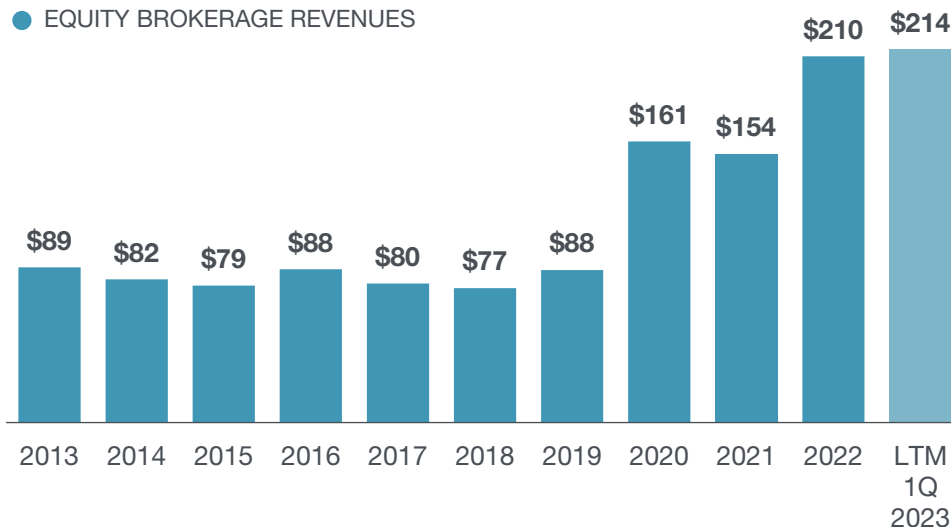
1) GPS Revenue Report for FY 2022; Source: McLagan

2) Based on FY 2022; Source: Piper Sandler, Refinitiv Autex

3) Based on FY 2022; Source: Greenwich Associates

(\$ in millions)

● EQUITY BROKERAGE REVENUES



EQUITY SALES

Our team is large and experienced, regionally focused and industry specialized

- Combination of generalist and specialty sales ranked top 5 in multiple industry verticals³
- A highly rated multigenerational sales force with an average tenure of 14+ years, 25+ years for regional sales leaders
- Facilitate direct access between company management teams and investors via conferences, symposiums, unique events, roadshows and one-on-one meetings (over 40,000 client touches annually)

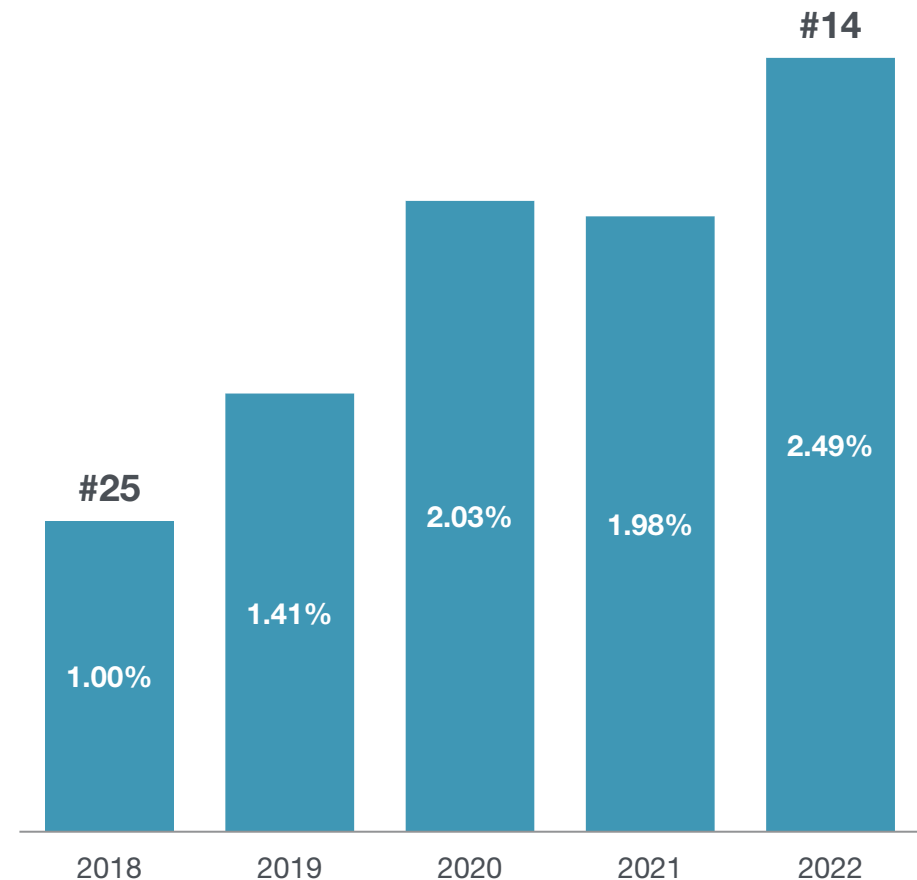
One of the fastest growing equity platforms on Wall Street

Meaningfully Expanded Trading Platform

Products	Piper Sandler 2013	Piper Sandler 2023
High-Touch (Cash) Trading	✓	✓
Program Trading		✓
Algo (No-Touch) Trading		✓
Commission Management		✓
Derivatives Trading		✓
International Trading (24-Hour)		✓
Event-Driven Strategies	✓	✓

U.S. Cash Trading Market Share Growth¹

● MARKET SHARE & RANKING



¹) Ranking and market share in U.S. equities cash trading (excludes UK, Europe, CVS, and derivatives). Source: McLagan.

Industry-leading research

Our Top-Ranked Research Analysts Offer Genuine Thought Leadership and Unique Perspectives

No. 2

U.S. SMID cap coverage <\$5B¹

No. 7

Total U.S. equities coverage

13,000+

Research reports published in 2022

950+

Small-, mid- and large-cap stocks

60+

Publishing analysts

A LEADING RESEARCH FRANCHISE



EQUITY RESEARCH

- Multiple Institutional Investor and Starmine ranked analysts
- We publish collaborative, cross-sector research that provides extensive market, industry and technical research

107%

INCREASE IN STOCKS COVERED²

80%

INCREASE IN PUBLISHING ANALYSTS²

MACRO RESEARCH

Our research teams develop and connect macro insights from around the world, delivering an impartial comprehensive overview of important global trends and help identify macro inflection points

The Cornerstone Macro acquisition added best-in-class macro research and an expanded equity derivatives team to Piper Sandler's market-leading platform.

Our analysts are consistently ranked in the top three annually in the Institutional Investor All-America Research Survey.

1) SMID cap < \$5 billion; data as of March 2023. Source: Thomson Reuters

2) Represents change from May 2023 compared to January 2013

Fixed income

Differentiated Model Providing Comprehensive Solutions to Clients

Leads with advice in defined client verticals and strategically utilizes capital to facilitate client needs

- Strength of product expertise and analytics driving a shift toward a more advisory centric model

Leadership in focused markets

- Deep penetration and leadership within banks
- Unique expertise in municipal bond markets
- Growing business focused on public entity, credit union and RIA clients

Capital efficient model with industry leading distribution and product capabilities

- Meaningful increase in scale combined with a significant reduction in inventory and risk driving higher and more consistent returns

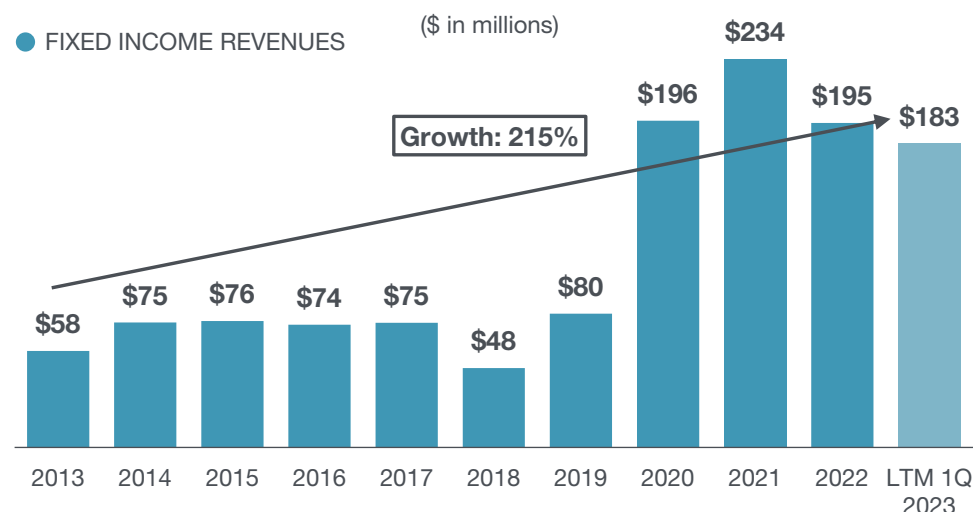
Closely integrated with investment banking providing access to significant new issue product

- Both origination and distribution capabilities
- Strong distribution in municipal new issue and financial services-related debt deals

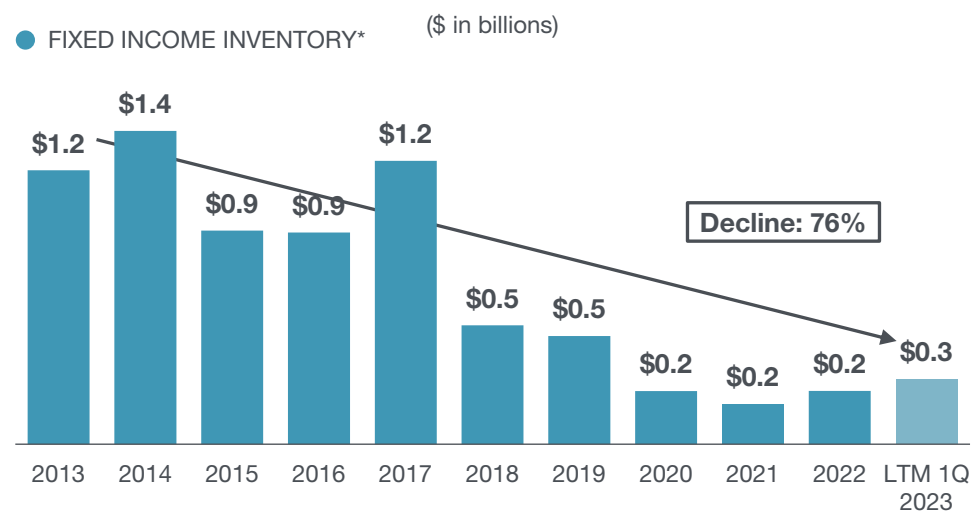
Expanded sales force and capabilities creates significant organic growth opportunities

- 240+ professionals including 122 sales professionals, 38 trading professionals, and 29 financial strategies professionals

One of the Largest Middle-Market Platforms



Shifting to an Advice-Driven Model



* Fixed income inventory represents financial instruments and other inventory positions owned excluding equity securities, convertible securities, and derivative contracts.

Diversified mix of clients and products provides durability across market cycles

Providing an Integrated, End-to-End Solution



Providing holistic approach to balance sheet management, focused on building core franchise value for financial institutions



Designing unique portfolio solutions for public entity clients focused on their liquidity needs and risk tolerances



Executing the appropriate investment strategy while employing competitive bidding to ensure advantageous pricing



Evaluating suitable investments using relative value analysis and credit monitoring tools



Maintaining constant dialogue with clients to ensure changes in investment parameters are immediately implemented



Access to meaningful new issue deal flow and a broad array of taxable and tax-exempt fixed income products

Client Base

- Financial institutions (banks, credit unions)
- Public entities
- Funds
- Money managers
- RIAs
- Insurance companies
- Trust departments

Product Offerings

- Municipal bonds (taxable and tax-exempt)
- Mortgage-backed securities (MBS) and asset-backed securities (ABS)
- CLOs
- Agency securities
- Corporate bonds
- CDs and commercial paper
- Money market funds and variable-rate securities
- Preferred stock
- Treasuries
- Derivatives/Interest rate management
- Loans
- New issue municipal and financial services debt



Section II

Investment rationale

Investment rationale



Diversified firm with market leadership, broad product capabilities and scale across all business lines



Track record of, and continued focus on, profitable growth



Advice-driven model with low incremental operating capital needs and the capacity to generate significant cash flows



Disciplined operating management and financial flexibility to drive shareholder returns



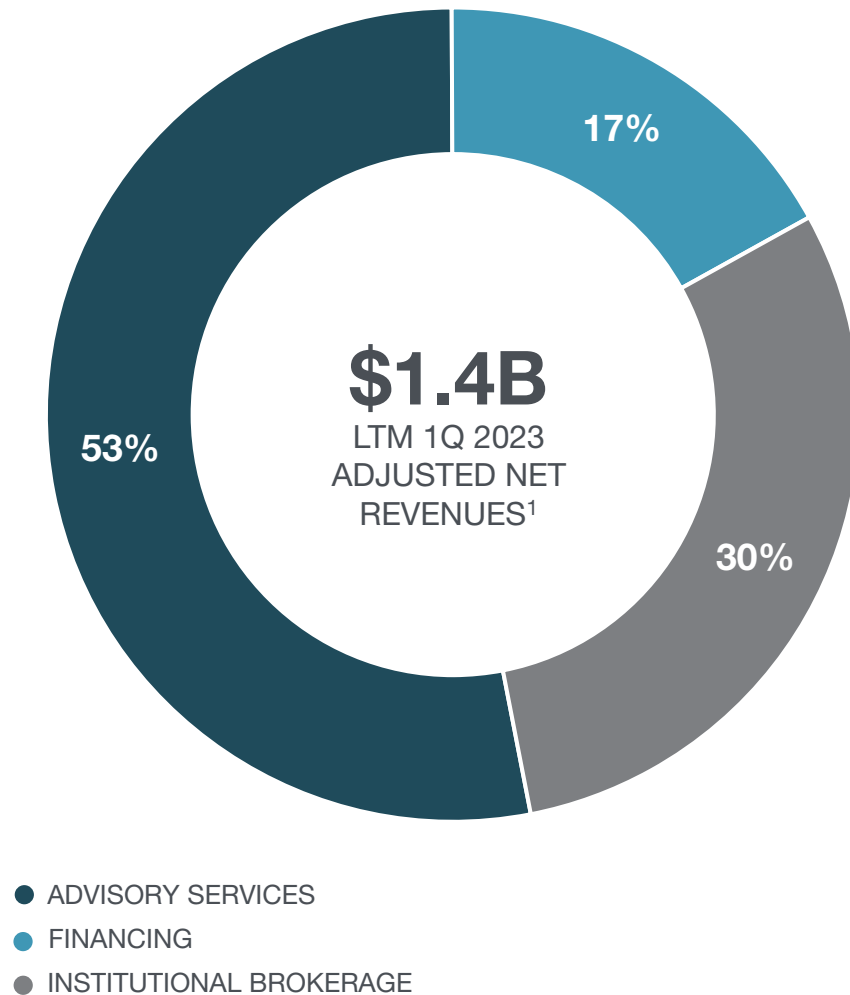
Destination of choice for top tier franchises and talent looking to grow their business and leverage the combined platform



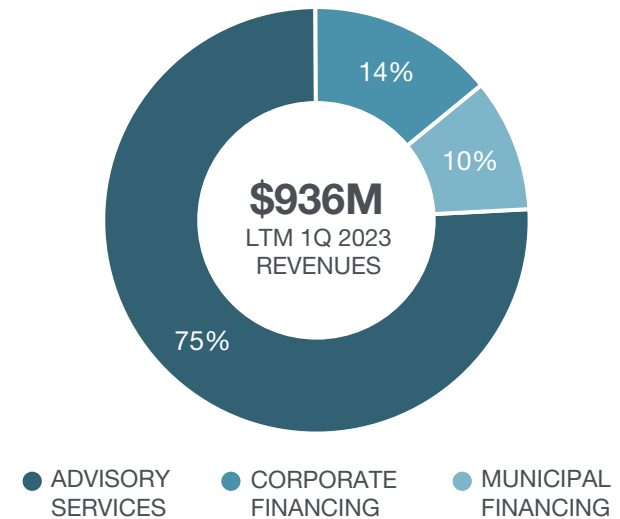
Consistently expanding market reach and share over time

Diversified firm with broad product capabilities

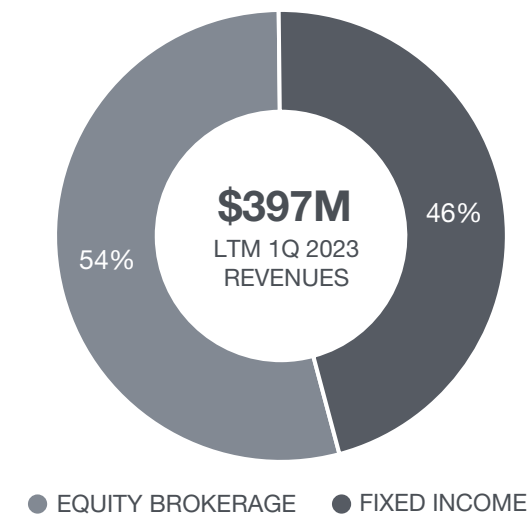
Adjusted Net Revenue Mix



Investment Banking Revenue Mix



Institutional Brokerage Revenue Mix

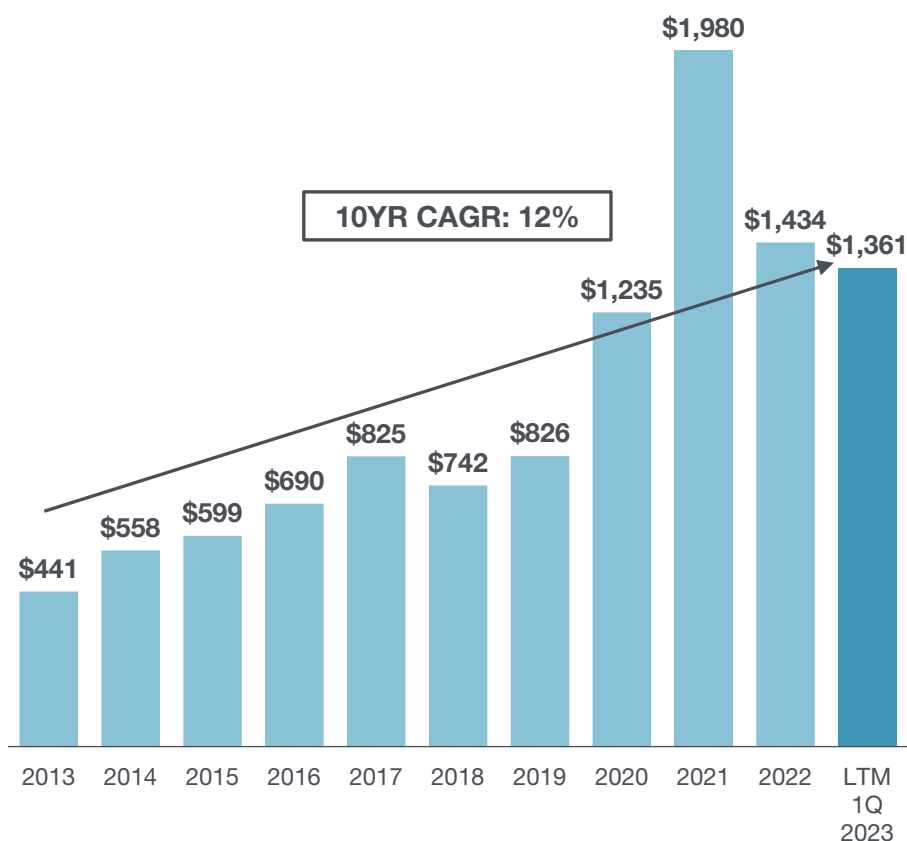


1) A non-GAAP financial measure. See Appendix for a reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure.

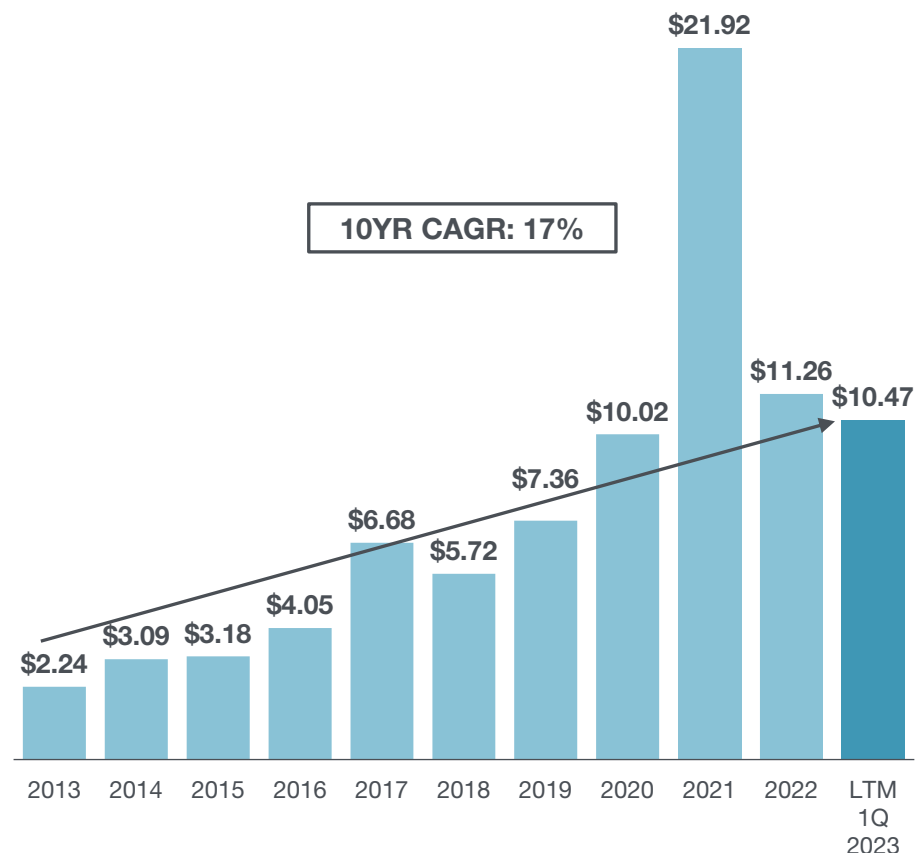
Track record of, and continued focus on, profitable growth

Adjusted Net Revenues¹

(\$ in millions)



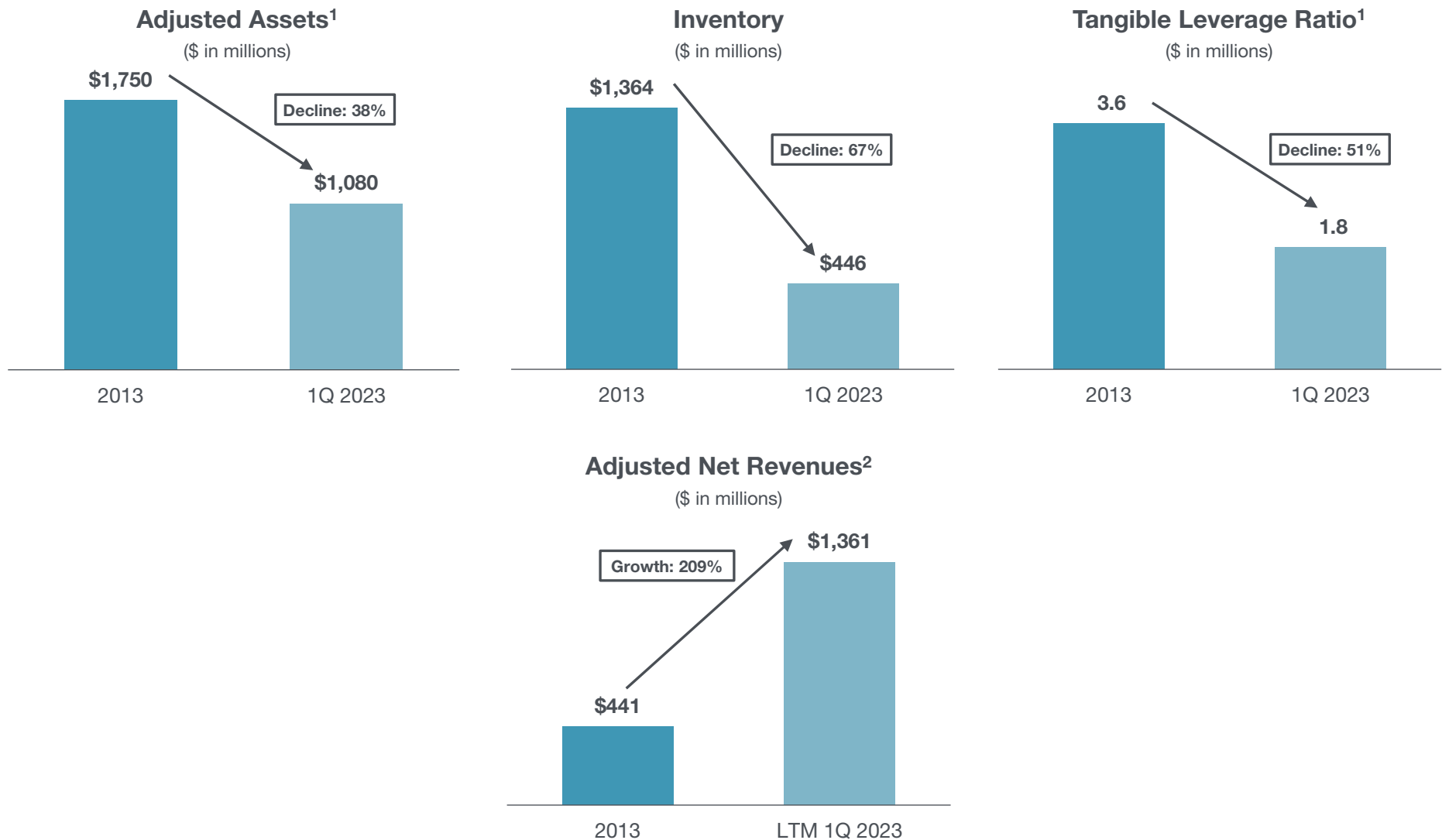
Adjusted Earnings Per Diluted Share¹



1) A non-GAAP financial measure. See Appendix for a reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure.

Advice-driven model with low operating capital needs

Decreasing Operating Capital While Growing Revenues and Investing in the Business



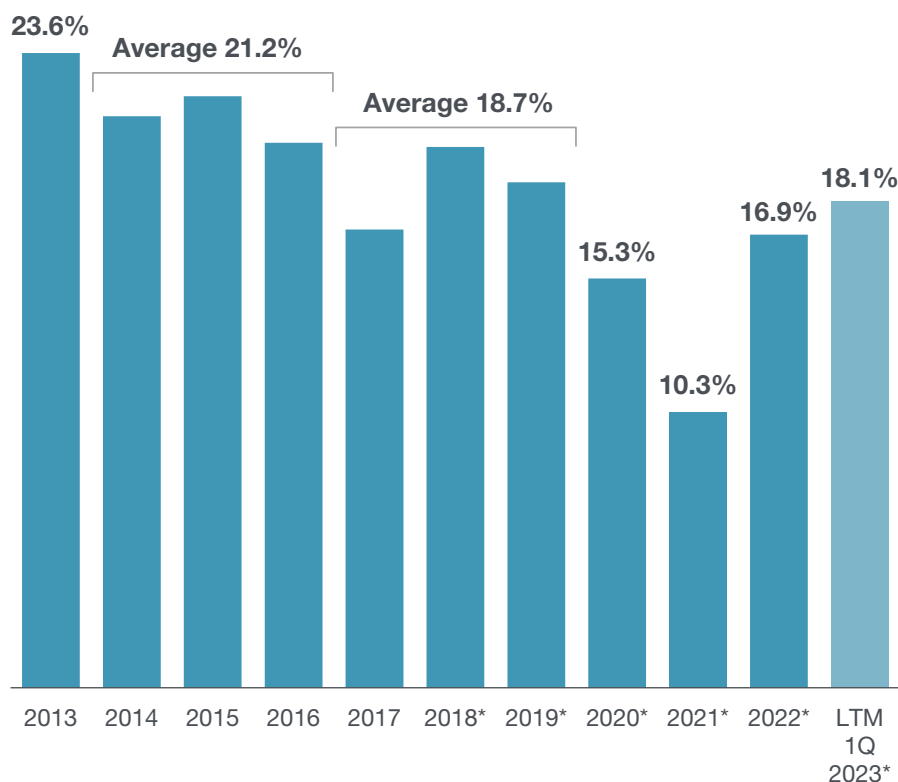
1) Adjusted assets equal total assets excluding goodwill and intangible assets, right-of-use lease asset, and assets from noncontrolling interests. Tangible leverage ratio equals adjusted assets divided by tangible common shareholders' equity (i.e. total shareholders' equity less goodwill and intangible assets, and noncontrolling interests).

2) A non-GAAP financial measure. See Appendix for a reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure

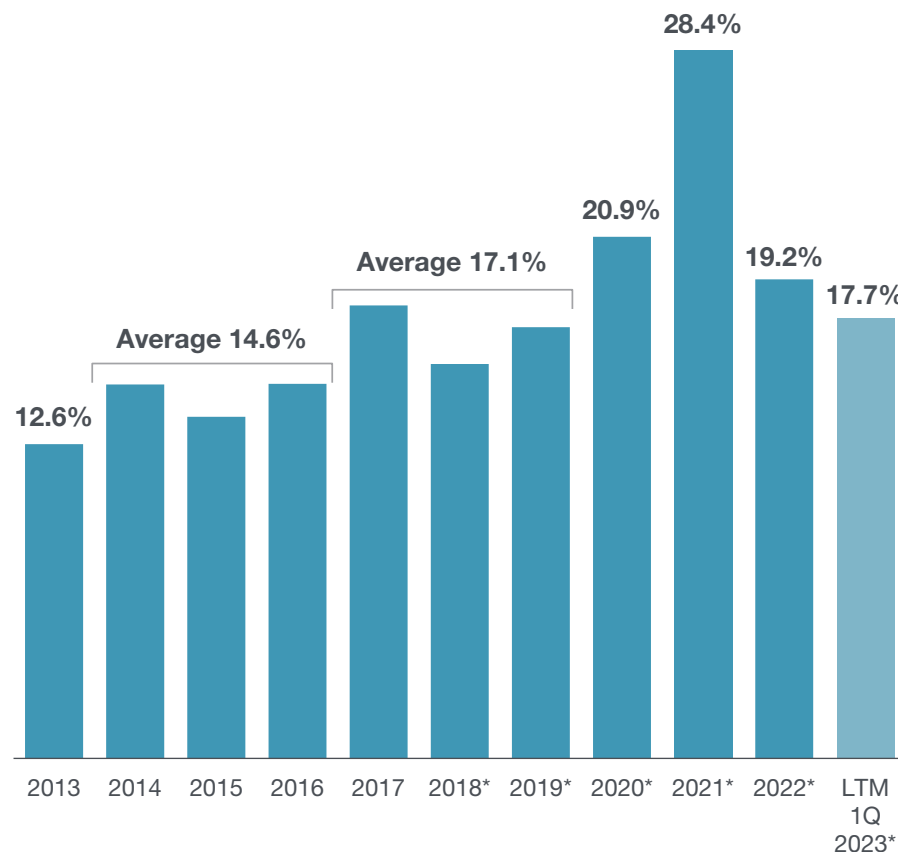
Disciplined cost management driving operating leverage

Prudently Manage Costs to Drive Margin Across Market Cycles

Adjusted Non-Compensation Ratio¹



Adjusted Operating Margin²



1) A non-GAAP financial measure which represents adjusted non-compensation expenses* as a percentage of adjusted net revenues. See Appendix for a reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure.

2) A non-GAAP financial measure which represents adjusted operating income* as a percentage of adjusted net revenues. See Appendix for a reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure.

* For comparison purposes, 2018, 2019, 2020, 2021, 2022, and LTM 1Q 2023 have been adjusted to assume reimbursed deal expenses of \$25.1 million, \$25.8 million, \$38.1 million, \$42.9 million, \$31.9 million and \$32.3 million respectively, are reported on a net basis.

Multiple levers to generate returns for shareholders

\$187MM

LTM 1Q 2023
ADJUSTED NET
INCOME¹

SHARE REPURCHASES

\$702MM

Capital returned to shareholders through repurchases since 2012

12%

Increase in number of common shares outstanding² since 2013 relative to a 4.7x increase in adjusted diluted earnings per share³

DIVIDENDS

\$388MM

Capital returned to shareholders through dividends since implementing dividend policy in 2017

2.8%

Dividend yield based on the total dividend of \$3.65 per share for fiscal year 2022, and the average closing share price for 2022

ACQUISITIONS

10

Acquisitions completed since 2013

1) See Appendix for a reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure

2) Common shares outstanding at March 31, 2023 of 17.8 million compared to 15.9 million at December 31, 2013

3) Adjusted diluted earnings for LTM 1Q 2023 of \$10.47 per share compared to \$2.24 for 2013; adjusted diluted earnings is a non-GAAP financial measure, see Appendix for a reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure.



Section III

Reconciliation of non-GAAP financial measures

Reconciliation of non-GAAP financial measures

	LTM										
	March 31,	Twelve Months Ended December 31,									
(Amounts in thousands)	2022	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net revenues:											
Net revenues – U.S. GAAP basis	\$1,372,898	\$1,425,638	\$2,031,061	\$1,238,213	\$834,566	\$740,953	\$823,621	\$693,214	\$602,264	\$567,841	\$443,508
Adjustments:											
Revenue related to noncontrolling interests	(18,252)	1,575	(59,050)	(12,881)	(10,769)	(3,621)	(5,319)	(11,070)	(9,810)	(15,699)	(8,794)
Interest expense on long-term financing	6,500	6,500	8,446	9,628	1,848	4,902	7,171	8,195	6,406	5,454	5,803
Adjusted net revenues	\$1,361,146	\$1,433,713	\$1,980,457	\$1,234,960	\$825,645	\$742,234	\$825,473	\$690,339	\$598,860	\$557,596	\$440,517
Compensation and benefits:											
Compensation and benefits – U.S. GAAP basis	\$935,019	\$983,524	\$1,305,166	\$877,462	\$516,090	\$488,487	\$589,637	\$482,749	\$388,895	\$359,219	\$282,474
Adjustments:											
Compensation from acquisition-related agreements	(81,997)	(87,525)	(116,795)	(113,396)	(5,138)	(29,246)	(54,999)	(36,241)	(4,019)	(3,945)	(1,620)
Adjusted compensation and benefits	\$853,022	\$895,999	\$1,188,371	\$764,066	\$510,952	\$459,241	\$534,638	\$446,508	\$384,876	\$355,274	\$280,854
Non-compensation expenses:											
Non-compensation expenses – U.S. GAAP basis	\$313,338	\$307,745	\$284,383	\$292,203	\$199,497	\$179,977	\$154,668	\$168,821	\$147,653	\$126,251	\$113,631
Adjustments:											
Non-compensation expenses related to noncontrolling interests	(7,941)	(7,919)	(7,196)	(4,029)	(4,306)	(4,827)	(2,932)	(2,864)	(3,403)	(4,546)	(3,400)
Acquisition-related restructuring and integration costs	(10,193)	(11,440)	(4,724)	(10,755)	(14,321)	-	-	(10,197)	(10,652)	-	(4,707)
Amortization of intangible assets related to acquisitions	(17,358)	(15,375)	(30,080)	(44,728)	(4,298)	(4,858)	(10,178)	(15,587)	(1,622)	(2,972)	(1,349)
Non-compensation expenses from acquisition-related agreements	(4,450)	(4,450)	(249)	(12,085)	(114)	(683)	(600)	-	-	-	-
Adjusted non-compensation expenses	\$273,396	\$268,561	\$242,134	\$220,606	\$176,458	\$169,609	\$140,958	\$140,173	\$131,976	\$118,733	\$104,175
Income/(loss) from continuing operations before income tax expense:											
Income/(loss) from continuing operations before income tax expense – U.S. GAAP basis	\$124,541	\$134,369	\$441,512	\$68,548	\$118,979	\$72,489	\$79,316	\$41,644	\$65,716	\$82,371	\$47,403
Adjustments:											
Revenue related to noncontrolling interests	(18,252)	1,575	(59,050)	(12,881)	(10,769)	(3,621)	(5,319)	(11,070)	(9,810)	(15,699)	(8,794)
Interest expense on long-term financing	6,500	6,500	8,446	9,628	1,848	4,902	7,171	8,195	6,406	5,454	5,803
Non-compensation expenses related to noncontrolling interests	7,941	7,919	7,196	4,029	4,306	4,827	2,932	2,864	3,403	4,546	3,400
Compensation from acquisition-related agreements	81,997	87,525	116,795	113,396	5,138	29,246	54,999	36,241	4,019	3,945	1,620
Acquisition-related restructuring and integration costs	10,193	11,440	4,724	10,755	14,321	-	-	10,197	10,652	-	4,707
Amortization of intangible assets related to acquisitions	17,358	15,375	30,080	44,728	4,298	4,858	10,178	15,587	1,622	2,972	1,349
Non-compensation expenses from acquisition-related agreements	4,450	4,450	249	12,085	114	683	600	-	-	-	-
Adjusted operating income	\$234,728	\$269,153	\$549,952	\$250,288	\$138,235	\$113,384	\$149,877	\$103,658	\$82,008	\$83,589	\$55,488
Interest expense on long-term financing	(6,500)	(6,500)	(8,446)	(9,628)	(1,848)	(4,902)	(7,171)	(8,195)	(6,406)	(5,454)	(5,803)
Adjusted income before adjusted income tax expense	\$228,228	\$262,653	\$541,506	\$240,660	\$136,387	\$108,482	\$142,706	\$95,463	\$75,602	\$78,135	\$49,685

This presentation includes non-GAAP measures. The non-GAAP measures are not meant to be considered in isolation or as a substitute for the corresponding U.S. GAAP measures, and should be read only in conjunction with our consolidated financial statements prepared in accordance with U.S. GAAP.

Reconciliation of non-GAAP financial measures – continued

	LTM										
	March 31, 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
(Amounts in thousands)											
Income tax expense:											
Income tax expense – U.S. GAAP basis	\$14,573	\$33,189	\$111,144	\$19,192	\$24,577	\$18,046	\$53,808	\$10,926	\$19,618	\$25,087	\$9,376
Tax effect of adjustments:											
Compensation from acquisition-related agreements	19,065	20,872	23,646	27,456	1,014	7,254	19,244	12,541	1,563	1,535	630
Acquisition-related restructuring and integration costs	2,261	2,528	1,180	2,043	3,551	-	-	3,188	4,144	-	1,831
Amortization of intangible assets related to acquisitions	4,122	3,599	6,436	11,345	1,048	1,203	3,877	6,060	630	1,073	331
Non-compensation expenses from acquisition-related agreements	1,148	1,148	63	3,069	-	169	(7)	-	-	-	-
Impact of the Tax Cuts and Jobs Act legislation	-	-	-	-	-	(952)	(36,356)	-	-	-	-
Impact of deferred tax asset valuation allowance	-	-	-	-	-	(4,650)	-	-	-	-	-
Adjusted income tax expense	\$41,169	\$61,336	\$142,469	\$63,105	\$30,190	\$21,070	\$40,566	\$32,715	\$25,955	\$27,695	\$12,168
Net income/(loss) applicable to Piper Sandler Companies:											
Net income/(loss) applicable to Piper Sandler Companies – U.S. GAAP basis	\$99,657	\$110,674	\$278,514	\$40,504	\$111,711	\$57,036	(\$61,939)	(\$21,952)	\$52,075	\$63,172	\$45,090
Adjustment to exclude net income/(loss) from discontinued operations	-	-	-	-	23,772	1,387	(85,060)	(44,464)	12,384	17,041	12,457
Net income/(loss) from continuing operations	\$99,657	\$110,674	\$278,514	\$40,504	\$87,939	\$55,649	\$23,121	\$22,512	\$39,691	\$46,131	\$32,633
Adjustments:											
Compensation from acquisition-related agreements	62,932	66,653	93,149	85,940	4,124	21,992	35,755	23,700	2,456	2,410	990
Acquisition-related restructuring and integration costs	7,932	8,912	3,544	8,712	10,770	-	-	7,009	6,508	-	2,876
Amortization of intangible assets related to acquisitions	13,236	11,776	23,644	33,383	3,250	3,655	6,301	9,527	992	1,899	1,018
Non-compensation expenses from acquisition-related agreements	3,302	3,302	186	9,016	114	514	607	-	-	-	-
Impact of the Tax Cuts and Jobs Act legislation	-	-	-	-	-	952	36,356	-	-	-	-
Impact of deferred tax asset valuation allowance	-	-	-	-	-	4,650	-	-	-	-	-
Adjusted net income	\$187,059	\$201,317	\$399,037	\$177,555	\$106,197	\$87,412	\$102,140	\$62,747	\$49,647	\$50,440	\$37,517

Reconciliation of non-GAAP financial measures – continued

	LTM										
	March 31, 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
(Amounts in thousands, except per share data)											
Net income/(loss) applicable to Piper Sandler Companies' common shareholders:											
Net income/(loss) applicable to Piper Sandler Companies' common shareholders – U.S. GAAP basis	\$99,657	\$110,674	\$278,514	\$40,504	\$107,200	\$49,993	(\$64,875)	(\$21,952)	\$48,060	\$58,141	\$40,596
Adjustment to exclude net income/(loss) from discontinued operations	-	-	-	-	22,928	1,217	(85,060)	(44,464)	11,429	15,684	11,215
Net income/(loss) from continuing operations	\$99,657	\$110,674	\$278,514	\$40,504	\$84,272	\$48,776	\$20,185	\$22,512	\$36,631	\$42,457	\$29,381
Adjustment related to participating shares (1)	-	-	-	-	625	40	(614)	(3,948)	-	-	-
	\$99,657	\$110,674	\$278,514	\$40,504	\$84,897	\$48,816	\$19,571	\$18,564	\$36,631	\$42,457	\$29,381
Adjustments:											
Compensation from acquisition-related agreements	62,932	66,653	93,149	85,940	3,981	19,428	30,266	19,552	2,267	2,218	891
Acquisition-related restructuring and integration costs	7,932	8,912	3,544	8,712	10,397	-	-	5,782	6,006	-	2,589
Amortization of intangible assets related to acquisitions	13,236	11,776	23,644	33,383	3,138	3,212	5,334	7,858	916	1,748	917
Non-compensation expenses from acquisition-related agreements	3,302	3,302	186	9,016	110	452	514	-	-	-	-
Impact of the Tax Cuts and Jobs Act legislation	-	-	-	-	-	837	30,774	-	-	-	-
Impact of deferred tax asset valuation allowance	-	-	-	-	-	4,087	-	-	-	-	-
Adjusted net income applicable to Piper Sandler Companies' common shareholders	\$187,059	\$201,317	\$399,037	\$177,555	\$102,523	\$76,832	\$86,459	\$51,756	\$45,820	\$46,423	\$33,778
Earnings/(loss) per diluted common share:											
Earnings/(loss) per diluted common share – U.S. GAAP basis	\$5.88	\$6.52	\$16.43	\$2.72	\$7.69	\$3.72	(\$4.99)	(\$1.72)	\$3.34	\$3.87	\$2.70
Adjustment to exclude net income/(loss) from discontinued operations	-	-	-	-	1.65	0.09	(6.56)	(3.48)	0.79	1.04	0.75
Income/(loss) from continuing operations	\$5.88	\$6.52	\$16.43	\$2.72	\$6.05	\$3.63	\$1.57	\$1.76	\$2.55	\$2.83	\$1.95
Adjustment related to participating shares (1)	-	-	-	-	0.04	-	(0.05)	(0.31)	-	-	-
Adjustment for inclusion of unvested acquisition-related stock	(0.57)	(0.60)	(1.62)	(1.89)	-	-	-	-	-	-	-
	\$5.31	\$5.92	\$14.81	\$0.83	\$6.09	\$3.63	\$1.52	\$1.45	\$2.55	\$2.83	\$1.95
Adjustments:											
Compensation from acquisition-related agreements	3.72	3.93	5.49	5.76	0.29	1.44	2.33	1.53	0.16	0.15	0.06
Acquisition-related restructuring and integration costs	0.47	0.53	0.21	0.58	0.75	-	-	0.45	0.42	-	0.17
Amortization of intangible assets related to acquisitions	0.78	0.69	1.39	2.24	0.23	0.24	0.41	0.61	0.06	0.12	0.06
Non-compensation expenses from acquisition-related agreements	0.19	0.19	0.01	0.61	0.01	0.04	0.04	-	-	-	-
Impact of the Tax Cuts and Jobs Act legislation	-	-	-	-	-	0.06	2.38	-	-	-	-
Impact of deferred tax asset valuation allowance	-	-	-	-	-	0.31	-	-	-	-	-
Adjusted earnings per diluted common share	\$10.47	\$11.26	\$21.92	\$10.02	\$7.36	\$5.72	\$6.68	\$4.05	\$3.18	\$3.09	\$2.24
Weighted average diluted common shares outstanding:											
Weighted average diluted common shares outstanding – U.S. GAAP basis	16,937	16,965	16,955	14,901	13,937	13,425	12,978	12,779	14,389	15,025	15,061
Adjustment:											
Unvested acquisition-related restricted stock with service conditions	930	909	1,251	2,814	-	-	-	-	-	-	-
Adjusted weighted average diluted common shares outstanding	17,867	17,874	18,206	17,715	13,937	13,425	12,978	12,779	14,389	15,025	15,061

1) For periods prior to 2020, Piper Sandler Companies calculated earnings per common share using the two-class method, which requires the allocation of consolidated adjusted net income between common shareholders and participating security holders, which in the case of Piper Sandler Companies, represented unvested stock with non-forfeitable dividend rights. No allocation of undistributed earnings was made for periods in which a loss was incurred, or for periods in which the special cash dividend exceeded adjusted net income resulting in an undistributed loss.