

Dear Fellow Shareholders:

At Evercore, we aspire to be the most respected independent investment banking advisory firm globally. Our overarching objective is to help a growing base of clients achieve superior results through trusted independent and innovative advice, provided by exceptional professionals who bring to our clients diverse perspectives and experiences. Our clients include multinational corporations, financial sponsors, institutional investors, sovereign wealth funds, and wealthy individuals and family offices.

Achieving this objective requires that we steadily build our team by recruiting the best, from those beginning their professional careers to veterans with decades of experience. We are deliberate in selecting and developing the members of our team, seeking to attract individuals who share our Core Values: Client Focus, Integrity, Excellence, Respect, Investment in People and Partnership. Our values are the defining elements of our culture, telling our clients and current and future generations of partners and employees what they can expect from our firm. Realizing our aspiration also requires that we deliver attractive financial results over time. Strong financial results create the opportunity to invest and grow, enabling us to serve more clients and enhance the range of services we offer.

The environment for our business was generally favorable in 2017, providing both good opportunities and a few challenges:

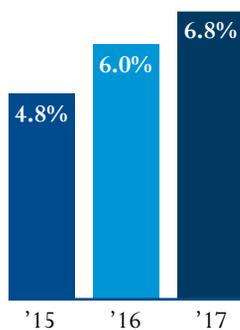
- **Advisory Services:** Demand for strategic corporate and capital markets advisory services remains strong. The appeal of purely independent, unconflicted advice continues to grow and the opportunities and challenges facing our clients are broad, as economic conditions, globalization, technology and regulation drive strategic change. We believe that we are well positioned here.
- **Institutional Equities:** Institutional equity investors continue to rethink the way in which they consume and pay for research, driving change in the old ways of doing business. We remain convinced of the value of our high quality independent equity research and we are working hard to adapt our approach to one that satisfies the expectations of our clients, our people and our shareholders. New technologies will be a key part of this story going forward.
- **Investment Management:** Financial market conditions were robust in 2017 and the demand for wealth management services provided by experienced professionals to high net worth individuals and family offices remains strong. Our focus here remains on delivering steady growth in our wealth management business, a business that complements our Investment Banking strength.
- **Talent:** Competition for highly talented students and professionals is intense. With that said, our brand recognition continues to grow and our culture is appealing to many. Our objective is to be the employer of choice for all professionals in our industry, including those with diverse backgrounds and experiences. As we look to the future, we are deeply focused on creating the best and safest work environment, enhancing the diversity of our team, and contributing significantly to communities in which we work.

This environment, coupled with hard work, resulted in good progress in 2017, as we served more clients in significant transactions, created insightful investment research and analysis, recruited exceptional talent and delivered record financial results. Following are highlights of our accomplishments.

STRATEGIC CORPORATE AND CAPITAL MARKETS ADVISORY SERVICES

Advising corporations, financial sponsors, and sovereign wealth funds on their most significant and complex strategic and financial issues continues to be our largest business, and we finished 2017 strongly. At the end of 2017, we ranked at the top of the M&A league tables among independent firms in the United States and third globally, based on the dollar volume of transactions. We ended the year with 6.8% market share of advisory revenue reported by all publicly traded universal banking and independent advisory firms, the best results in our history.

Evercore Advisory
Market Share Among
All Firms



Clients trusted us to help them with strategically important transactions across multiple industries. We supported clients on the:

- Largest healthcare deal of 2017: CVS/Aetna
- Largest retail deal of 2017: Amazon/Whole Foods
- Largest contested tech situation ever: Broadcom/Qualcomm
- Largest U.S. REIT deal of 2017: Invitation Homes/Starwood Waypoint Homes
- Largest U.S. transportation deal of 2017: Knight Transportation/Swift Transportation
- Second largest media deal of 2017: Discovery Communications/Scripps Networks
- Largest U.S. telecom deal of 2017: Crown Castle/Lightower
- Largest public-market takeover ever in Singapore: Nesta Investment Holdings/Global Logistic Properties

In these and many other assignments, our clients selected us based on our ability to deliver expertise across a diverse set of capabilities, including M&A, transaction structuring, activism and defense, restructuring and capital markets advisory. Our breadth of capabilities is unquestionably a key differentiator from other independent advisory firms, allowing us to engage our clients more deeply and on a global scale. As a result of our ability to provide superior advice and execution on some of the most notable situations of 2017, *EuroMoney* named Evercore the World's Best Independent Investment Bank.

In several of our newer initiatives, we are emerging as a market leader. Our Strategic Advisory and Defense practice, formed in 2016, was #1 in defense advisory in 2017, advising on four of the five largest situations where companies faced hostile activity. Our Capital Advisory practice has matured across many markets, growing in both equity and debt capital markets advisory capabilities, as well as in capital advisory for alternative asset managers. We were recognized as Global Placement Agent of the Year by *Infrastructure Investor* and Secondaries Advisor of the Year in the Americas by *Private Equity International*.

We continue to invest, building for future growth. In the past year, we expanded our global presence, opening offices in Beijing, Dubai, and Tokyo. We deepened our industry coverage through significant investments in our Industrials and Consumer/Retail verticals; we now have teams in place to provide world-class advice in each of the six major industry verticals for Advisory services. We also strengthened our ability to advise clients across the full spectrum of transactions by investing in diverse capabilities, from fundraisings for financial sponsors and private placements to public capital raisings and restructurings.

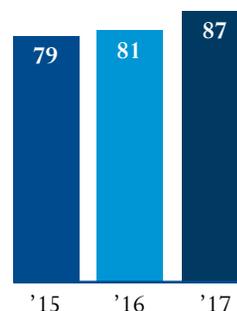
We have accomplished much, but there is ample opportunity for continued growth. As we approach the milestone of having 100 Senior Managing Directors in our Advisory business, we continue to focus on building our global platform with a particular focus on expanding our capabilities in Europe, the Middle East, and Asia.

INDEPENDENT EQUITY RESEARCH

The market for equity research and execution services is in the midst of a multi-year period of change as institutional investors reassess their relationship with research providers and execution platforms. Investors are concentrating the number of platforms that they use for execution and are decreasing the overall amount they pay for research services. While clients are spending less, their demand for differentiated, high quality research and service is unchanged—a requirement that we believe we are well positioned to satisfy. For the fourth straight year, we ranked first among independent firms in *Institutional Investor's* U.S. survey and third overall. This is the highest ranking overall for a non-bulge bracket firm in more than 20 years, our second year achieving this result.

We worked hard in 2017 to adapt to the changing environment. We implemented new technology to better monitor the delivery of service to clients and to provide the proper balance of service delivery and payment. More significantly, we recruited a veteran in the industry, Mike Paliotta, to work with Ed Hyman and the leadership team in implementing these and other changes and in developing a strategy for growth and enhanced profitability in the long term.

Advisory Senior
Managing Directors
(Year End)



Institutional Investor
U.S. Equity Research Rank



EWM Assets Under Management
(\$ in billions)



We are convinced of the benefits of providing high quality research. Our research platform enhances our investment banking strategy, broadening and deepening our relationships with the largest institutional investors around the world and with corporate, private equity, and sovereign wealth fund clients. This research capability also assists us in recruiting experienced bankers in key sectors as they seek to respond to capital markets advisory and equity underwriting opportunities in those sectors.

WEALTH MANAGEMENT

Our objective in Investment Management is to own businesses that are complementary to our Investment Banking business, most significantly in the wealth management markets. Assets under management for the firm ended 2017 at \$9.0 billion, up 12% from the prior year. At Evercore Wealth Management, our U.S. wealth manager, assets under management grew to a record \$7.3 billion and assets under management in Mexico grew to a record \$32.1 billion MXP at the end of 2017. Evercore Wealth Management was named by *Barron's* as one of the top independent registered investment advisors in the United States.

OUR TEAM

We ended 2017 with more than 1,500 employees serving clients and driving our business from 24 offices in 10 countries. We continued to invest in experienced professionals who helped broaden our Advisory coverage in the Industrials, Consumer/Retail, and Financial Institutions sectors and in Restructuring. We also hired professionals who launched our presence in the Middle East and significantly expanded our presence in Asia. In Research, we further broadened our coverage in Technology and Health Care, and in Wealth Management, we continued to build our team of Wealth and Fiduciary Advisors.

These experienced professionals have been complemented by the addition of more than 100 individuals who joined from many of the best colleges and universities. Over the past three years, we have significantly enhanced both the quality and the diversity of these incoming young professionals. Our commitment to diversity, particularly, continues unabated, as we believe a diverse professional team is fundamental to our long-term success. In fact, approximately 40% of our associate and summer classes came from diverse backgrounds, up from 20% just two years ago.

Building our business requires that we anchor ourselves in a deep commitment to the ongoing investment in our people and in our culture. In 2017, we focused intensely on our programs for training and community service. We believe that our commitment to our employees and communities helps to drive our second place ranking in the annual *Vault* survey of the best investment banks for which to work, which is tangible recognition of our efforts to create a healthy, productive and socially responsible work environment with continuous learning opportunities. The promotion of professionals to the role of Senior Managing Director is a key indicator of our commitment to and success in developing talent. In January of 2018, we delivered the best results in our history, promoting 11 of our talented Managing Directors to this important role.

Encouraging diversity is only one aspect of our continuing effort to maintain an atmosphere of respect where widely varied points of view are valued and shared. This culture of respect is one of our Core Values and is essential to the spirit of partnership and collaboration that is the essence of our business; and we believe that it is vital to our ability to recruit the best talent in the future.

Our values are also reflected in efforts to give back to the communities in which we are located. Our programs include Evercore Volunteers, in which Evercore teams volunteer to serve the communities in which we are located, and participation in outreach programs to minority and underprivileged high school students, providing opportunities for these students to learn workplace skills and helping to motivate them for continued educational and professional success.

DELIVERED RECORD RESULTS AND ENHANCED GOVERNANCE PRACTICES

We delivered our ninth consecutive year of growth in Adjusted Net Revenues, Adjusted Net Income and Adjusted Earnings Per Share in 2017, all record levels. Adjusted Net Income grew 24% to \$276 million. Adjusted Net Revenues and Adjusted Earnings Per Share

grew 14% to \$1.6 billion and 26% to \$5.45, respectively. This performance enabled us to return a total of \$361.3 million in capital to shareholders through dividends and share and LP unit repurchases—60% more than in 2016. Since 2012, the Firm has returned more than \$1.2 billion of capital to shareholders.

In the fourth quarter of 2017, we increased the Firm's dividend to 40 cents per share, up 18%, marking the tenth sequential year of growth. The dividend has grown over 200% since 2008. We delivered a Total Shareholder Return of 33% in 2017, and over the last five years, we delivered a Total Shareholder Return of 231%, in each case, outperforming the S&P 500, the S&P Financials, and our peer group average of publicly traded independent advisory firms. Importantly, this performance allows us to continue to invest in the business by adding talent, expanding coverage of key markets and capabilities and serving more clients.

As we enter 2018, we remain committed to our Core Values and a strong governance environment. Strong governance is vital to creating and preserving value for all shareholders and for Evercore. Our Board continues to enhance our governance practices as the Company grows and matures, including having an independent lead director, regular executive sessions of independent directors, and refreshing the membership of our key committees. During 2017, we also instituted a number of corporate governance best practices, such as establishing clawback, anti-pledging and director resignation policies, as well as moving to an annual "say on pay" vote. To ensure our Board is operating effectively, our Board performs an annual self-evaluation, during which it considers issues of structure and leadership.

We are pleased to announce that two new directors, Ellen V. Futter and Sarah K. Williamson, joined our Board in 2018. Both are highly accomplished in their own right and, as new directors, will offer fresh perspectives that will balance the institutional knowledge of our longer tenured directors. Two of our veteran directors, Curt Hessler and Francois de Saint Phalle, retired this year. They were members of our initial group of independent directors; we are extremely grateful for their years of service and counsel. We continue to focus on maintaining a well-rounded Board with directors who have diversity of experience and who bring to our Board a wide variety of skills, qualifications and viewpoints that strengthen their ability to fulfill their oversight role on behalf of our shareholders.

LOOKING AHEAD

We are optimistic for the future and are confident that we are taking the right steps to build a firm capable of achieving long-term success for our clients, employees and shareholders. We believe that we have the framework in place and that we will continue to strive to become the most respected independent investment banking advisory firm globally. With the strategic steps we have taken and the successes in 2017, Evercore is now better positioned than ever to sustain excellence, continue our growth and build long-term shareholder value.

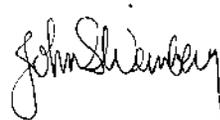
As always, our success has been driven most significantly by the quality and dedication of our people. We thank our employees for their efforts, their enthusiasm and their commitments to our clients and to each other. We also thank our Board of Directors for their ongoing guidance and support. We thank our clients for their continued trust in our services and confidence in our capabilities and we thank you, our fellow shareholders, for placing your continued trust in us.



Roger C. Altman
Senior Chairman



Ralph Schlosstein
President and
Chief Executive Officer



John Weinberg
Executive Chairman