

GREENHILL & CO INC  
Form 10-Q  
August 04, 2005

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-Q

(Mark one)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended June 30, 2005  
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number 001-32147

Greenhill & Co., Inc.

(Exact name of registrant as specified in its charter)

Delaware  
(State of Incorporation)

51-0500737  
(I.R.S. Employer  
Identification No.)

300 Park Avenue, 23rd Floor  
New York, New York  
(Address of principal executive offices)

10022  
(Zip Code)

Registrant's telephone number (212) 389-1500

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).  
Yes  No

As of August 2, 2005, there were 30,722,631 shares of the registrant's common stock outstanding.

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## AVAILABLE INFORMATION

Greenhill & Co., Inc. ("Company") files current, annual and quarterly reports, proxy statements and other information required by the Securities Exchange Act of 1934, as amended, with the Securities and Exchange Commission ("SEC"). You may read and copy any document the Company files at the SEC's public reference room located at 450 Fifth Street, N.W., Washington, D.C. 20549, U.S.A. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The Company's SEC filings are also available to the public from the SEC's internet site at <http://www.sec.gov>. Copies of these reports, proxy statements and other information can also be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005, U.S.A.

The Company's public internet site is <http://www.greenhill-co.com>. The Company makes available free of charge through its internet site, via a link to the SEC's internet site at <http://www.sec.gov>, its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements and Forms 3, 4 and 5 filed on behalf of directors and executive officers and any amendments to those reports filed or furnished pursuant to the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after the Company electronically files such

material with, or furnishes it to, the SEC.

In addition, the Company makes available through <http://www.greenhill-co.com> its most recent annual report on Form 10-K, its quarterly reports on Form 10-Q for the current fiscal year and its most recent proxy statement, although in some cases these documents are not available on that site as soon as they are available on the SEC's internet site. Also posted on the Company's website, and available in print upon request of any stockholder to the Investor Relations Department, are charters for the Company's Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. Copies of the Corporate Governance Guidelines and the Code of Business Conduct and Ethics governing our directors, officers and employees are also posted on the Company's website within the "Corporate Governance" section. You will need to have Adobe Acrobat Reader software installed on your computer to view these documents, which are in the PDF format.

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## Part I. Financial Information

### Item 1. Financial Statements

Greenhill & Co., Inc. and Subsidiaries

Condensed Consolidated Statements of Financial Condition (Unaudited)

	June 30, 2005	As of December 31, 2004
<b>Assets</b>		
Cash and cash equivalents	\$ 94,419,409	\$ 60,806,951
Securities		— 52,416,670
Financial advisory fees receivable, net of allowance for doubtful accounts of \$1.8 million and \$0.8 million as of June 30, 2005 and December 31, 2004	13,195,783	25,185,937
Other receivables	1,206,045	1,062,926
Property and equipment, net of accumulated depreciation and amortization of \$26.4 million and \$25.2 million as of June 30, 2005 and December 31, 2004	8,823,712	9,290,877
Investments	45,711,940	25,881,674
Due from affiliates	73,049	135,163
Other assets	1,803,617	2,235,905
Total assets	\$ 165,233,555	\$ 177,016,103
<b>Liabilities, Members' Equity and Stockholders' Equity</b>		
Compensation payable	\$ 13,093,460	\$ 31,788,116
Accounts payable and accrued expenses	2,331,301	6,594,997
Taxes payable	11,025,743	9,444,666
Due to affiliates	1,445,044	1,445,044
Total liabilities	27,895,548	49,272,823
Minority interest in net assets of affiliate	1,463,811	504,177

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Common stock, par value \$0.01 per share; 100,000,000 shares authorized, 30,855,733 and 30,750,000 shares issued and outstanding as of June 30, 2005 and December 31, 2004	308,557	307,500
Restricted stock units	5,332,010	3,396,714
Additional paid-in capital	109,309,508	106,743,051
Retained earnings	26,430,149	15,781,529
Accumulated other comprehensive income	(820,687)	1,222,235
Treasury stock, at cost; 143,736 and 9,346 shares as of June 30, 2005 and December 31, 2004	(4,685,341)	(211,926)
Stockholders' equity	135,874,196	127,239,103
Total liabilities, minority interest, members' equity and stockholders' equity	\$ 165,233,555	\$ 177,016,103

See accompanying notes to condensed consolidated financial statements.

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Greenhill & Co., Inc. and Subsidiaries  
Condensed Consolidated Statements of Income (Unaudited)

	For the Three Months Ended		For the Six Months Ended	
	June 30,		June 30,	
	2005	2004	2005	2004
<b>Revenues</b>				
Financial advisory fees	\$ 16,316,783	\$ 27,801,947	\$ 55,787,498	\$ 53,339,242
Merchant banking revenue	12,328,021	6,878,759	16,262,628	10,886,486
Interest income	817,834	172,438	1,340,019	192,941
Total Revenues	29,462,638	34,853,144	73,390,145	64,418,669
<b>Expenses</b>				
Employee compensation and benefits	11,732,768	13,519,168	31,653,161	22,755,368
Occupancy and equipment rental	1,631,539	1,477,520	2,963,745	2,831,872