

Limited Liability Partnership Registration No. OC357957 (England and Wales)

EVERCORE PARTNERS INTERNATIONAL LLP
MEMBERS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012



EVERCORE PARTNERS INTERNATIONAL LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members	Evercore Partners Limited Evercore Partners Investment Limited J E Hellen (Resigned 11 April 2013) J P Oakley B J Taylor J A Oliver (Resigned 11 April 2013) B A Weir (Appointed 12 March 2013) D R S Bahia (Appointed 25 March 2013)
Limited liability partnership number	OC357957
Registered office	15 Stanhope Gate London W1K 1LN
Independent Auditor	Deloitte LLP Hill House 1 Little New Street London EC4A 3TR
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Solicitors	Freshfields Bruckhaus Deringer 65 Fleet Street London EC4Y 1HS

EVERCORE PARTNERS INTERNATIONAL LLP

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EVERCORE PARTNERS INTERNATIONAL LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The members present their annual report on the affairs of Evercore Partners International LLP, together with the financial statements and auditor's report, for the year ended 31 December 2012

Group Structure

Evercore Partners International LLP (the 'LLP') is incorporated as a Limited Liability Partnership under the Limited Liability Partnerships Act 2008

These financial statements are the accounts of the LLP and reflect the results for the year ended 31 December 2012

Principal activities

The LLP is the European Investment Banking arm of the Evercore Group, a leading independent investment banking advisory firm. Evercore's Investment Banking business advises its clients on mergers, acquisitions, divestitures, restructurings, financings, public offerings, private placements and other strategic transactions. The Members do not expect any change in the nature of the core activity in the foreseeable future and intend to focus on continuing to develop this business.

Business Review

2012 was the second trading period of the LLP and the results for the year reflect a period of consolidation following the acquisition of the Lexicon Partnership LLP in August 2011.

The LLP's management board, The Executive Committee, is of the view that the integration of the two businesses, Evercore's legacy European business and The Lexicon Partnership LLP, acquired in August 2011 is progressing well, deal flow is sufficiently robust and the LLP has succeeded in generating profits available for discretionary division in 2012. The results and the financial position at the year end were considered satisfactory by the Members.

Having moved into newly refurbished offices during 2012, the Members' focus is on business development, key client relationships, recruitment and optimisation of new business opportunities. The LLP plans to improve on recent turnover growth and develop the talent within the business whilst managing the cost base, with a view to generating additional member value and for retention within the business.

EVERCORE PARTNERS INTERNATIONAL LLP

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

Principal risk and uncertainties

Principal risks and uncertainties inherent with the LLP's strategy include

- Deal flow
- Employee development and retention
- Operational risk

In each case, the risks are formally reviewed by the Executive Committee and appropriate processes are in place to monitor and mitigate them to an acceptable level. The LLP conducts an annual review of the risks inherent within the business, assesses the impact of the risk and considers mitigating factors and controls in place.

The members are satisfied that the LLP operates systems and controls to mitigate any adverse effects across the range of risks it faces.

Going concern

The LLP is expected to generate positive cash flows on its own account for the foreseeable future. In addition, the LLP has financial support from its ultimate parent undertaking by way of intercompany loans. It continues to have the support of this funding for the foreseeable future.

The members, having assessed the responses of the directors of the LLP's ultimate parent, Evercore Partners Inc., to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Evercore group to continue as a going concern or its ability to continue its support of Evercore Holdings Limited and its subsidiaries.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements.

Key performance indicators (KPIs)

Throughout the year the Members monitor the LLP's Key Performance Indicators ("KPIs") which include advisory fees, current pipeline (deal flow), compensation expense as a ratio of revenue, expenses as a ratio of revenue, and profit after tax.

Results and dividends

The results for the year are set out on page 8.

EVERCORE PARTNERS INTERNATIONAL LLP

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

Designated Members

The following designated members have held office since 1 January 2012 and up to the date of this report

Evercore Partners Limited

Evercore Partners Investment Limited

J E A Hellen

(Resigned 11 April 2013)

J P Oakley

B J Taylor

J A Oliver

(Resigned 11 April 2013)

B A Weir

(Appointed 12 March 2013)

D R S Bahia

(Appointed 25 March 2013)

The LLP has appointed an Executive Committee which has the authority to act on its behalf in all matters in connection with the business and shall carry out its duties in such manner as it considers to be in the best interests of the LLP

During the year the Executive Committee comprised the CEO, Andrew Sibbald together with Mark Connell, Ed Banks, Read Gomm, Julian Oakley, David Waring, James Oliver, Joanna Hellen and Angus Winther, all of whom are members of the LLP

Members' drawings and subscription and repayment of capital

Individual Members are entitled to a fixed and discretionary profit share and a share of distributable cash, to be determined by the Executive Committee in agreement with the Corporate member, Evercore Partners Limited. The Executive Committee may determine the amount of cash to be distributed in a period provided they do not agree to distribute an amount that would cause the LLP to be in breach of its regulatory capital requirements

Should the LLP require further capital funding, the LLP Deed provides for such a request to be made of the Corporate member, Evercore Partners Limited. Capital funding is made by way of an equity injection

Charitable donations	2012	2011
	£	£

During the year the limited liability partnership made the following payments

Charitable donations	5,000	2,000
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The LLP made a charitable donation of £5,000 to The Tusk Trust, a charity set up to help to protect African wildlife

EVERCORE PARTNERS INTERNATIONAL LLP

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

Auditor

Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements have been put in place for it to be deemed reappointed as auditor in accordance with the LLP agreement

Approved by the members and signed on their behalf by



B A Weir
Designated Member
24 April 2013

EVERCORE PARTNERS INTERNATIONAL LLP

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

Statement of members' responsibilities

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the firm will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the LLP's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

These responsibilities are exercised by the Executive Committee on behalf of the members.

Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the LLP's auditor is unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the LLP's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

EVERCORE PARTNERS INTERNATIONAL LLP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EVERCORE PARTNERS INTERNATIONAL LLP

We have audited the financial statements of Evercore Partners International LLP for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and Notes 1 to 21 to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the limited liability partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the designated members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

EVERCORE PARTNERS INTERNATIONAL LLP

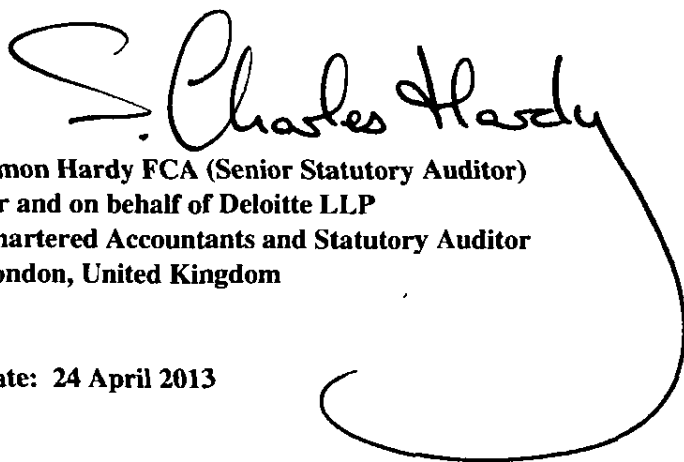
INDEPENDENT AUDITOR'S REPORT (continued)

TO THE MEMBERS OF EVERCORE PARTNERS INTERNATIONAL LLP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit, or

A large, stylized handwritten signature in black ink, which appears to read 'S. Charles Hardy'. The signature is written in a cursive, flowing style with a large loop at the end.

**Simon Hardy FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom**

Date: 24 April 2013

EVERCORE PARTNERS INTERNATIONAL LLP

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

			Period 16 September 2010 to 31 December 2011 £
	Notes	2012 £	
Turnover	2	55,822,822	26,525,067
Administrative expenses		(39,895,472)	(11,084,976)
Income from group undertakings		-	5,395,365
Operating profit	3	15,927,350	20,835,456
Other interest receivable and similar income	4	244,631	40,566
Interest payable and similar charges	5	(2,711)	(61,869)
Profit for the year before members' remuneration and profit shares		<u>16,169,270</u>	<u>20,814,153</u>
Profit for the year before members' remuneration and profit shares		16,169,270	20,814,153
Members' remuneration charged as an expense	11,15	<u>(8,868,797)</u>	<u>(3,962,018)</u>
Profit for the year available for discretionary division among members	11	<u>7,300,473</u>	<u>16,852,135</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains or losses other than those passing through the profit and loss account

The notes on pages 11 to 25 form part of these financial statements

EVERCORE PARTNERS INTERNATIONAL LLP

**BALANCE SHEET
AS AT 31 DECEMBER 2012**

	Notes	2012 £	2011 £
Fixed assets			
Intangible assets	6	1,026,317	1,431,845
Tangible assets	7	7,617,720	2,453,432
		<u>8,644,037</u>	<u>3,885,277</u>
Current assets			
Debtors	8	30,976,098	29,918,381
Cash at bank and in hand		18,929,954	20,205,461
		<u>49,906,052</u>	<u>50,123,842</u>
Creditors: amounts falling due within one year	9	(19,562,144)	(19,233,987)
Net current assets		<u>30,343,908</u>	<u>30,889,855</u>
Total assets less current liabilities		<u>38,987,945</u>	<u>34,775,132</u>
REPRESENTED BY:			
Loans and other debts due to members within one year			
Other amounts	11	29,237,521	24,804,296
		<u>29,237,521</u>	<u>24,804,296</u>
Members' other interests:			
Other reserves classified as equity under FRS 25	11	9,750,424	9,970,836
		<u>38,987,945</u>	<u>34,775,132</u>
TOTAL MEMBERS' INTERESTS			
Loans and other debts due to members	11	29,237,521	24,804,296
Members' other interests	11	9,750,424	9,970,836
		<u>38,987,945</u>	<u>34,775,132</u>

The notes on pages 11 to 25 form part of these financial statements

Approved by the Members and authorised for issue on 24 April 2013



B A Weir
Designated Member



D R S Bahia
Designated Member

Limited Liability Partnership Registration No. OC357957

EVERCORE PARTNERS INTERNATIONAL LLP

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

		Year ended 31 December 2012	Period from 16 September 2010 to 31 December 2011
	Notes	£	£
Net cash inflow from operating activities	19	17,239,509	9,863,039
Returns on investments and servicing of finance			
Interest received		244,631	40,566
Interest paid		(2,711)	(61,869)
Net cash inflow/(outflow) for returns on investments and servicing of finance		241,920	(21,303)
Capital expenditure			
Payments to acquire tangible assets		(5,334,284)	(630,431)
Receipts from sale of tangible assets		14,183	-
Net cash outflow for capital expenditure		(5,320,101)	(630,431)
Transactions with members and former members			
Payments to or on behalf of members		(13,436,835)	(2,482,159)
Contributions by or on behalf of members		-	11,886,315
Capital contributions by members (individual)		-	35,000
Capital contributions by members (corporate)		-	1,555,000
		(13,436,835)	10,994,156
(Decrease)/increase in cash in the year	20, 21	(1,275,507)	20,205,461

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The LLP's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 1

The LLP has financial support from its parent undertaking by way of intercompany loans, and it continues to have the support of this funding in the foreseeable future. As a consequence, the members believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future.

Accordingly, they have adopted the going concern basis in preparing the members' report and accounts.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Limited Liability Partnership Statement of Recommended Practice, which have been applied consistently in the current and preceding period.

1.3 Turnover

Turnover represents amounts receivable for success fees, retainer fees and reimbursed expenses net of VAT and discounts. Success fees and reimbursed expenses are recognised when the relevant event that determines success has occurred, as defined in the engagement letter. Retainer fees are accrued based on agreed terms and invoicing timetable with the client.

1.4 Other intangible assets

Other intangible assets are acquired mandates and client relationships written off in equal annual instalments over their estimated useful economic lives of 4 - 7 years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Over the term of the lease
Plant and machinery	3 years
Fixtures, fittings & equipment	3 years
Motor vehicles	3 years

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

(continued)

1.5 (continued)

Works of art are not depreciated as the estimated residual value is expected to be greater than the cost. Works of art are included within plant and machinery in Note 7.

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Pensions

The limited liability partnership operates a defined contribution scheme for the benefit of its employees and members. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.9 Share based compensation

In accordance with FRS 20 'Share-based payment', the LLP reflects the economic cost of awarding shares and share options to employees by recording an expense in the profit and loss account equal to the fair value of the benefit awarded, fair value being determined by reference to option pricing models. The expense is recognised in the profit and loss account over the vesting period of the award.

The shares and share options are awarded to the company's employees by the ultimate parent company. The ultimate parent company charges the company for the provision of equity instruments to the employees. The difference between the amount recharged to the company by the ultimate parent company and the expense in accordance with FRS 20 is recorded directly in the profit and loss reserve.

In accordance with UITF 25 'National Insurance contributions on share option gains' the employer's National Insurance charge arising on future potential gains on the exercise of stock options is charged to the profit and loss account over the period from the date of grant to the date of vesting. The charge is based on the closing market value of the shares at the balance sheet date and is calculated using the latest enacted National Insurance contribution rates.

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

(continued)

1.10 Taxation

The taxation payable on the partnership profits is the personal liability of the members, although payment of such liabilities is administered by the partnership on behalf of the members. Consequently, neither partnership taxation nor related deferred taxation are accounted for in the financial statements. Sums set aside in respect of members' tax obligations are included in the balance within loans and other debts due to members or set against amounts due from members as appropriate.

1.11 Members' remuneration

Remuneration paid to members under employment contracts, any other non-discretionary amounts payable to members and any automatic divisions of profit are recognised as an expense in the profit and loss account as incurred, under the heading 'Members' remuneration charged as an expense'.

A division of profits that is discretionary on the part of the LLP is recognised as an appropriation of profit when the division occurs. Until such division is made the profits are held as equity interests of the members.

1.12 Members' interests

Members' interests are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' interests in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with FRS25 Financial Instruments Disclosure and Presentation and UITF abstract 39 Members' shares in co-operative entities and similar instruments. A members' interest results in a liability unless the right to a payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classified as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classed as liabilities.

EVERCORE PARTNERS INTERNATIONAL LLP**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012****2 Turnover****Geographical market**

	2012	2011
	£	£
UK	23,047,876	19,141,897
Europe	10,149,317	1,815,112
Rest of the world	22,625,629	5,568,058
	<u>55,822,822</u>	<u>26,525,067</u>

3 Operating profit

	2012	2011
	£	£
Operating profit is stated after charging		
Amortisation of intangible assets	405,528	202,765
Depreciation of tangible assets	500,648	70,021
Loss on disposal of tangible assets	13,122	-
Loss on foreign exchange transactions	193,415	2,810
Operating lease rentals		
- Plant and machinery	93,734	31,508
- Other assets	3,362,412	564,942
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	<u>79,500</u>	<u>58,105</u>

4 Other interest receivable and similar income

	2012	2011
	£	£
Bank interest	9,436	3,723
Other interest	<u>235,195</u>	<u>36,843</u>
	<u>244,631</u>	<u>40,566</u>

EVERCORE PARTNERS INTERNATIONAL LLP**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

5	Interest payable and similar charges	2012	2011
		£	£
	On bank loans and overdrafts	4	-
	Other interest	2,707	61,869
		<u>2,711</u>	<u>61,869</u>

6 Intangible fixed assets

	Other intangible assets £
Cost	
At 1 January 2012 & at 31 December 2012	<u>1,634,610</u>
Amortisation	
At 1 January 2012	202,765
Charge for the year	<u>405,528</u>
At 31 December 2012	<u>608,293</u>
Net book value	
At 31 December 2012	<u>1,026,317</u>
At 31 December 2011	<u>1,431,845</u>

The intangible assets consist of client mandates and clients relationships acquired by the parent company, Evercore LP

The client mandates and client relationships acquired by Evercore LP were contributed to Evercore Partners Limited by way of a capital contribution. The intangible assets were valued at fair value by estimating the present value of the future cash flows of revenue generated by the mandates and relationships. On 1 July 2011, the intangible assets were transferred to the LLP as part of the business transfer.

EVERCORE PARTNERS INTERNATIONAL LLP

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

7 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2012	2,338,045	159,197	10,951	15,260	2,523,453
Additions	5,325,140	145,111	221,990	-	5,692,241
Disposals	-	(23,781)	(16,315)	-	(40,096)
At 31 December 2012	7,663,185	280,527	216,626	15,260	8,175,598
Depreciation					
At 1 January 2012	37,772	18,591	4,502	9,156	70,021
On disposals	-	(1,877)	(10,914)	-	(12,791)
Charge for the year	410,841	47,306	36,397	6,104	500,648
At 31 December 2012	448,613	64,020	29,985	15,260	557,878
Net book value					
At 31 December 2012	7,214,572	216,507	186,641	-	7,617,720
At 31 December 2011	2,300,273	140,606	6,449	6,104	2,453,432

8 Debtors

	2012	2011
	£	£
Trade debtors	16,646,582	10,000,068
Other debtors	106,257	29,457
Amounts owed by Group undertakings	13,131,111	18,442,276
Prepayments and accrued income	1,092,148	1,446,580
	<u>30,976,098</u>	<u>29,918,381</u>

EVERCORE PARTNERS INTERNATIONAL LLP**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

9	Creditors: amounts falling due within one year	2012	2011
		£	£
	Trade creditors	194,873	279,540
	Taxes and social security costs	747,045	4,185,620
	Other creditors	662,717	228,826
	Amounts owed to Group undertakings	9,999,117	8,128,864
	Accruals and deferred income	7,958,392	6,411,137
		<u>19,562,144</u>	<u>19,233,987</u>

Included within Taxes and social security costs is £166,461 (2011 £1,000,162) relating to National Insurance contributions on stock options granted to employees

10 Pension and other post-retirement benefit commitments
Defined contribution

	2012	2011
	£	£
Contributions payable by the limited liability partnership for the year	1,108,340	484,676
Contributions payable to the fund at the year end and included in creditors	<u>124,224</u>	<u>212,087</u>

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

11 Members' interests

	Members' other interests			Loans and other debts due to/(from) members	Total	2011
	Members' capital (classified as equity)	Other reserves	Total			
	£	£	£	£	£	£
Amount due to members				24,804,296		
Members' interests at 1 January 2012	-	9,970,836	9,970,836	24,804,296	34,775,132	-
Members' Remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	-	8,868,797	8,868,797	3,962,018
Profit for the year available for discretionary division among members	-	7,300,473	7,300,473	-	7,300,473	16,852,135
FRS 20 adjustment	-	1,487,991	1,487,991	-	1,487,991	(98,727)
Members' interests after profit for the year	-	18,759,300	18,759,300	33,673,093	52,432,393	20,715,426
Other divisions of profits	-	(9,008,876)	(9,008,876)	9,008,876	-	-
Members' capital introduced	-	-	-	20,000	20,000	1,590,002
Members' drawings	-	-	-	(13,465,425)	(13,465,425)	(2,309,712)
Other amounts introduced by members	-	-	-	977	977	14,779,416
Members' interests at 31 December 2012	-	9,750,424	9,750,424	29,237,521	38,987,945	34,775,132
Amounts due to members				29,237,521		

EVERCORE PARTNERS INTERNATIONAL LLP

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

12 Loans and other debts due to members	2012	2011
	£	£
Loans from members	16,390,395	16,369,418
Amounts owed to members in respect of profits	12,847,126	8,434,878
	<u>29,237,521</u>	<u>24,804,296</u>
Analysis of loans		
Falling due within one year	<u>29,237,521</u>	<u>24,804,296</u>

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

13 Restricted Stock Units

During the year Evercore Partners International LLP participated in an equity incentive plan of Evercore Partners Inc, the ultimate holding company, to motivate employees and allow them to participate in the ownership of its stock through the award of Restricted Stock Units ("RSUs"), which represent the right to a future payment equal to one share of Evercore Partners Inc stock. RSUs typically vest over a period of four or five years beginning on the first anniversary of the award date, and to the extent RSUs are outstanding at the time a dividend is paid on common stock, a dividend equivalent is paid to the holders of the RSUs.

RSUs are issued to employees as part of an annual bonus award and as compensation for new hires. Evercore Partners International LLP accounts for these awards by recording a charge to compensation expenses.

The RSUs are valued in the company accounts using the weighted average share price on the day the equity award is entered into. When the RSU vests, once the criteria per the agreement have been met, an adjustment is made in the accounts to reflect the actual cost of the equity transferred to the employee using the average share price on the day of vesting.

On 1 July 2011, Evercore Partners Limited contributed its business assets and liabilities to Evercore Partners International LLP. As part of the business transfer, Evercore Partners Limited transferred to Evercore Partners International LLP its liability of £1,781,771 in relation to stock amortisation recharged by Evercore LP. 632,362 unvested RSUs were also transferred, these related to awards made from 2007 onwards, detailed as follows:

667,654 RSUs awarded in 2007 were valued at between USD\$19 - \$22 per RSU. 386,838 RSU awards made in 2008 were valued at between USD\$11 - \$13 per RSU. 17,257 RSU awards made in 2009 were valued at USD\$12.61 per RSU. 20,518 RSU awards made in 2010 were valued at USD\$28.35 per RSU. 167,587 RSU awards made to employees of Evercore Partners Limited in 2011 were valued at USD\$34.83 per RSU.

The number of units awarded in the period was 414,507 (2011: 91,656) with a weighted average fair value of £17.93 (2011: £22.74). The fair value is based on the market price of Evercore Partners Inc.'s shares.

Evercore Partners International LLP recognised total expenses in respect of RSUs of £2,735,087 (2011: £949,280) in the period.

Evercore Partners International LLP owes £4,173,217 (2011: £2,926,121) to Evercore Partners LP in relation to stock amortisation recharges.

EVERCORE PARTNERS INTERNATIONAL LLP**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012****13 Restricted Stock Units****(continued)**

Further details of the RSU's are as follows

	Number of RSU's 2012	Number of RSU's 2011
At 1 January 2012	392,018	-
Transferred in	-	632,362
Granted	414,507	91,656
Forfeited	(136,260)	-
Exercised	(52,317)	(332,000)
Outstanding at 31 December 2012	<u>617,948</u>	<u>392,018</u>

The weighted average share price at the date of exercise for the share options exercised during the period was £17.32

The weighted average share price at the date of grant for the share options granted during the period was £17.93

The weighted average contractual life of the share options is 1 year

14 Financial commitments

At 31 December 2012 the limited liability partnership was committed to making the following payments under non-cancellable operating leases in the year ending 31 December 2013

	Land and buildings	
	2012	2011
	£	£
Operating leases which expire		
Within one year	-	674,033
In over five years	1,375,000	1,375,000
	<u>1,375,000</u>	<u>2,049,033</u>

EVERCORE PARTNERS INTERNATIONAL LLP**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

15 Information in relation to members	2012	2011
	£	£
Remuneration paid under an employment contract	8,868,797	3,962,018
	<u>8,868,797</u>	<u>3,962,018</u>

The remuneration above is that paid to the members under an employment contract and is recognised as an expense in the profit and loss account as members' remuneration. Remuneration representing a division of profit is included in the allocation of profit figures in note 11.

The share of profit (including remuneration) attributable to the member with the largest entitlement to profit, consisting of profits allocated after the balance sheet date and remuneration during the period, was £1,537,327 (2011 £651,979).

	2012	2011
	Number	Number
The average number of members during the year was	<u>44</u>	<u>16</u>

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

16 Employees

Number of employees

The average monthly number of employees during the year was

	2012 Number	2011 Number
Admin	-	3
Professional staff	-	5
	-	8

Employment costs

	£	£
Wages and salaries	306,354	3,482,956
Social security costs	729,673	775,760
Other pension costs	1,108,340	484,676
Stock based compensation	1,843,166	949,280
	3,987,533	5,692,672

The employment costs do not include members' remuneration charged as an expense. The employment costs relate to costs incurred by the LLP on behalf of Evercore Group Services Limited, a services company which holds the employment contracts for the group.

17 Control

The ultimate parent company and controlling party is Evercore Partners Inc, a US company registered on the New York Stock Exchange. Evercore Partners Inc prepares group financial statements and copies can be obtained from 55 East 52nd Street, New York, NY 10055, USA. A copy of the ultimate parent company's financial statements is also filed at Companies House with these financial statements.

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

18 Related party transactions

During 2011, Evercore Partners Limited transferred £9,999,000 to the LLP as a working capital injection, no injections were made in 2012. During the period, the LLP made payments totalling £331,732 to Evercore Partners Limited in order to cover purchases to be made by Evercore Partners Limited on behalf of other group companies. Evercore Partners Limited is a member of the LLP.

During 2011, Evercore Holdings Limited transferred £1,000 to the LLP as a working capital injection, no injections were made in 2012. On 10 January 2012, the LLP made a payment on Evercore Holdings Limited's behalf of £231,176 (2011 £5.4m) to the sellers of The Lexicon Partnership in settlement of deferred purchase consideration payable. At 31 December 2012, £5.6m was still outstanding. During the year, the LLP made loan advances of £160,000 (2011 £nil) to Evercore Pan Asset Capital Management Limited on Evercore Holdings Limited's behalf. At 31 December 2012, £160,000 was still outstanding. Evercore Pan Asset Capital Management Limited is a subsidiary of Evercore Holdings Limited. During the year, the LLP made purchases of £42,542 on Evercore Holdings Limited behalf. At 31 December 2012, £42,542 was still outstanding. Evercore Holdings Limited is a member of the LLP.

During the year, Evercore Group Services Limited charged the LLP £7,415,026 (2011 (£5,395,365)) in management charges relating to services provided to the LLP. At 31 December 2012, £7,283,992 (2011 £5,395,365) was still outstanding. Evercore Partners Limited, the immediate parent of Evercore Group Services Limited, is a member of the LLP.

During the year the LLP made hospitality purchases from Rycote Park Farm, an entity owned by a family trust related to B J Taylor, of £2,166 (2011 £74,376). At 31 December 2012, no amounts were outstanding. During the year, the LLP made hospitality purchases from Garsington Opera Limited, an entity of which B J Taylor is a director, of £5,475 (2011 £31,875). At 31 December 2012, no amounts were outstanding.

During the year, the LLP sold artwork, previously held as an asset, to B J Taylor and J P Oakley for £14,203. At 31 December 2012, no amounts were outstanding.

During the year, the LLP made purchases from SEO London Limited, an entity of which R Sesson is a director, of £6,000 (2011 £nil). At 31 December 2012, no amounts were outstanding. R Sesson is a member of the LLP.

During the year, the LLP provided services to North British Windpower Limited, an entity of which R Gomm is a director, for £17,230 (2011 £nil). At 31 December 2012, no amounts were outstanding. R Gomm is a member of the LLP.

EVERCORE PARTNERS INTERNATIONAL LLP

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

19 Reconciliation of operating profit to net cash inflow from operating activities	2012	2011
	£	£
Operating profit	15,927,350	20,835,456
Depreciation of tangible assets	500,648	70,021
Amortisation of intangible assets	405,528	202,765
Loss on disposal of tangible assets	13,122	-
Increase in debtors	(1,057,717)	(25,207,133)
Increase in creditors within one year	328,157	14,060,657
Other non-cash movements:		
Other reserves	1,487,991	(98,727)
Tangible assets	(365,570)	-
Net cash inflow from operating activities	17,239,509	9,863,039

20 Analysis of net funds	1 January 2012	Cash flow	31 December 2012
	£	£	£
Net funds			
Cash at bank and in hand	20,205,461	(1,275,507)	18,929,954
Net funds	20,205,461	(1,275,507)	18,929,954

21 Reconciliation of net cash flow to movement in net funds	2012	2011
	£	£
(Decrease)/increase in cash in the year	(1,275,507)	20,205,461
Movement in net funds in the year	(1,275,507)	20,205,461
Opening net funds	20,205,461	-
Closing net funds	18,929,954	20,205,461