

Financial Information

Baird Holding Company: Financial Highlights

Baird Holding Company is the ultimate parent company of U.S.-based Robert W. Baird & Co. and London-based Robert W. Baird Group Ltd. Our primary businesses are wealth management, capital markets, asset management and private equity. Baird is fully independent and employee-owned.

	Operating Results		Per Share Data		Financial Position		Capital		Other Data		
	Net Revenues (in millions)		Book Value (fully diluted)		Total Assets (in thousands)		Total Capital (in thousands)		Associates	Financial Advisors	Private Wealth Offices
2010	\$ 847		\$ 31.51		\$ 2,414,331		\$ 741,175		2,629	680	66
2009	\$ 718		\$ 28.60		\$ 2,158,512		\$ 702,713		2,458	660	62
2008	\$ 680		\$ 26.89		\$ 1,140,003		\$ 699,444		2,407	600	58
2007	\$ 729		\$ 24.84		\$ 1,752,307		\$ 613,806		2,282	592	58
2006	\$ 624		\$ 21.17		\$ 1,681,385		\$ 556,335		2,191	591	60
2005	\$ 588		\$ 18.44		\$ 1,311,486		\$ 554,047		2,234	600	61
2004	\$ 566		\$ 16.10		\$ 1,331,613		\$ 475,106		2,309	632	64
2003	\$ 502		\$ 14.09		\$ 1,129,875		\$ 482,594		2,324	664	68
2002	\$ 484		\$ 12.65		\$ 857,602		\$ 446,707		2,402	713	69
2001	\$ 494		\$ 11.94		\$ 1,204,285		\$ 418,588		2,574	824	79

Financial results do not reflect the consolidation of certain private equity partnerships. Revenues have been restated for comparability as the result of three transactions: the 2002 transfer of the Northwestern Mutual Investment Program to Northwestern Mutual, affecting revenues for 2001; the 2005 sale of our UK equity capital markets business that focused on small-cap companies, affecting 2001-2005 revenues; and the completion of a correspondent clearing services contract with Northwestern Mutual Investment Services in 2006, affecting 2002-2006 revenues. Per share amounts have been restated to give effect for the

two-for-one stock split, effective February 19, 2008. Total Capital includes stockholders' equity, consolidated noncontrolling interest in Baird Financial Corporation and Robert W. Baird & Co. (RWB) from associate ownership, consolidated subordinated debt and other consolidated debt having a maturity of at least one year. The regulatory net capital of RWB, the principal operating subsidiary of Baird Holding Company, was \$279 million at the end of 2010, and RWB's regulatory excess net capital was \$274 million at the end of 2010, which is more than 50 times the requirement.

NET REVENUES (millions)

10	\$847
09	\$718
08	\$680
07	\$729
06	\$624

OPERATING INCOME (millions)

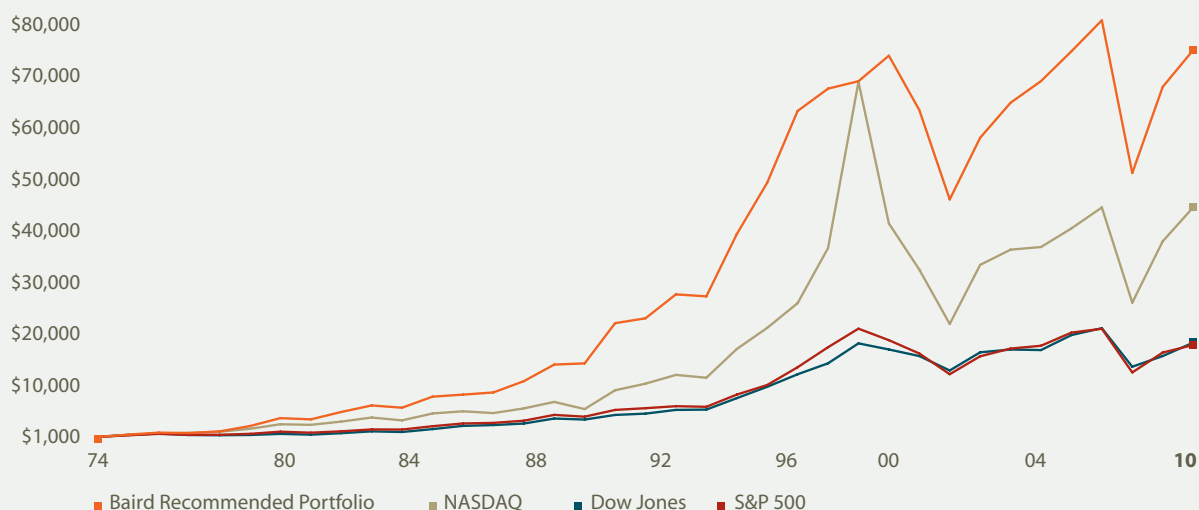
10	\$84
09	\$62
08	\$71
07	\$105
06	\$94

TOTAL CAPITAL (millions)

10	\$741
09	\$703
08	\$699
07	\$614
06	\$556

Baird Recommended Portfolio – Growth of \$1,000 Invested

An investment of \$1,000 in the Baird Recommended Portfolio at inception on December 31, 1974, would have grown to \$74,033 at the end of 2010, compared with \$44,333 for the NASDAQ Composite Index, \$18,788 for the Dow Jones Industrial Average and \$18,345 for the Standard & Poor's 500 Stock Index (S&P 500). In the 36 years since inception, the Baird Recommended Portfolio has achieved a 12.7% annualized return vs. 11.1% for NASDAQ, 8.5% for the Dow Jones index and 8.4% for the S&P 500.



All performance data for research recommendations have been calculated without commissions or dividends. Details will be provided upon request. There is no guarantee that future performance of Baird Research recommendations will meet or exceed past performance. Returns to clients will vary, depending on securities purchased or sold. Equity securities carry risks that should be considered prior to investing.

Baird Recommended Portfolio: Since inception on December 31, 1974, to December 31, 2010, 1,300 issues were recommended in the Recommended Portfolio; 760 issues increased in value, while 531 declined and nine were unchanged. Performance

results assume each security was purchased when recommended and sold when removed from the list. The Standard & Poor's 500 Stock Index, Dow Jones Industrial Average and NASDAQ Composite Index are unmanaged common stock indices used to measure and report value changes in the various stocks that comprise those indices. The companies included in the Baird Recommended Portfolio do not necessarily correlate to the companies comprising the various indices described above, either by industry sector, capitalization or other weightings.

BOOK VALUE (per share)

10	\$31.51
09	\$28.60
08	\$26.89
07	\$24.84
06	\$21.17

ASSOCIATES

10	2,629
09	2,458
08	2,407
07	2,282
06	2,191