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Evercore adds stake in investment adviser

BY DEMITRI DIAKANTONIS

Investment bank **Evercore Partners Inc.** announced Friday that it had acquired New York investment adviser **Atalanta Sosnoff Capital LLC** in a deal valued up to \$83.7 million.

Evercore, also based in New York, will pay \$69 million in cash and up to \$14.7 million in earnout payments, which will be paid half in stock and half in cash based on the target's 2010 financial performance.

The buyer will end up with a 49% stake in **Atalanta** after the deal closes, which is expected in the second quarter. Evercore expects the deal to immediately add to its earnings.

Atalanta was founded in 1981 and has about \$10 billion in assets under management. The firm has 52 employees. It provides investment advisory services to individuals, trusts and government organizations.

"Evercore will be a valued institutional partner as we continue to grow and broaden our capacity to serve our clients," **Atalanta** CEO and founder **Martin Sosnoff** said in a statement. **Sosnoff** is expected to remain in his post after the deal closes.

The firm, formerly known as **Atalanta/Sosnoff Capital Corp.**, is owned by **MTS Holding Corp.** It went public in 1986 before **Sosnoff** took it private in 2003.

Evercore made two deals last month. On Feb. 11, it acquired a stake in **Trilantic Capital Partners**, the former private equity arm of defunct investment bank **Lehman Brothers Inc.**, in exchange for a minority economic interest in **Trilantic's** current global fund. Later that month, the firm acquired the London-based fund placement group of **Neuberger Berman LLC**, which provides fundraising advice to private equity firms and hedge funds. Terms of that deal were not disclosed.

For the 2009 fourth quarter, Evercore reported net income of \$1.6 million on \$109 million in revenue compared to a net loss of \$5.3 million and \$33 million in revenue for the 2008 fourth quarter.

Credit Suisse Securities (USA) LLC was **Atalanta's** financial adviser. Evercore acted as its own adviser.

The Daily Deal

SERVING THE DEAL COMMUNITY

MONDAY MARCH 8, 2010
VOLUME 21 ISSUE 44

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Paul Ginsberg, Robert Goldbaum, Jeffrey Marell, Jeffrey Samuel and Lawrence Witdorchić of **Paul, Weiss, Rifkind, Wharton & Garrison LLP** were Evercore's legal advisers.

Jim Abbott, Craig Sklar, Peter Pront, Paul Miller, Bibb Strench and David Lee of **Seward & Kissel LLP** provided **Atalanta** with legal counsel.

Evercore shares were trading up more than 2% to \$32 flat, with its market cap near \$539 million.

Calls to Evercore and **Atalanta** were not returned. ■

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