Initiating Coverage:

Evercore Inc ($EVR)

A Premier Independent Investment Banking Powerhouse

Consortium Research Group
FIG | Investment Banking
November 24th, 2025

Stock Rating:	Overweight
Price Target:	$376

Price:	$320.07
Potential Upside:	17.5%
Ticker:	$EVR

FIG Coverage Team

Analyst
Nino Thongwandee
Georgetown University
nt668@georgetown.edu

Key Takeaway: Evercore Inc. ($EVR) stands out as a premier global independent investment banking advisory firm. They demonstrate exceptional performance with record second quarter 2025 results including net revenues of $833.8 million as its 21% year-over-year growth rate. Unlike other bulge bracket banks that face regulatory constraints and capital requirements, Evercore’s independent model allows it to focus purely on advisory services generating high-margin fee-based revenues. The company has achieved remarkable profitability with net income of $544.28 million in 2025, representing a 43.88% increase from the previous year. While market volatility and complex transactions increase, Evercore’s trusted advisory expertise positions it well to capitalize on elevated M&A activity and corporate restructuring needs.

Strong Financial Performance: Evercore's record Q2 2025 results represent a significant milestone that showcases the company's strong competitive position and execution capabilities. The $833.8 million in net revenues indicates that Evercore is successfully capturing market share in a competitive investment banking landscape. This revenue growth is particularly impressive given the cyclical nature of investment banking where deal flow can be highly variable based on economic conditions, interest rates, and market sensitivity. The $97.2 million in net income and $2.36 diluted earnings per share demonstrate the company's ability to convert revenue growth into meaningful profitability that shows investors that they have effective cost management and operational efficiency.

Strategic Talent Acquisition Signals: Evercore's deliberate recruitment of senior banking professionals from Goldman Sachs and Morgan Stanley represents a calculated investment in future growth potential that goes beyond simple headcount expansion. In investment banking experienced bankers bring with them established client relationships, industry expertise, and deal-making capabilities that can immediately contribute to revenue generation. This strategy is also an opportunity cost because senior bankers from top-tier firms often command multi-million-dollar compensation packages and signing bonuses but really proves in the long run in the advisory business where personal relationships drive deal flow. By targeting veterans from the most prestigious Wall Street firms, Evercore is acquiring proven revenue generators and its credibility to be competent for large-cap mandates and complex transactions that generate the highest fees.

Valuation: We initiate coverage with a $376 PT.

Company Overview

Independent Advisory: Evercore Inc. is a premier global independent investment banking advisory firm founded in 1995 by Roger Altman. In 2024, the firm generated approximately 3.0 billion in net revenues, with its Investment Banking & Equities segment accounting for nearly 97% of that total. With this segment, Advisory Fees reached $2.44 billion, Underwriting Fees totaled $157 million, and Commission Related Revenue amounted to $214 million. The remaining revenue stems from its Investment Management segment, which delivered $81 million in net revenues, supported by 13.9 billion in Assets Under Management (AUM) as of year-end 2024.

Strategic Growth: Evercore is expanding its global footprint through strategic acquisitions and regional growth. In July 2025, the firm announced the acquisition of UK boutique Robby Warshaw for $196 million, aiming to bolster its European M&A advisory capabilities. In 2024, its UK team grew by 11%, generating £379.5 million revenue, which is a 20% increase year over year, as part of the broader push across Europe. This expansion underscores Evercore's ambition to compete with top tier global advisory firms while maintaining its independent, clients focus ethos.

Boutique Excellence: Evercore's business model emphasizes independence and senior-level advisory. In Q3 2025, the firm posted a record $1 billion in net revenue with $216 million in operating income, and an operating margin of 21.8%. Its Investment Management arm continue to grow, with AUM rising to $15.4 billion by Q3 2025. Evercore's boutique structure allows it to deliver unbiased, high-touch advisory services to distinguish itself from larger bulge-bracket banks.

Industry Overview

Private Credit and Alternative Financing Surge: Financial institutions are increasingly shifting toward private credit and alternative financing solutions. The private credit market has expanded rapidly, with Goldman Sachs launching a dedicated Capital Solutions Group to capitalized on the nearly $2 trillion private credit opportunity. Simultaneously, banks' exposure to non-bank financial institutions (NBFIs) has surged to $1.2 trillion by March 2025, a 20% YoY increase, which highlights the growing interconnectedness and systematic risk between traditional banks and private credit entitles.

AI, Fintech Partnerships, and Digital Innovation: The industry is embracing AI and fintech collaborations to drive efficiency and innovation. Asset managers are increasingly partnering with fintech firms, with tokenized fund assets projected to grow from $90 billion to $715 billion by 2030. Investment banks are also integrating AI, blockchain, and automation into operations to streamline deal sourcing, ESG analytics, and compliance workflows.

Surge in Sell-Side M&A Activity: Global M&A volumes rebounded in 2024, led by a surge in sell-side mandates as corporations divested non-core assets and private equity firms sought exits and elevated valuations. Advisory firms like Evercore, PJT Partners, and Centerview Partners benefited from this trend that they capture market share in strategic sell-side advisory. According to Refinitiv, global announced M&A reached $3.2 trillion in 2024, with independent advisory firms advising on over 40% of all sell-side transactions. This environment favors elite boutiques that can deliver senior-level execution and sector expertise without balance-sheet conflicts.

Peer Comparisons

Comparable Companies					
$mm					
Ticker	**Mkt Cap**	**EV**	**P/E LTM**	**Revenue LTM**	**EBITDA LTM**
Stifel	$12,650	$9,330	22.0x	$4,970	$990
Jefferies	$11,510	$13,950	19.9x	$10,510	$1,419
PJT Partners	$6,650	$4,800	28.7x	$1,490	$328
Houlihan Lokey	$13,040	$12,980	31.9x	$2,480	$570
Evercore Inc.	$13,130	$12,950	26.4x	$2,980	$768

Ticker	LTM EV/EBITDA	Gross Margin	EBITDA Margin	EBIT Margin	1 Yr Rev Growth Rate LF
Stifel	9.4x	94.4%	19.9%	18.9%	14.3%
Jefferies	9.8x	58.5%	13.5%	10.1%	41.3%
PJT Partners	14.6x	52.0%	22.0%	19.5%	29.0%
Houlihan Lokey	22.8x	92.0%	23.0%	21.8%	22.4%
Evercore Inc.	16.9x	94.2%	18.5%	18.2%	22.0%

High	22.77x	94.4%	23.0%	21.8%	41.3%
75th Percentile	16.86x	94.2%	22.0%	19.5%	29.0%
Average	14.70x	78.2%	19.4%	17.7%	25.8%
Median	14.63x	92.0%	19.9%	18.9%	22.4%
25th Percentile	9.83x	58.5%	18.5%	18.2%	22.0%
Low	9.42x	52.0%	13.5%	10.1%	14.3%

Evercore Inc. Relative Valuation		
Implied Enterprise Value (25th Percentile)	$	7,550
Implied Enterprise Value (Median)	**$**	**11,239**
Implied Enterprise Value (75th Percentile)	$	12,950
Implied Share Price (25th Percentile)	$	187.12
Implied Share Price (Median)	**$**	**282.49**
Implied Share Price (75th Percentile)	$	326.72

Source: S&P Global Net Advantage

Investment Theses

Strategic Talent Acquisitions Create a 2026 Revenue Inflection Point

Evercore's recent senior-level hires from Goldman Sachs and Morgan Stanley represent a near-term catalyst that the Street is underestimating. These bankers are not incremental additions but proven revenue generators with deep C-suite relationships and active deal pipelines. In advisory banking, a single senior Managing Director typically produces $15-25 million in annual revenue once fully ramped. With most of these hires joining in late 2024 and early 2025, they will reach full productivity in 2026, which aligns perfectly with the cyclical rebound in global M&A activity.

The timing of these hires is critical. After two years of depressed deal volumes, M&A activity is re-accelerating as corporate confidence returns, interest rates stabilize, and private equity dry powder exceeds $2.5 trillion. Evercore's new bankers are re-engaging legacy clients precisely as strategic and sponsor-backed transactions are picking up. Their transition to an independent platform gives them a cleaner pitch to conflicted bulge-bracket clients, particularly for complex, cross-border, and transformational deals where independence is a differentiator.

Each new senior hire brings both immediate deal flow and long-term client stickiness, which reinforces the firm's position. We estimate that the incremental productivity from this cohort could drive 5-8% upside to 2026 advisory revenues beyond baseline recovery assumptions. This growth reflects structural share gains as Evercore continues to attract top-tier talent disillusioned by bureaucracy and compensation compression at bulge brackets.

Restructuring Practice Positioned for Counter-Cyclical Growth Amid Refinancing Pressures.

Evercore's restructuring and liability management advisory business is entering a multi-year period of elevated demand. Over $2.5 trillion of corporate debt is set to mature between 2025 and 2027, and refinancing costs remain 300-400 basis points higher than the prior decade. This creates a sustained wave of balanced sheet stress across commercial real estate, leveraged finance, and sponsor-backed portfolio companies. As credit markets tighten and refinancing windows narrow, Evercore's restructuring expertise becomes increasingly valuable.

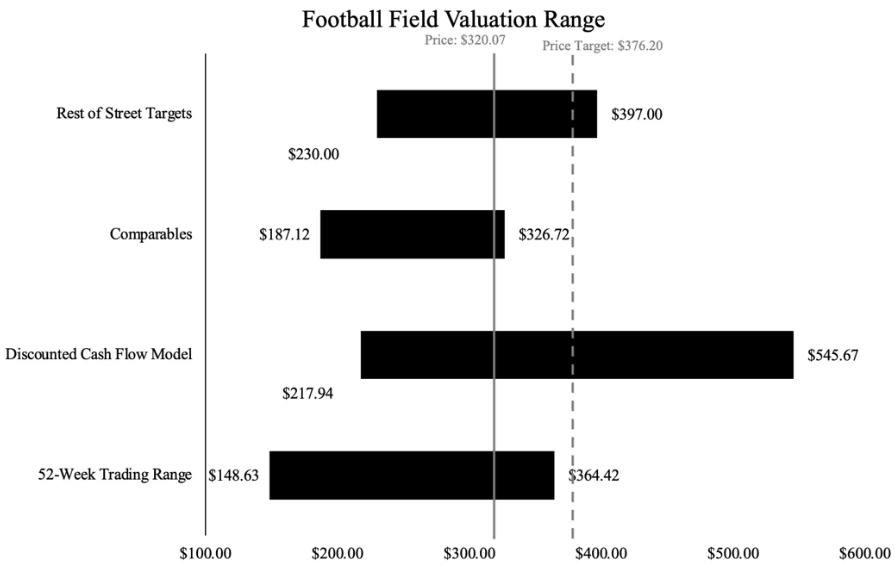
Historically, Evercore's restructuring revenues have peaked at $400 million during stress cycles. Given the current credit overhang and the firm's expanded platform, we expect this cycle's peak to exceed prior highs, with restructuring contributing 15-20% of total advisory revenue by 2026-2027. This firm has quietly built out its restructuring bench with senior hires from Houlihan Lokey and Lazard that strengthens its capabilities in liability management, distressed M&A, and special situations.

What makes this particularly compelling *now* is timing. Distress indicators, such as rising default rates, tightening credit spreads, and growing private credit exposures, are flashing early warning signs, but the full wave of restructuring hasn't materialized. Evercore is positioned ahead that allows itself to capture mandates as the first wave of refinancings begins to strain balance sheets in late 2025. This setup provides potential upside as If the economy softens, restructuring revenues increases. If growth stabilizes, M&A remains strong. Either way, Evercore benefits

We believe Evercore's earnings power over the next 18-24 months is materially higher than consensus, supported by both new banker productivity and counter-cyclical diversification.

Price Target & Valuation

Our analysis gives $EVR a price target of $376 and an overweight rating.



Potential Downsides to Our Rating

Downside 1: Evercore's business model is highly sensitive to M&A transaction volumes and capital markets activity, which can decline during economic downturns or periods of market volatility. A sustained reduction in deal flow would directly impact advisory fees and revenue, potentially leading to significant earnings pressure given the firm's fixed cost structure. Historical precedent shows that advisory revenues can drop 30-50% during severe market dislocations, and while Evercore's variable compensation model provides some cushion, fixed overhead and the need to retain key talent limit downside protection.

Downside 2: The advisory business is dependent on retaining senior bankers and rainmakers who generate client relationships and deal flow, which make human capital the firm's most critical asset. Increased competition for top talent from rivals, private equity firms, and corporates could force higher compensation ratios that even compress margins from their current premium levels and threatening Evercore's profitability advantage over peers. Any high-profile departures of senior managing directors could result in client defections and immediate revenue impact, as relationships in advisory are often personal rather than institutional.

Downside 3: Trading at 26.4 P/E LTM versus a peer median of 19.9x, Evercore carries a premium valuation that leaves limited room for disappointment and creates asymmetric downside risk. Any

Our Price Target: $376.00

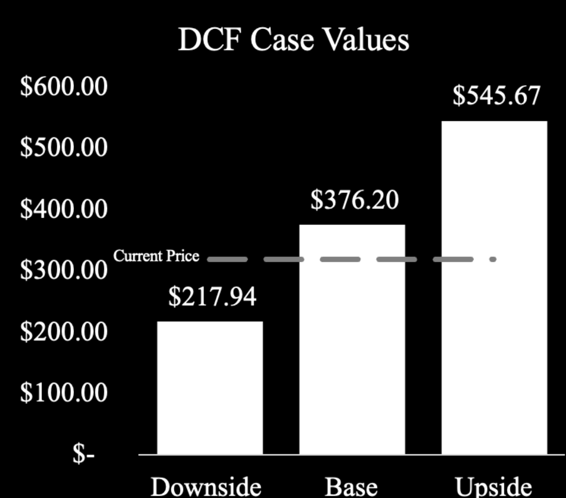
Our PT implies a 17.5 upside from the current price of $320.07 supported by Evercore's premium 94.2% gross margin and 18.5% EBITDA margin, both above peer medians. The valuation blends a 26.4x P/E multiple between the median and 75th percentile of comparables with a DCF reflecting sustained margin leadership. Evercore's conflict-free model continues to command premium fees and attract high-value advisory mandates.

Our Upside Case: $546.00

Our upside case assumes a robust &A recovery, driving revenue growth toward top-peer levels near 41% and maintaining Evercore's industry-leading margins. Strong execution on complex deals, such as the $78.7B Cox-Charter merger, supports market shares gains and operating leverage. The firm's scalable, low-fixed-cost structure enables revenue to translate into profit expansion.

Our Downside Case: $218.00

Our downside case reflects a 31.9% decline by a sharp M&A slowdown, margin compression, and multiple contraction to the peer median of 19.9x. Revenue could fall below $2.5B amid recessionary pressures and reduced deal flow, while compensation costs strain profitability. Talent retention challenges and potential senior departures could further weaken client relationships and earnings stability.



execution missteps, slower growth than expected, or a broader market derating of financial services stocks could result in multiple compression, disproportionately impacting the share price relative to peers trading at more modest valuations. If Evercore's multiple contracted to the peer median, the stock could decline significantly even without fundamental deterioration, particularly if the market rotates away from high-multiple names in a risk-off environment.

Projections

Income Statement ($mm)	2024A	2025E	2026E	2027E	2028E	CAGR%
Revenue	2,980	3,239	3,563	3,964	4,459	14.4%
EBITDA	534	608	741	854	994	23.0%
EBIT	535	606	713	822	959	21.5%
NOPAT	476	859	527	281	419	-4.1%

Margin & Growth Data	2024A	2025E	2026E	2027E	2028E	AVG%
EBITDA Margin	17.9%	18.8%	20.8%	21.6%	22.3%	20.3%
EBIT Margin	17.9%	18.7%	20.0%	20.8%	21.5%	19.8%
Revenue Growth	22.8%	8.7%	10.0%	11.3%	12.5%	13.1%
EBIT Growth	47.7%	13.2%	17.6%	15.4%	16.6%	22.1%

Valuation Metrics	2024A	2025E	2026E	2027E	2028E	AVG%
P/FCF	150.7x	70.5x	23.7x	20.4x	17.4x	56.6x
EV/Sales	4.1x	3.8x	3.4x	3.1x	2.7x	3.4x
EV/EBITDA	22.7x	20.0x	16.4x	14.2x	12.2x	17.1x
FCF Yield	0.7%	1.4%	4.2%	4.9%	5.7%	6.8%

About $EVR

Evercore Inc. ($EVR), founded in 1995, operates as a global independent investment banking advisory firm. The company provides strategic advisory services on mergers, acquisitions, restructurings, and capital markets transactions, as well as investment management and wealth advisory for institutional and high-net-worth clients. With offices across North America, Europe, Latin America, and Asia, Evercore distinguishes itself through its boutique model that delivers senior-level advice on complex, high-stake transactions. The firm's key goal is to create long-term value for clients by offering independent, trusted, and high-quality financial counsel focused on integrity and partnership.

Disclosures & Ratings

Overweight means the analyst team believes the stock price will materially outperform the coverage industry benchmark (TMT, Healthcare, Industrial, Consumer, FIG, Energy & Sustainability) in the next 6-12 months. **Equal Weight** means the team expects performance in line with the industry benchmark. **Underweight** means the team expects underperformance relative to the industry benchmark.

Appendix

Evercore Inc.
Discounted Cash Flow

Active Case:	**2 Base**
Current Share Price	$320.07

DCF Analysis ($mm)	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/2025	12/31/26	12/31/27	12/30/28	12/30/29	12/31/30
Stub						0.92	1.92	2.92	3.92	4.92	5.92
Discount Period						0.04	0.58	1.58	2.58	3.58	4.58
Revenue	2,295	3,285	2,762	2,426	2,980	3,239	3,563	3,964	4,459	5,072	5,833
Revenue Growth	*0%*	*43%*	*-16%*	*-12%*	*23%*	*9%*	*10%*	*11%*	*13%*	*14%*	*15%*
Revenue	2,295	3,285	2,762	2,426	2,980	3,239	3,563	3,964	4,459	5,072	5,833
N/A	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0
EBIT	604	1,107	699	362	535	606	713	822	959	1,129	1,342
EBIT Margin	*26%*	*34%*	*25%*	*15%*	*18%*	*19%*	*20%*	*21%*	*22%*	*22%*	*23%*
Tax Expense	128	248	173	81	115	96	189	215	247	286	335
Effective Tax Rate	*21%*	*22%*	*25%*	*22%*	*22%*	*16%*	*27%*	*26%*	*26%*	*25%*	*25%*
NOPAT	476.30	858.60	526.54	281.49	419.47	509.47	523.73	607.58	711.83	842.18	1,006.18
D&A	27	29	29	2	(0)	2	29	32	36	41	47
Capex	53	28	23	20	30	67	18	20	22	25	29
Changes in NWC	0	(248)	219	(58)	310	277	36	40	45	51	58
UFCF	450	1,108	313	322	79	168	499	580	681	807	965
PV of FCF						167	478	515	561	618	686

Weighted Average Cost of Capital ($mm)	
Market Risk Premium	4.39%
Beta	0.84
Risk Free Rate	4.25%
Cost of Equity	7.58%
Weighted Average Cost of Debt	4.49%
Tax Rate	26.50%
Cost of Debt	0.15%
Total Equity	$11,840
Total Debt	$312
Equity/Total Capitalization	95.51%
Debt/Total Capitalization	4.49%
WACC	7.73%

Terminal Value	
Perpetuity Growth Method	
2034 FCF	$965
Growth	2.00%
Terminal Value	$16,849
PV of Terminal Value	$11,976
PV of Projection Period	$3,026
PV of Terminal Value	$11,976
Implied TEV	$15,002
(-) Debt	$930
(+) Cash	$617
Implied Equity Value	$14,690
Basic Shares Outstanding	39
Implied Share Price	$379.77
Upside/Downside	18.65%

Implied Exit BF EV/EBITD	11.2x

Terminal Value	
Exit Multiple Method	
2034 EBITDA	$1,388
EV/EBITDA Exit Multiple	12.0x
Terminal Value	$16,659
PV of Terminal Value	$11,841
PV of Projection Period	$3,026
PV of Terminal Value	$11,841
Implied TEV	$14,867
(-) Debt	$930
(+) Cash	$617
Implied Equity Value	$14,554
Diluted Shares Outstanding	39
Implied Share Price	$376.28
Upside/Downside	17.6%

Implied PGR	-0.4%

Blended Share Price	
Perpetutity Growth Method	0%
Exit Multiple Method	100%
Blended Share Price	$376.28
Upside/Downside	17.56%