UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): August 19, 2011

EVERCORE PARTNERS INC.
(Exact name of registrant as specified in its charter)

Delaware	001-32975	20-4748747
(State or other jurisdiction of incorporation)	(Commission File No.)	(IRS Employer Identification No.)

55 East 52nd Street
New York, New York 10055
(Address of principal executive offices)

(212) 857-3100
(Registrant’s telephone number, including area code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

EXPLANATORY NOTE

On August 25, 2011, Evercore Partners Inc. ("Evercore") filed a Current Report on Form 8-K in connection with the August 19, 2011 closing of the acquisition of all of the outstanding partnership interests of The Lexicon Partnership LLP, a U.K. incorporated limited liability partnership ("Lexicon"), in accordance with the definitive sale and purchase agreement entered into on June 7, 2011 (the "Acquisition"). The description of the Acquisition is set forth in the August 25, 2011 Current Report on Form 8-K. This Current Report on Form 8-K/A amends the Current Report on Form 8-K filed on August 25, 2011 to include the financial statements required below.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired

The audited consolidated balance sheet of Lexicon as at March 31, 2011 and 2010 and the audited consolidated profit and loss account, statement of recognised gains and losses and consolidated cash flow statement of Lexicon for the three years ended March 31, 2011 and related notes, including reconciliations to U.S. GAAP as at and for the years ended March 31, 2011 and 2010, are filed as Exhibit 99.1 hereto.

(b) Pro Forma Financial Information

The unaudited pro forma condensed combined financial statements of Evercore and Lexicon as of and for the six months ended June 30, 2011 and for the year ended December 31, 2010 are filed as Exhibit 99.2 hereto.

(d) Exhibits.

EXHIBIT NO.	DESCRIPTION
Exhibit 23.1	Consent of Independent Auditors
Exhibit 99.1	Audited consolidated balance sheet of Lexicon as at March 31, 2011 and 2010, and the audited consolidated profit and loss account, statement of recognsied gains and losses and consolidated cash flow statement of Lexicon for the three years ended March 31, 2011 and related notes, including reconciliations to U.S. GAAP as at and for the years ended March 31, 2011 and 2010
Exhibit 99.2	Unaudited pro forma condensed combined financial statements of Evercore and Lexicon as of and for the six months ended June 30, 2011 and for the year ended December 31, 2010

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

EVERCORE PARTNERS INC.

By:	/s/ ROBERT B. WALSH
Name:	**Robert B. Walsh**
Title:	**Chief Financial Officer**

Dated: November 4, 2011

EXHIBIT INDEX

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Exhibit 23.1

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in Registration Statements No. 333-145696, No. 333-174866, on Form S-3 of our report dated 4 November 2011 (which report expresses an unqualified opinion and includes an explanatory paragraph relating to accounting principles generally accepted in the United Kingdom that vary in certain significant respects from accounting principles generally accepted in the United States of America) relating to the consolidated financial statements of The Lexicon Partnership LLP (the "Company") appearing in this Current Report on Form 8-K/A of Evercore Partners Inc.

/s/ Deloitte LLP

London, United Kingdom

4 November 2011

Exhibit 99.1

THE LEXICON PARTNERSHIP LLP

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEXICON PARTNERSHIP LLP (the "LLP")

We have audited the accompanying consolidated balance sheet of The Lexicon Partnership LLP as at 31 March 2011 and 2010, and the related consolidated profit and loss account, statement of recognised gains and losses and cash flow statement for the three years ended 31 March 2011. These consolidated financial statements are the responsibility of the LLP's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LLP's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the LLP as at 31 March 2011 and 2010, and the results of its operations and its cash flows for the three years ended 31 March 2011 in conformity with accounting principles generally accepted in the United Kingdom.

Accounting principles generally accepted in the United Kingdom vary in certain significant respects from accounting principles generally accepted in the United States of America. Information relating to the nature and effect of these differences is presented in note 19 to the consolidated financial statements. The application of the latter would have affected the determination of net income for each of the two years ended 31 March 2011 and the determination of members' deficit at 31 March 2011 and 2010 to the extent summarised in Note 19.

/s/ Deloitte LLP

London, United Kingdom
4 November 2011

THE LEXICON PARTNERSHIP LLP

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 31 March

	Notes	2011 £'000	2010 £'000	2009 £'000
TURNOVER	2	39,857	32,813	41,471
Administrative expenses		(16,018)	(17,299)	(14,980)
OPERATING PROFIT	3	23,839	15,514	26,491
Loss on disposal of tangible fixed assets		—	(2)	—
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		23,839	15,512	26,491
Interest receivable and similar income	4	5,321	108	1,031
Interest payable and similar charges	5	(5)	(9)	(3)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		29,155	15,611	27,519
Tax on profit on ordinary activities	6	(3,153)	(161)	(159)
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		26,002	15,450	27,360
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		26,002	15,450	27,360
Members' remuneration charged as an expense	13	(17,556)	(729)	(204)
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	13	8,446	14,721	27,156

The results of the group are wholly attributable to continuing operations.

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Year ended 31 March

	2011 £'000	2010 £'000	2009 £'000
Profit for the financial year available for discretionary division among members	8,446	14,721	27,156
Currency translation difference on foreign currency net investments	(4)	(4)	12
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR ATTRIBUTABLE TO MEMBERS	8,442	14,717	27,168

THE LEXICON PARTNERSHIP LLP

CONSOLIDATED BALANCE SHEET
As at 31 March

	Notes	2011 £'000	2010 £'000
FIXED ASSETS			
Tangible assets	8	287	317
Other investments	9	—	5,112
		287	5,429
CURRENT ASSETS			
Debtors	10	9,017	12,192
Cash at bank and in hand		21,429	11,986
		30,446	24,178
CREDITORS: amounts falling due within one year	11	(10,283)	(8,317)
NET CURRENT ASSETS		20,163	15,861
NET ASSETS ATTRIBUTABLE TO MEMBERS		20,450	21,290
REPRESENTED BY:			
LOANS AND OTHER DEBTS DUE TO MEMBERS			
Members' capital classified as a liability	13	5,039	5,000
Other amounts	13	15,407	16,282
		20,446	21,282
MEMBERS' OTHER INTERESTS			
Other reserves classified as equity	13	4	8
		20,450	21,290

	2011 £'000	2010 £'000
TOTAL MEMBERS' INTERESTS		
Loans and other debts due to members	20,446	21,282
Members' other interests	4	8
	20,450	21,290

THE LEXICON PARTNERSHIP LLP

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 March

	Notes	2011 £'000	2010 £'000	2009 £'000
Net cash inflow from operating activities	14	26,173	14,268	34,021
Returns on investments and servicing of finance				
Interest received		64	120	991
Interest paid		(5)	(9)	(3)
		59	111	988
Taxation				
UK corporation tax paid		5	(157)	(239)
Foreign tax paid		(158)	(435)	(45)
		(153)	(592)	(284)
Capital expenditure and financial investment				
Purchase of tangible fixed assets		(190)	(290)	(240)
Proceeds on disposal of Jupiter Investment	9	6,962	—	—
		6,772	(290)	(240)
Transactions with members and former members				
Payments to members		(23,469)	(25,209)	(47,081)
Payments to former members		—	—	(12)
Contributions by members		39	1,048	576
		(23,430)	(24,161)	(46,517)
Increase/(decrease) in cash	15	9,421	(10,664)	(12,032)

1. ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with applicable United Kingdom law, the Statement of Recommended Practice, "Accounting by Limited Liability Partnerships" (issued March 2010), and accounting principles generally accepted in the United Kingdom (''UK GAAP''). The particular accounting policies adopted are described below and have been applied consistently in both the current and preceding years. The consolidated financial statements are prepared on the going concern basis as discussed below.

Accounting convention

The consolidated financial statements are prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements incorporate a consolidation of the financial statements of The Lexicon Partnership LLP (the "LLP") and its subsidiary undertakings (the ''group'') drawn up to 31 March each year.

Turnover

Turnover represents amounts receivable for success fees and retainer fees net of value added tax.

Turnover is recognised when (i) there is persuasive evidence of an arrangement with a client, (ii) fees are fixed or determinable, (iii) the agreed-upon services have been completed and delivered to the client or events contemplated in the engagement letter are determined to be completed and (iv) collection is reasonably assured.

Success fees are recognised when the relevant event that determines success has occurred, as defined in the engagement letter. Retainer fees are accrued during the applicable time period within which the service is rendered. Amounts billable to clients for the reimbursement of expenses are offset against the related expense in the consolidated profit and loss account.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation on tangible fixed assets is provided at rates estimated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows:

Leasehold improvements	term of lease
Fixtures and fittings	5 years
Computer equipment	12 months

Investments

Fixed asset investments are shown at cost less provision for impairment, if any.

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered), using the rates and laws that have been enacted, or substantively enacted, by the balance sheet date.

Deferred tax

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

1. ACCOUNTING POLICIES (continued)

Foreign currencies

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the end of the financial year.

The results of overseas operations and their balance sheets are translated into Sterling at the rates of exchange ruling at the end of the financial year. Exchange differences arising on translation of the opening net assets are reported in the statement of total recognised gains and losses. All other exchange differences are dealt with in the profit and loss account.

Pension scheme arrangements

The group makes contributions to money purchase schemes (defined contribution plans), the assets of the schemes being held separately from the assets of the group. The pension cost charge represents contributions payable to the schemes.

Leases

Rental payments under operating leases are charged to the profit and loss account on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the shorter of the lease term and the period until a review date.

Tax provisions

The taxation payable on the LLP's profits is the personal liability of the members during the year. A retention from profits is made to fund payments of taxation on members' behalf. The retention is reflected in members' current accounts and payments are charged against this retention.

Going concern

The members believe that the LLP is well placed to manage its business risks and financial risks successfully. After making enquiries, the members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future.

Following completion of the transaction referred to in note 18, the members have considered the consequences for the LLP of the transaction and concluded that, since no plans or timetable for a restructuring of the enlarged group have been confirmed, it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

2. TURNOVER

Turnover is attributable to the one principal activity of the group which was conducted at the registered offices of Lexicon Partners Limited in the UK, Lexicon Partners (US) LLC in the United States of America and Lexicon Partners (Asia) Limited in Hong Kong.

	2011 £'000	2010 £'000	2009 £'000
UK	33,423	32,139	41,138
USA	4,313	540	—
Hong Kong	2,121	134	333
	39,857	32,813	41,471

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2011 £'000	2010 £'000	2009 £'000
Operating lease rentals			
- land and buildings	1,188	1,133	959
- other	45	49	38
Loss/(profit) on foreign exchange	292	65	(542)
Depreciation and amounts written off tangible fixed assets	210	263	481

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2011 £'000	2010 £'000	2009 £'000
Bank interest receivable	62	108	1,031
Other interest receivable	1	—	—
Gain on disposal of Jupiter investment (note 9)	5,258	—	—
	5,321	108	1,031

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £'000	2010 £'000	2009 £'000
Bank interest payable	5	5	3
Other interest	—	4	—
	5	9	3

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises:

	2011 £'000	2010 £'000	2009 £'000
Current tax			
UK corporation tax for the current year at 28% (2010: 28%, 2009: 28%)	2,406	21	299
Double tax relief	—	—	(146)
	2,406	21	153
Foreign tax	683	90	397
	3,089	111	550
Adjustments in respect of prior years			
- UK corporation tax	(4)	2	(6)
- Foreign tax	(5)	(17)	(2)
Total current tax	3,080	96	542
Deferred tax			
Origination and reversal of timing differences	72	119	(383)
Adjustment for change in UK corporation tax rate	2	—	—
Adjustment in respect of prior years	(1)	(54)	—
Total deferred tax (see note 12)	73	65	(383)
Total tax on profit on ordinary activities	3,153	161	159

Factors affecting the current tax charge are as follows:

	2011 £'000	2010 £'000	2009 £'000
Profit on ordinary activities before tax	29,155	15,611	27,519
LLP profits not subject to taxation in the group	(18,610)	(15,450)	(27,360)
	10,545	161	159
Tax at 28% thereon (2010: 28%, 2009: 28%)	2,953	45	46
Effects of:			
Expenses not deductible for tax purposes	124	99	331
Capital allowances in excess of depreciation	(19)	(28)	40
Other deferred tax movements	(6)	3	—
Marginal relief	—	(3)	—
Non taxable foreign dividends	(200)	(51)	—
Difference in tax rates on overseas earnings	237	46	133
Adjustments to tax charge in respect of previous periods	(9)	(15)	(8)
Current tax charge for year	3,080	96	542

7. MEMBERS' SHARE OF PROFITS

Each year the members decide how profits should be shared amongst themselves. The profit attributable to the member with the largest entitlement to profit was £1,560,642 (2010: £1,237,078, 2009: £3,269,590). The average number of members in the year was 30 (2010: 28, 2009: 24).

Amounts due to members in respect of participation rights in the profits for the year that give rise to liabilities, including any automatic division of profits, are treated as members' remuneration charged as an expense. Any share of profits arising from a division of profits that is discretionary on the part of the LLP is treated as profit available for discretionary division.

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost				
At 1 April 2010	1,814	291	153	2,258
Additions	49	11	130	190
Disposals	(1,703)	(63)	(67)	(1,833)
Exchange adjustments	(4)	(6)	(4)	(14)
At 31 March 2011	156	233	212	601
Depreciation				
At 1 April 2010	1,720	106	115	1,941
Charge for the year	38	48	124	210
Disposals	(1,703)	(63)	(67)	(1,833)
Exchange adjustments	(1)	(1)	(2)	(4)
At 31 March 2011	54	90	170	314
Net book value				
At 31 March 2011	102	143	42	287
At 31 March 2010	94	185	38	317

9. FIXED ASSET INVESTMENTS

	2011 £'000	2010 £'000
Other investments	—	5,112

The following details relate to the LLP's subsidiary undertakings:

Name	Country of incorporation	Holding	%	Nature of trade
Lexicon Group Limited	Great Britain	Ordinary	100%	Holding company
Lexicon Partners Limited	Great Britain	Ordinary	100%	Corporate finance advisory services
Lexicon Group Services Limited	Great Britain	Ordinary	100%	Services to other group companies
Lexicon Partners (Asia) Limited	Hong Kong	Ordinary	100%	Corporate finance advisory services
Lexicon Group Services (Asia) Limited	Hong Kong	Ordinary	100%	Services to other group companies
Lexicon Partners (US) LLC	United States of America	Member	100%	Corporate finance advisory services

All subsidiary undertakings prepare financial statements to 31 March.

Other investments comprise 4,625,493 (2010: 4,625,493) ordinary shares in Intrinsic Financial Services Limited (formerly Clearhurst Limited) acquired at a cost of £46 (2010: £46); nil (2010: 23,742) ordinary shares in Jupiter Investment Management Holdings Limited ("Jupiter"), nil (2010: 1,044,634) preference shares in Jupiter and £nil (2010: £4,043,789) unsecured subordinated preferred finance securities in Jupiter Fund Management Group Limited. The Jupiter investment was recorded at cost when it was acquired in June 2007 and at cost less impairment, if any, for all periods since. On acquisition, the LLP approved the proportions in which the LLP's investment in Jupiter would be beneficially owned by certain members. Since legal title to the shares remained in the name of the LLP, the Jupiter investment remained as an asset on the balance sheet of the LLP and a corresponding liability to the members was recorded.

In May 2010, Jupiter announced its intention to float on the main market of the London Stock Exchange. As part of the flotation process, Jupiter undertook a capital reorganisation and reregistered as a public company. As a consequence of the reorganisation, the LLP's holding of ordinary shares and preference shares was converted into 2,032,350 ordinary shares in Jupiter Fund Management plc. Upon flotation, the LLP's holding of unsecured subordinated preferred finance securities in Jupiter Fund Management Group Limited was redeemed in full for £4,043,789. In December 2010, legal title to 264,172 ordinary shares, having a value at that time of £804,404, was transferred to the beneficial owners. In January 2011, 954,452 ordinary shares were sold for £2,918,272 and the proceeds were distributed to the beneficial owners. In February 2011, legal title to the balance of the LLP's shareholding, comprising 813,726 ordinary shares and having a value at that time of £2,603,923, was transferred to the beneficial owners. Upon completion of the transactions referred to above, the carrying value of the investment was eliminated and the gain was recorded as "Interest receivable and similar income" and as "Members' remuneration charged as an expense" because the allocation to the individual members was predetermined.

10. DEBTORS

	2011 £'000	2010 £'000
Trade debtors	7,289	10,290
Other debtors	285	472
Prepayments and accrued income	1,178	994
Corporation tax	—	82
Deferred tax asset (see note 12)	265	354
	9,017	12,192

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £'000	2010 £'000
Trade creditors	1,046	896
Corporation tax	2,850	5
Other taxation and social security	805	2,263
Other creditors	2	609
Accruals and deferred income	5,580	4,544
	10,283	8,317

12. DEFERRED TAXATION

The group has the following deferred tax balances in its constituent entities:

	UK £'000	Overseas £'000
As at 1 April 2009	95	344
Charged to profit and loss account (see note 6)	(9)	(56)
Exchange difference	—	(20)
As at 31 March 2010	86	268
As at 1 April 2010	86	268
Charged to profit and loss account (see note 6)	(28)	(45)
Exchange difference	—	(16)
As at 31 March 2011	58	207

The deferred tax asset is comprised as follows:

	2011		2010	
	UK £'000	Overseas £'000	UK £'000	Overseas £'000
Decelerated/(accelerated) capital allowances	58	(10)	80	(1)
Other timing differences	—	217	6	269
Deferred tax asset	58	207	86	268

A deferred tax asset of £265,000 has been recognised at 31 March 2011 (2010: £354,000), of which £207,000 (2010: £268,000) relates to temporary differences in the tax basis of assets and liabilities of Lexicon Partners (US) LLC and their reported amounts in the consolidated balance sheet. The members are of the opinion, based on current and forecast trading, that the level of profit in the current and next financial year will exceed the tax deductible amounts in relation to these assets and liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. TOTAL MEMBERS' INTERESTS

	Members' other interests		Loans and other debts due to members			Total members' interests £'000
	Other reserves £'000	Total £'000	Members' capital £'000	Other amounts £'000	Total £'000	
Members' interests as at 1 April 2008	(4)	(4)	3,376	45,654	49,030	49,026
Members' remuneration charged as an expense	—	—	—	204	204	204
Profit for the financial year available for discretionary division among members	27,156	27,156	—	—	—	27,156
Members' interests after profit for the year	27,152	27,152	3,376	45,858	49,234	76,386
Other divisions of profits	(27,152)	(27,152)	—	27,152	27,152	—
Introduced by members	—	—	576	—	576	576
Drawings	—	—	—	(47,081)	(47,081)	(47,081)
Other movements	12	12	—	—	—	12
Members' interests as at 1 April 2009	12	12	3,952	25,929	29,881	29,893
Members' remuneration charged as an expense	—	—	—	729	729	729
Profit for the financial year available for discretionary division among members	14,721	14,721	—	—	—	14,721
Members' interests after profit for the year	14,733	14,733	3,952	26,658	30,610	45,343
Other divisions of profits	(14,721)	(14,721)	—	14,721	14,721	—
Introduced by members	—	—	1,048	—	1,048	1,048
Drawings	—	—	—	(25,209)	(25,209)	(25,209)
Other movements	(4)	(4)	—	112	112	108
Members' interests as at 31 March 2010	8	8	5,000	16,282	21,282	21,290

13. TOTAL MEMBERS' INTERESTS (continued)

	Members' other interests		Loans and other debts due to members			Total
	Other reserves £'000	Total £'000	Members' Capital £'000	Other Amounts £'000	Total £'000	members' interests £'000
Members' interests as at 1 April 2010	8	8	5,000	16,282	21,282	21,290
Members' remuneration charged as an expense	—	—	—	17,556	17,556	17,556
Profit for the financial year available for discretionary division among members	8,446	8,446	—	—	—	8,446
Members' interests after profit for the year	8,454	8,454	5,000	33,838	38,838	47,292
Other divisions of profits	(8,446)	(8,446)	—	8,446	8,446	—
Introduced by members	—	—	39	—	39	39
Drawings	—	—	—	(23,469)	(23,469)	(23,469)
Transfer of Jupiter investment	—	—	—	(3,408)	(3,408)	(3,408)
Other movements	(4)	(4)	—	—	—	(4)
Members' interests as at 31 March 2011	4	4	5,039	15,407	20,446	20,450

Loans and other debts due to members rank pari passu with ordinary creditors in the event of a winding up of the LLP. Refer to note 7 (members' share of profits) for an explanation of members' remuneration charged as an expense. There was a substantial increase in members' remuneration charged as expense in the year ended 31 March 2011 due to the gain made upon the disposal of the Jupiter investment (see note 9) and the fact that significant profits were retained in certain subsidiary entities in the year ended 31 March 2011.

All loans and other debts due to members fall due within one year except for members' capital.

14. RECONCILIATION OF CONSOLIDATED OPERATING PROFIT TO CASH FLOWS

	2011 £'000	2010 £'000	2009 £'000
Operating profit	23,839	15,512	26,491
Depreciation	210	263	481
Decrease/(increase) in debtors	3,003	(1,252)	8,203
Decrease in creditors	(879)	(255)	(1,154)
Net cash inflow from operating activities	26,173	14,268	34,021

15. ANALYSIS OF CONSOLIDATED NET DEBT

	At 1 April 2010 £'000	Cash flow £'000	Non-cash transaction £'000	Exchange movement £'000	At 31 March 2011 £'000
Cash at bank and in hand	11,986	9,421	—	22	21,429
Loans and other debts due to members	(21,282)	23,430	(22,594)	—	(20,446)
	(9,296)	32,851	(22,594)	22	983

Non-cash distributions consists of the profit for the financial year available for discretionary division among members of £8,445,139 and members' remuneration charged as an expense of £17,556,572, net of the value of Jupiter shares transferred to the beneficial owners of £3,408,327.

	At 1 April 2009 £'000	Cash flow £'000	Non-cash transaction £'000	Exchange movement £'000	At 31 March 2010 £'000
Cash at bank and in hand	22,648	(10,664)	—	2	11,986
Loans and other debts due to members	(29,881)	24,161	(15,562)	—	(21,282)
	(7,233)	13,497	(15,562)	2	(9,296)

Non-cash distributions consists of the profit for the financial year available for discretionary division among members of £14,721,573 and members' remuneration charged as an expense of £728,882.

Included in cash at bank and in hand is an amount held on deposit with HSBC guaranteeing a letter of credit between HSBC and 600 Partners Co., LP for £229,760 and £248,792, as at 31 March 2011 and 2010 respectively. This letter of credit is in respect of the security deposit payable by Lexicon Partners (US) LLC for its corporate offices.

16. FINANCIAL COMMITMENTS

Annual commitments under non-cancellable operating leases are as follows:

	2011		2010	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Group				
Expiry date:				
- within one year	—	2	—	—
- between two and five years	1,292	47	1,319	50
	1,292	49	1,319	50

17. RELATED PARTIES

The outstanding balance of amounts due to employees of overseas group companies, who are also members at the year end, is £1,103,063 (2010: £1,666,990) which includes unpaid expense claims and accrued bonuses. The outstanding balance of amounts due from employees of overseas group companies, who are also members at the year end, is £104,026 (2010: £293,973) made up of employee advances.

18. SUBSEQUENT EVENTS

On 7 June 2011, the members of the LLP entered into an agreement under which the LLP and all of its subsidiaries would be acquired by Evercore Partners Inc., an investment banking advisory firm headquartered in the USA (the "transaction"). Pursuant to the terms of this agreement, the members agreed to retain £7.4 million of net profits in the LLP's subsidiaries as members' equity. This amount was classified within "Loans and other debts due to members – other amounts" in the consolidated balance sheet as at 31 March 2011.

On 19 August 2011, the transaction completed following receipt of the necessary regulatory approvals. It is likely that there will be a restructuring of the enlarged group but any changes are subject to mutual agreement.

On 19 August 2011, Evercore Partners Inc. contributed its 100% interest in The Lexicon Partnership LLP to Evercore Partners LP (a partnership registered in the US). On 1 September 2011, Evercore Partners LP contributed its 100% interest in The Lexicon Partnership LLP to Evercore Holdings Limited (a company registered in England and Wales). On the same day, Evercore Holdings Limited contributed 99.9% of its interest in The Lexicon Partnership LLP to Evercore Partners Limited (a company registered in England and Wales).

19. SUMMARY OF DIFFERENCES BETWEEN ACCOUNTING PRINCIPLES IN THE UNITED KINGDOM AND THE UNITED STATES OF AMERICA

The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United Kingdom ("UK GAAP") which differs in certain respects from accounting principles in the United States of America ("US GAAP").

The following are the adjustments to net income and members' equity determined in accordance with UK GAAP, necessary to reconcile to net income and members' equity determined in accordance with US GAAP.

	Notes	2011 £'000	2010 £'000
Profit for the financial year available for discretionary division among members		8,446	14,721
Translation of foreign currency financial statements	a	16	(3)
Vacation pay	b	14	(31)
Deferred tax	c	(9)	10
Net income in accordance with US GAAP		8,467	14,697

		2011 £'000	2010 £'000
Members' equity in accordance with UK GAAP		4	8
Vacation pay	b	(51)	(65)
Deferred tax	c	14	19
Members' deficit in accordance with US GAAP		(33)	(38)

(a) TRANSLATION OF FOREIGN CURRENCY FINANCIAL STATEMENTS

Under UK GAAP, the results of foreign subsidiaries having functional currencies other than Sterling are translated using the closing spot foreign exchange rate as at the balance sheet date.

Under US GAAP, the results of operations of foreign subsidiaries are required to be translated at the average exchange rate for the year.

(b) VACATION PAY

Under UK GAAP, an accrual for annual holiday entitlement carried forward, to the extent permitted by employment contracts, is not recognised.

Under US GAAP, a liability must be accrued for vacation benefits that employees have earned but have not yet taken.

19. SUMMARY OF DIFFERENCES BETWEEN ACCOUNTING PRINCIPLES IN THE UNITED KINGDOM AND THE UNITED STATES OF AMERICA (continued)

(c) DEFERRED TAX

Under UK GAAP, deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more, or to pay less tax, at rates expected to apply when they crystallise, based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the consolidated financial statements. Deferred tax assets are regarded as recoverable and recognised only to the extent that, on the available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Under US GAAP, deferred tax assets and liabilities are provided in full on all temporary differences and a valuation adjustment is established in respect of those deferred tax assets where it is more likely than not that some portion will not be realised. The adjustments in respect of deferred taxation relate to the tax effects of the US GAAP adjustments at the statutory rate.

PRESENTATION AND CLASSIFICATION DIFFERENCES

In addition to the recognition and measurement differences between UK and US GAAP, there are a number of differences in the manner in which amounts are presented and classified in the accounts. The principal presentation and classification differences are summarised below:

1. Balance sheet and profit and loss account presentation

General

The format of a balance sheet prepared in accordance with UK GAAP differs in certain respects from US GAAP. UK GAAP requires assets to be presented in ascending order of liquidity whereas under US GAAP assets are presented in descending order of liquidity.

Net deferred tax assets

Under UK GAAP all net deferred tax assets are classified in the balance sheet as current assets. Under US GAAP £57,869 and £79,872 as at 31 March 2011 and 2010 was reclassified as non-current based on the classification of the underlying balance sheet account and when it will be realised.

Transaction related expenses

Under UK GAAP, the recovery of out of pocket expenses billable to customers is offset against the related expense in the profit and loss account.

Under US GAAP, all amounts billable to customers must be recorded within revenue and the corresponding expense reported within expenses in the profit and loss account. Revenue and related expenses of £663,684 and £418,115 for the years ended 31 March 2011 and 2010 would be recorded respectively.

Restricted cash balance

Under UK GAAP, Lexicon Group Services Limited, a subsidiary of the group, guaranteed a line of credit to Lexicon Partners (US) LLC for £229,760 and £248,792, as at 31 March 2011 and 2010 respectively. These amounts are included in cash at bank and in hand as disclosed in note 15.

Under US GAAP these guarantees for a line of credit would be classified as restricted cash as it is considered to be restricted as to withdrawal or usage.

19. SUMMARY OF DIFFERENCES BETWEEN ACCOUNTING PRINCIPLES IN THE UNITED KINGDOM AND THE UNITED STATES OF AMERICA (continued)

PRESENTATION AND CLASSIFICATION DIFFERENCES (continued)

2. Consolidated statement of cash flow

The consolidated statement of cash flow prepared under UK GAAP presents substantially the same information as that required under US GAAP. Cash flow under UK GAAP represents increases or decreases in "cash", which comprises cash in hand and deposits repayable on demand. Under US GAAP, cash flow represents increases or decreases in "Cash and Cash Equivalents", which includes short-term, highly liquid investments with original maturities of less than three months, and excludes restricted cash.

Under UK GAAP, cash flows are presented separately for operating activities, returns on investment and servicing of finance, taxation, capital expenditure and financial investment and transactions with members and former members. Under US GAAP, only three categories of cash flow activity are presented, being cash flows relating to operating activities, investing activities and financing activities. Cash flows from operating activities includes net cash inflow from operating activities, returns on investments and servicing of finance and taxation. Cash flows from investing includes capital expenditure and financial investments and movement in restricted cash. Cash flows from financing activities includes transactions with members and former members.

The following statements summarise the statements of cash flows as if they had been presented in accordance with US GAAP, and include the adjustments that reconcile cash and cash equivalents under US GAAP to cash and short term deposits under UK GAAP.

	2011 £'000	2010 £'000
Net cash provided by operating activities	26,079	13,787
Net cash provided by/(used) in investing activities	6,791	(319)
Net cash used in financing activities	(23,430)	(24,161)
Net increase/(decrease) in cash and cash equivalents	9,440	(10,693)
Effect of exchange rate changes on cash	22	2
Cash and cash equivalents, excluding restricted cash, under US GAAP at beginning of year	11,737	22,428
Cash and cash equivalents, excluding restricted cash, under US GAAP at end of year	21,199	11,737

Evercore Partners Inc. and The Lexicon Partnership LLP
Unaudited Pro Forma Condensed Combined
Financial Statements

On August 19, 2011, Evercore Partners Inc. ("the Company") completed its previously announced acquisition of all of the outstanding partnership interests of The Lexicon Partnership LLP, a U.K. incorporated limited liability partnership ("Lexicon"), in accordance with the definitive sale and purchase agreement entered into on June 7, 2011, for consideration consisting of cash and stock (the "Acquisition"). The unaudited pro forma condensed combined statements of operations and the unaudited pro forma condensed combined statement of financial condition are based upon the historical consolidated financial statements of the Company and Lexicon after giving effect to the Acquisition, and after applying the assumptions, reclassifications and adjustments described in the accompanying notes to the unaudited pro forma condensed combined financial statements.

The historical consolidated financial statements of Lexicon were prepared in conformity with accounting principles generally accepted in the United Kingdom ("U.K. GAAP"), which differ in certain respects from accounting principles generally accepted in the United States of America ("U.S. GAAP"). Necessary adjustments have been made to reconcile the historical consolidated financial statements of Lexicon to U.S. GAAP. These adjustments relate primarily to differences such as the translation of foreign currency, the accrual for vacation benefits and the tax effects of such adjustments.

The Company and Lexicon's fiscal year ends are December 31st and March 31st, respectively. Since these year-ends differ by less than 93 days, the Company has combined the fiscal year end results without recasting Lexicon's results. Accordingly, the unaudited pro forma condensed combined statement of operations for the year ended December 31, 2010 combines the Company's audited consolidated statement of operations for the year ended December 31, 2010 with Lexicon's audited consolidated statement of operations for the year ended March 31, 2011. The unaudited pro forma condensed combined statement of operations for the six months ended June 30, 2011, combines the Company's unaudited condensed consolidated statement of operations for the six months ended June 30, 2011 with Lexicon's unaudited condensed consolidated statement of operations for the six months ended June 30, 2011. Lexicon's results for the three months ended March 31, 2011 are included within both the full year and interim period pro forma results since Lexicon's fiscal year-end is March 31st and the Company's most recent interim period is June 30, 2011. These results included pre-tax income of approximately $12.0 million. These unaudited pro forma combined statements of operations are presented as if the Acquisition had occurred on January 1, 2010, the first day of the Company's year ended December 31, 2010.

The unaudited pro forma condensed combined statement of financial condition as of June 30, 2011, combines the Company's June 30, 2011 unaudited condensed consolidated statement of financial condition with Lexicon's June 30, 2011 unaudited condensed consolidated statement of financial condition, and is presented as if the Acquisition had occurred on June 30, 2011.

The historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (1) directly attributable to the Acquisition, (2) factually supportable, and (3) with respect to the statement of operations, expected to have a continuing impact on the combined results. The unaudited pro forma condensed combined financial statements should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial statements. In addition, the unaudited pro forma condensed combined financial statements were based on and should be read in conjunction with the:

- separate historical financial statements as of the Company as of and for the year ended December 31, 2010 and the related notes included in Company's Annual Report on Form 10-K for the year ended December 31, 2010;
- separate historical financial statements of Lexicon as of and for the year ended March 31, 2011 and the related notes as of and for the year ended March 31, 2011, included herein, which includes a reconciliation from U.K. GAAP to U.S. GAAP;
- separate historical financial statements of the Company as of and for the six months ended June 30, 2011 and the related notes included in the Company's Quarterly Report on Form 10-Q for the six months ended June 30, 2011.

The financial information for Lexicon as of June 30, 2011 and for the six months ended June 30, 2011 was derived from the unaudited accounting records of Lexicon after making adjustments to convert this financial information to U.S. GAAP and accounting policies consistent with that of the Company.

The unaudited pro forma condensed combined financial information has been presented for informational purposes only. The unaudited pro forma condensed combined financial statements were prepared in accordance with regulations of the Securities and Exchange Commission and should not be considered indicative of the financial position or results of operations that would have occurred if the acquisition had been consummated on the dates indicated, nor are they indicative of the future financial position or results of operations of the combined company. There were no material transactions between the Company and Lexicon during the periods presented in the unaudited pro forma condensed combined financial statements that would need to be eliminated. The unaudited pro forma adjustments are based on currently available information and certain assumptions that we believe are reasonable and supportable.

The transaction consummated by the acquisition will be accounted for under the acquisition method of accounting in accordance with Accounting Standards Codification ("ASC") No. 805, *Business Combinations.* The acquisition accounting is dependent upon certain valuations and other studies that are currently subject to finalization. Accordingly, the pro forma adjustments included herein are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial information and may be revised as additional information becomes available and as additional analyses are performed. Differences between these preliminary estimates reflected in these unaudited condensed combined financial statements and the final acquisition accounting may occur and these differences could have a material impact on the accompanying unaudited pro forma condensed combined financial statements and the combined company's future results of operations, financial position and cash flows.

The unaudited pro forma condensed combined financial information does not reflect any cost savings, operating synergies or revenue enhancements that the combined company may achieve as a result of the Acquisition or the costs to integrate the operations of the Company and Lexicon or the costs necessary to achieve these cost savings, operating synergies and revenue enhancements.

PRO FORMA CONDENSED COMBINED
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010
(UNAUDITED)
(dollars and share amounts in thousands, except per share data)

	Evercore Partners Inc.	The Lexicon Partnership LLP UK GAAP	The Lexicon Partnership LLP US GAAP Adjustments (1)	Pro Forma Adjustments	Pro Forma Combined
Revenues					
Investment Banking Revenue	$ 301,931	$ 62,016	$ 1,033	$ —	$ 364,980
Investment Management Revenue	77,579	—	—	—	77,579
Other Revenue, Including Interest	22,228	8,281	—	(1,052)(b)	29,457
Total Revenues	401,738	70,297	1,033	(1,052)	472,016
Interest Expense	22,841	9	—	—	22,850
Net Revenues	378,897	70,288	1,033	(1,052)	449,166
Expenses					
Employee Compensation and Benefits	251,917	41,777	(22)	34,696(d)	328,368
Occupancy and Equipment Rental	18,329	2,868	—	—	21,197
Professional Fees	28,464	509	—	—	28,973
Travel and Related Expenses	16,593	1,631	1,032	—	19,256
Communications and Information Services	6,074	3,070	—	—	9,144
Depreciation and Amortization	10,077	331	—	—	10,408
Acquisition and Transition Costs	3,399	—	—	—	3,399
Other Operating Expenses	9,802	2,055	(25)	—	11,832
Total Expenses	344,655	52,241	985	34,696	432,577
Income Before Income from Equity Method Investments and Income Taxes	34,242	18,047	48	(35,748)	16,589
Income (Loss) from Equity Method Investments	(557)	—	—	—	(557)
Income Before Income Taxes	33,685	18,047	48	(35,748)	16,032
Provision for Income Taxes	15,880	4,906	14	(8,390)(g)	12,410
Net Income	17,805	13,141	34	(27,358)	3,622
Net Income Attributable to Noncontrolling Interest	8,851	—	—	(7,216)(h)	1,635
Net Income Attributable to Evercore Partners Inc.	$ 8,954	$ 13,141	$ 34	$ (20,142)	$ 1,987
Net Income Attributable to Evercore Partners Inc. Common Shareholders	$ 8,880	$ —	$ —	$ —	$ 1,913
Weighted Average Shares of Class A Common Stock Outstanding					
Basic	19,655	—	—	28(e)	19,683
Diluted	22,968	—	—	680(e)	23,648
Net Income Per Share Attributable to Evercore Partners Inc. Common Shareholders					
Basic	$ 0.45	$ —	$ —	$ —	$ 0.10
Diluted	$ 0.39	$ —	$ —	$ —	$ 0.08

(1) See Note 19 to the separate historical financial statements of Lexicon as of and for the year ended March 31, 2011 and the related notes as of and for the year ended March 31, 2011, included herein, which includes a reconciliation from U.K. GAAP to U.S. GAAP.

See Notes to Unaudited Pro Forma Condensed Combined Financial Statements.

PRO FORMA CONDENSED COMBINED
STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2011
(UNAUDITED)
(dollars and share amounts in thousands, except per share data)

	Evercore Partners Inc.	The Lexicon Partnership LLP UK GAAP	The Lexicon Partnership LLP US GAAP Adjustments (1)	Pro Forma Adjustments	Pro Forma Combined
Revenues					
Investment Banking Revenue	$ 197,748	$ 37,176	$ 485	$ —	$235,409
Investment Management Revenue	54,960	—	—	—	54,960
Other Revenue, Including Interest	7,971	7,500	—	(127)(b)	15,344
Total Revenues	260,679	44,676	485	(127)	305,713
Interest Expense	10,843	3	—	—	10,846
Net Revenues	249,836	44,673	485	(127)	294,867
Expenses					
Employee Compensation and Benefits	171,024	25,858	129	15,679(d)	212,690
Occupancy and Equipment Rental	10,917	1,454	—	—	12,371
Professional Fees	16,219	238	—	—	16,457
Travel and Related Expenses	10,013	871	485	—	11,369
Communications and Information Services	4,182	1,521	—	—	5,703
Depreciation and Amortization	6,062	183	—	—	6,245
Acquisition and Transition Costs	1,134	—	—	(850)(a)	284
Other Operating Expenses	7,943	1,222	29	—	9,194
Total Expenses	227,494	31,347	643	14,829	274,313
Income Before Income from Equity Method Investments and Income Taxes	22,342	13,326	(158)	(14,956)	20,554
Income from Equity Method Investments	469	—	—		469
Income Before Income Taxes	22,811	13,326	(158)	(14,956)	21,023
Provision for Income Taxes	10,235	4,942	(44)	(3,365)(g)	11,768
Net Income	12,576	8,384	(114)	(11,591)	9,255
Net Income Attributable to Noncontrolling Interest	6,727	—	—	(1,323)(h)	5,404
Net Income Attributable to Evercore Partners Inc.	$ 5,849	$ 8,384	$ (114)	$ (10,268)	$ 3,851
Net Income Attributable to Evercore Partners Inc. Common Shareholders	$ 5,807	$ —	$ —	$ —	$ 3,809
Weighted Average Shares of Class A Common Stock Outstanding					
Basic	23,204	—	—	112(e)	23,316
Diluted	26,956	—	—	1,167(e)	28,123
Net Income Per Share Attributable to Evercore Partners Inc. Common Shareholders					
Basic	$ 0.25	$ —	$ —	$ —	$ 0.16
Diluted	$ 0.22	$ —	$ —	$ —	$ 0.14

(1) See Note 19 to the separate historical financial statements of Lexicon as of and for the year ended March 31, 2011 and the related notes as of and for the year ended March 31, 2011, included herein, which includes a reconciliation from U.K. GAAP to U.S. GAAP.

See Notes to Unaudited Pro Forma Condensed Combined Financial Statements.

PRO FORMA CONDENSED COMBINED
STATEMENT OF FINANCIAL CONDITION
AS OF JUNE 30, 2011
(UNAUDITED)
(dollars in thousands)

	Evercore Partners Inc.	The Lexicon Partnership LLP UK GAAP	The Lexicon Partnership LLP US GAAP Adjustments (1)	Pro Forma Adjustments	Pro Forma Combined
Assets					
Current Assets					
Cash and Cash Equivalents	$ 204,449	$ 30,108	$ —	$ (67,088)(c)(f)(i)	$ 167,469
Marketable Securities	73,456	—	—	—	73,456
Financial Instruments Owned and Pledged as Collateral at Fair Value	83,311	—	—	—	83,311
Securities Purchased Under Agreements to Resell	100,598	—	—	—	100,598
Accounts Receivable	83,088	7,688	—	—	90,776
Receivable from Employees and Related Parties	6,151	139	—	—	6,290
Deferred Tax Assets - Current	5,092	468	(95)	—	5,465
Other Current Assets	16,540	2,457	—	2,346(i)	21,343
Total Current Assets	572,685	40,860	(95)	(64,742)	548,708
Investments	67,024	—	—	—	67,024
Deferred Tax Assets - Non-Current	182,550	—	111	—	182,661
Furniture, Equipment and Leasehold Improvements	14,605	402	—	—	15,007
Goodwill	140,777	—	—	42,163(c)	182,940
Intangible Assets	44,785	—	—	7,164(c)	51,949
Assets Segregated for Bank Regulatory Requirements	10,200	—	—	—	10,200
Other Assets	9,172	368	—	—	9,540
Total Assets	$1,041,798	$ 41,630	$ 16	$ (15,415)	$1,068,029
Liabilities and Equity					
Current Liabilities					
Accrued Compensation and Benefits	$ 63,129	$ 1,729	$ —	$ —	$ 64,858
Accounts Payable and Accrued Expenses	14,887	3,486	128	—	18,501
Securities Sold Under Agreements to Repurchase	184,062	—	—	—	184,062
Payable to Employees and Related Parties	4,031	1,416	—	—	5,447
Taxes Payable	1,566	3,997	—	—	5,563
Other Current Liabilities	16,698	10,115	(70)	9,274(c)	36,017
Total Current Liabilities	284,373	20,743	58	9,274	314,448
Notes Payable	98,858	—	—	—	98,858
Amounts Due Pursuant to Tax Receivable Agreements	142,422	—	—	—	142,422
Other Long-term Liabilities	16,455	8,072	—	(8,318)(f)	16,209
Total Liabilities	542,108	28,815	58	956	571,937
Redeemable Noncontrolling Interest	25,448	—	—	—	25,448
Equity					
Evercore Partners Inc. Stockholders' Equity					
Common Stock					
Class A, par value $0.01 per share	284	—	—	—	284
Class B, par value $0.01 per share	—	—	—	—	—
Additional Paid-In-Capital/Members' Capital	530,106	12,812	(48)	(12,107)(c)	530,763
Accumulated Other Comprehensive Income (Loss)	(2,626)	3	6	—	(2,617)
Retained Earnings (Deficit)	(64,907)	—	—	(2,995)(i)	(67,902)
Treasury Stock at Cost	(51,288)	—	—	—	(51,288)
Total Evercore Partners Inc. Stockholders' Equity	411,569	12,815	(42)	(15,102)	409,240
Noncontrolling Interest	62,673	—	—	(1,269)(i)	61,404
Total Equity	474,242	12,815	(42)	(16,371)	470,644
Total Liabilities and Equity	$1,041,798	$ 41,630	$ 16	$ (15,415)	$1,068,029

(1) See Note 19 to the separate historical financial statements of Lexicon as of and for the year ended March 31, 2011 and the related notes as of and for the year ended March 31, 2011, included herein, which includes a reconciliation from U.K. GAAP to U.S. GAAP.

See Notes to Unaudited Pro Forma Condensed Combined Financial Statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (dollars in thousands)

Note 1 – Transaction Description

On August 19, 2011, the Company completed its previously announced acquisition of all of the outstanding partnership interests of Lexicon, in accordance with the definitive sale and purchase agreement entered into on June 7, 2011, for consideration consisting of cash and stock. In the aggregate, the sellers will receive approximately £46,142, or $76,167, in cash and 1,911,360 shares of the Company's Class A common stock, par value $0.01 per share ("Class A Shares"). Of the total consideration, £31,598, or $52,160, in cash was paid and 27,867 Class A Shares were issued to the sellers at closing, and approximately £5,619, or $9,274, in cash will be paid to the sellers on December 31, 2011.

Payment of the remaining approximately £8,925, or $14,733, in cash and 1,883,493 Class A Shares will be deferred and will vest in various installments over a four-year future service period. Accordingly, these amounts will be expensed over the vesting period. This deferred consideration, whether in the form of Class A Shares or cash, upon vesting, will be delivered to the sellers on the earlier of (i) the first anniversary of the relevant vesting date and (ii) the date of the first secondary offering by the Company following the relevant vesting date. Vesting of the Class A Shares and cash consideration will accelerate in certain circumstances, including, but not limited to, a seller's termination without cause, a qualifying retirement or upon a change of control.

In addition, upon closing the Company funded the repayment of £5,039, or $8,318, of outstanding Lexicon capital notes.

Note 2 – Basis of Presentation

The unaudited pro forma condensed combined financial information was prepared using U.S. GAAP and was based on the historical consolidated financial statements of the Company and Lexicon. All pro forma financial statements use the Company's period end date and no adjustments were made to Lexicon's reported information for its different period end dates for the year ended statement of operations.

The acquisition method of accounting is based on the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Subtopic 805-10, *Business Combinations*, and uses the fair value concepts defined in ASC Subtopic 820-10, *Fair Value Measurements and Disclosures*, which the Company has adopted as required. The unaudited pro forma condensed combined financial information was prepared using the acquisition method of accounting under U.S. GAAP. ASC Subtopic 805-10 requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. In addition, ASC Subtopic 805-10 establishes that the consideration transferred be measured at the closing date of the Acquisition at the then-current market price.

ASC Subtopic 820-10 defines the term "fair value" and sets forth the valuation requirements for any asset or liability measured at fair value, expands related disclosure requirements and specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop the fair value measures. Fair value is defined in ASC Subtopic 820-10 as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." This is an exit price concept for the valuation of the asset or liability. In addition, market participants are assumed to be buyers and sellers in the principal (or the most advantageous) market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. As a result of these standards, the Company may be required to record assets which are not intended to be used or sold and/or to value assets at fair value measures that do not reflect the Company's intended use of those assets. Many of these fair value measurements can be highly subjective and it is also possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

Under the acquisition method of accounting, the assets acquired and liabilities assumed will be recorded as of the completion of the Acquisition, at their respective fair values and added to those of the Company. Financial statements and reported results of operations of the Company issued after completion of the Acquisition will reflect these values, but will not be retroactively restated to reflect the historical financial position or results of operations of Lexicon.

Under ASC Subtopic 805-10, acquisition-related transaction costs (*i.e*., advisory, legal, valuation, and other professional fees) and certain acquisition-related restructuring charges impacting the target company are not included as a component of consideration transferred but are accounted for as expenses in the periods in which the costs are incurred. The unaudited pro forma condensed combined financial statements do not reflect any acquisition-related restructuring charges incurred in connection with the Acquisition but these costs will be expensed as incurred. Acquisition-related transaction costs were $850 for the six months ended June 30, 2011.

The historical unaudited condensed combined statement of financial condition for Lexicon was prepared in British pounds and has been translated to U. S. Dollars using a rate of $1.602, which approximates the British pound conversion rate to U.S. Dollars on June 30, 2011. The Lexicon historical audited condensed combined statement of operations for the year ended March 31, 2011 and unaudited condensed combined statement of operations for the six months ended June 30, 2011 have been translated to U.S. Dollars using exchange rates of $1.556 and $1.616, respectively, which approximate the average British pound conversion rate to U.S. Dollars for the applicable period. The pro forma adjustments have been translated to U.S. Dollars using an exchange rate of $1.651, which approximates the British pound conversion rate to U.S. Dollars on August 19, 2011, at the time of the closing of the transaction.

Note 3 – Significant Accounting Policies

At this time, the Company is not aware of any differences that would have a material impact on the combined financial statements. The unaudited pro forma condensed combined financial statements do not assume any differences in accounting policies.

(dollars in thousands)

Note 4 – Consideration Transferred

In accordance with U.S. GAAP, the fair value of the Company's class A common stock issued as part of the consideration transferred was measured on the closing date of the Acquisition at the then-current market price. The following provides a reasonable indication of consideration transferred to effect the acquisition of Lexicon:

	Shares Issued	Share Price	Fair Value
Transferred At Closing:			
Cash			$ 52,160
Class A Common Stock (1)	27,867	$ 22.81	636
Fair Value of Deferred Cash Consideration (2)			9,274
Total Consideration Transferred at Closing			$ 62,070

(1) Value of Class A Common Stock determined utilizing closing share price on August 19, 2011.
(2) Deferred cash consideration was not discounted and the effect of discounting would have an immaterial effect as amounts will be paid at December 31, 2011.

Note 5 – Assets Acquired and Liabilities Assumed

The following is a summary of the assets acquired and liabilities assumed by the Company in the Acquisition as if it had occurred on June 30, 2011:

Fair Value of Assets Acquired and Liabilities Assumed:	
Cash and Cash Equivalents	$ 21,812
Accounts Receivable	7,821
Prepaid Expenses	11,627
Fixed Assets	429
Other Assets	964
Intangible Assets	7,164
Current Liabilities	(21,592)
Long-term Debt	(8,318)
Identifiable Net Assets	$ 19,907

Note 6 – Pro Forma Adjustments

Adjustments included in the column under the heading "Pro Forma Adjustments" represent the following:

(a) To reflect advisory and legal costs incurred, which are directly attributable to the Acquisition, but which are not expected to have a continuing impact on the combined company's results, as a reduction from Acquisition and Transition Costs on the Statement of Operations of $850 for the six months ended June 30, 2011.

(b) To reflect the estimate of forgone interest and investment income on the combined company's cash and cash equivalents used to effect the Acquisition, for both the initial cash consideration paid as well as the cash used to redeem Lexicon's capital notes, as a decrease in Other Revenue, Including Interest, on the Statement of Operations of $1,052 and $127 for the twelve months ended December 31, 2010 and six months ended June 30, 2011, respectively. These estimates were based on the actual yields earned on the Company's cash and cash equivalents for the year ended December 31, 2010 and six months ended June 30, 2011.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS (dollars in thousands)

(c) To reflect the consideration transferred in conjunction with the Acquisition, Goodwill and Intangible Assets, based on a preliminary purchase price allocation. These adjustments resulted in a decrease to Cash and Cash Equivalents of $52,160, an increase in Goodwill of $42,163, an increase in Intangible Assets of $7,164, an increase to Other Current Liabilities of $9,274 and a net decrease to Additional Paid-in-Capital/Members' Capital of $12,107, on the Statement of Financial Condition.

	Amount
Purchase Price:	
Cash Paid	$ 52,160
Fair Value of Shares Issued	636
Fair Value of Deferred Cash Consideration	9,274
Total Fair Value of Purchase Price	62,070
Fair Value of Assets Acquired and Liabilities Assumed:	
Cash and Cash Equivalents	21,812
Accounts Receivable	7,821
Prepaid Expenses	11,627
Fixed Assets	429
Other Assets	964
Intangible Assets	7,164
Current Liabilities	(21,592)
Long-term Debt	(8,318)
Identifiable Net Assets	19,907
Goodwill Resulting from Business Combination	$ 42,163

(dollars in thousands)

(d) To reflect compensation awarded in conjunction with the Acquisition on the Statement of Operations:

i. Amortization of Restricted Stock and Deferred Cash Awards:

	Amortization	
	Twelve Months Ended December 31, 2010	Six Months Ended June 30, 2011
Restricted Stock Awards (1,883,493 shares at $22.735 per share)	$ 18,084	$ 7,980
Deferred Cash Awards (Total deferred cash awards of $14,733)	$ 6,762	$ 2,942

Note: Awards vest under graded vesting in various installments over a four-year period. The Company utilized the average of the high and low share price on August 19, 2011.

ii. Amortization of Retention Awards:

	Amortization	
	Twelve Months Ended December 31, 2010	Six Months Ended June 30, 2011
Share-based Retention Awards (135,138 shares at $22.735 per share)	$ 1,419	$ 713
Cash-based Retention Awards (Total cash-based retention awards of $1,892)	$ 1,183	$ 420

Note: Share-based Awards and Cash-based Awards vest over a four-year period and two-year period, respectively, from the date of the transaction. The Company utilized the average of the high and low share price on August 19, 2011.

iii. To reflect other compensation adjustments for Lexicon employees of approximately $7,248 and $3,624 for the twelve months ended December 31, 2010 and six months ended June 30, 2011, respectively.

(e) To reflect in the Company's weighted average shares of Class A common stock outstanding, 27,867 Class A Shares issued at closing as part of the purchase price, and the dilutive effects under the Treasury Stock Method of 1,883,493 deferred Class A Shares, which were issued to the sellers at closing as part of the initial consideration, treated as compensation, and 135,138 restricted stock units issued to Lexicon employees as retention awards, all of which are assumed outstanding for the full year ended December 31, 2010 and the six months ended June 30, 2011.

(f) To reflect the redemption of Lexicon's capital notes, resulting in a decrease in Cash and Cash Equivalents and Other Long-term Liabilities of $8,318 on the Statement of Financial Condition.

(g) To reflect income tax adjustments associated with the Pro Forma Adjustments and the fact that Lexicon is now under a U.S. corporate holding company. The Company assumed a combined U.S. federal and state statutory rate of 40% and 41%, for the twelve months ended December 31, 2010 and six months ended June 30, 2011, respectively, when estimating all tax impacts of the acquisition. The effective tax rate of the combined company could be significantly different than the rates assumed for purposes of preparing these pro forma financials for a variety of factors, including post-acquisition activities.

(h) To reflect the impact on Noncontrolling Interest for the Company's immediate contribution of Lexicon to Evercore LP, a Delaware limited partnership, for which the Company's economic interest was 67% and 80% for the twelve months ended December 31, 2010 and six months ended June 30, 2011, respectively. The Noncontrolling Interest adjustment is computed based on the after-tax effect of Lexicon's earnings and the pro forma adjustments impacting Evercore LP and its subsidiaries.

(i) To reflect expenses incurred in conjunction with the acquisition, and related tax effects, of $1,915 related to the payment of the cash-based retention awards, $1,895 related to an introducing fee and $2,800 related to other cash compensation adjustments. These expenses resulted in a decrease to Cash and Cash Equivalents of $6,610, an increase in Other Current Assets of $2,346, a decrease in Retained Earnings of $2,995 and a decrease in Noncontrolling Interest of $1,269 on the Statement of Financial Condition.

Note 7 – Amortization of Intangible Assets

The above adjustments exclude the impact of amortization expenses of $7,164 associated with the intangible assets identified in connection with the Acquisition. The intangible assets acquired in the acquisition represent customer related intangible assets, which have an estimated useful life of six months.