

RODMAN & RENSHAW CAPITAL GROUP, INC.
Form 424B1
October 17, 2007

Filed Pursuant to Rule 424(b)(1)
Registration No. 333-144684

PROSPECTUS

8,000,000 Shares

Common Stock

We are an investment banking firm headquartered in New York City. We are offering 8,000,000 shares of our common stock at \$5.00 per share.

Through the date of this prospectus, our common stock was listed on the OTC Bulletin Board and traded under the symbol RDRN.OB. Beginning on October 16, 2007, our common stock will be listed on the NASDAQ Global Market and will trade under the symbol RODM.

Investing in our common stock involves risk. Please read Risk Factors beginning on page 13 for a discussion of the factors you should consider before you make your investment decision.

	Per Share	Total
Public offering price of common stock	\$ 5.00	\$ 40,000,000.00
Underwriting discounts	\$ 0.35	\$ 2,800,000.00
Proceeds to us (before expense) ⁽¹⁾	\$ 4.65	\$ 37,200,000.00

- (1) This amount is the total before deducting legal, accounting, printing and other offering expenses payable by us, which are estimated at \$1.25 million.

The underwriters may also purchase up to 1,200,000 additional shares from us at the public offering price set forth above, less the underwriting discount, within 30 days of the date of this prospectus to cover over-allotments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of the disclosures in this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares against payment in New York, New York on or about October 19, 2007, subject to customary closing conditions.

SANDLER O NEILL + PARTNERS, L.P. FOX-PITT KELTON COCHRAN CARONIA WALLER

PAULSON INVESTMENT COMPANY, INC.
RODMAN & RENSHAW, LLC

The date of this prospectus is October 16, 2007

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You should rely only on the information contained in this prospectus. Neither we nor the underwriters have authorized any other person to provide you with information different than that contained in this prospectus. If anyone provides you with additional, different or inconsistent information, you should not rely on it. You should not assume that the information included in this prospectus is accurate as of any date other than the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of our common stock. Our business, financial condition, results of operations, cash flows and/or future prospects may have changed since that date. Information contained on, or accessible through, our website is not part of this prospectus.

Neither we nor any of the underwriters are making an offer to sell these securities in any jurisdiction where such offer or sale is not permitted. Furthermore, you should not consider this prospectus to be an offer or solicitation relating to our common stock if the person making the offer or solicitation is not qualified to do so or it is unlawful for you to receive such an offer or solicitation.

In this prospectus we rely on and refer to information and statistics regarding the biotechnology sector of the U.S. economy and regarding certain types of financing transactions. We obtained this market data from independent publications or other publicly available information.

No action is being taken in any jurisdiction outside the United States to permit the public offering of our common stock or possession or distribution of this prospectus. Persons who come into possession or distribution of this prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restrictions as to this offering and the distribution of this prospectus applicable to that jurisdiction.

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PROSPECTUS SUMMARY

This summary highlights key aspects of the offering and does not contain all of the information you should consider before investing in our common stock. You should read this entire prospectus carefully, including Risk Factors and our consolidated financial statements and accompanying notes included elsewhere in this prospectus, before making an investment decision. Unless otherwise indicated, the information contained in this prospectus assumes that the underwriters do not exercise their over-allotment option and does not take into account the issuance of any common stock upon exercise of warrants or stock options.

Rodman & Renshaw Capital Group, Inc. is a Delaware corporation and was formerly named Enthrust Financial Services, Inc. (which we refer to herein as Enthrust). Prior to July 10, 2007, Enthrust was a shell company with no business or operations. Rodman & Renshaw Holding, LLC (which we refer to herein as Holding) is a Delaware limited liability company and the holding company for Rodman & Renshaw, LLC, a registered broker-dealer, and its other affiliates. Upon completion of the Exchange, as described below under Recent Transactions, Holding became a wholly-owned subsidiary of Enthrust, and the beneficial owners of all of the equity and debt securities of Holding became stockholders of Enthrust. In August 2007, Enthrust changed its name to Rodman & Renshaw Capital Group, Inc. All references in this prospectus to us, we, and our refer to Holding and its direct and indirect subsidiaries before the Exchange and to Rodman & Renshaw Capital Group, Inc., and its direct and indirect subsidiaries after the Exchange.

Overview

We are a full service investment bank dedicated to providing investment banking services to companies that have significant recurring capital needs due to their growth and development strategies, along with research and sales and trading services to institutional investor clients that focus on such companies.

Through AcumenBioFin , our division dedicated exclusively to the life science sector, we provide a broad range of investment banking services to biotechnology, specialty pharmaceutical, medical device and other companies operating in the life science sector. Our present business began in 2002 when we made the strategic decision to focus on the biotechnology sector and to build an integrated investment banking platform to service this sector. Our decision was based, in part, on our belief that the biotechnology sector was underserved by the investment banking community as a result of: (i) consolidation, beginning in the 1990 s, of well-established middle market and boutique investment banks with and into large financial institutions; and (ii) the significant downturn in capital market activity in the biotechnology sector beginning in 2001.

As we continued to expand our capital raising efforts for biotechnology companies, we concluded that many of the typical biotechnology financing strategies and transaction structures in which we have developed an expertise could be equally effective in other sectors of the economy. Applying our financing know-how, understanding of the financing needs of capital intensive companies and appreciation of the goals and concerns of institutional investors that invest in such companies, we have begun to leverage our historical performance and reputation as a leading investment bank in the biotechnology sector to expand our product-based expertise and business reach to other sectors with similar financing needs.

Since 2003, we have been a leading investment banking firm to the biotechnology sector, a capital intensive market segment, as well as a leader in the PIPE (private investment in public equity) and RD (registered direct placements) transaction markets.

We were the
number one
investment

bank in terms of the aggregate number of PIPE and RD financing transactions completed during the first six months of 2007 and in the calendar years 2006, 2005 and 2003.

We were the number two investment bank in terms of the aggregate number of PIPE and RD financing transactions completed in the calendar year 2004.

From January
1, 2003
through June
30, 2007, we
helped raise
more than
15% of the
total amount
generated
from PIPE and
RD financing
transactions in
the U.S.
biotechnology
sector.

Market Opportunity

Based on the factors described below, we believe a significant opportunity exists for us to grow our various lines of business, expand our service offerings, attract new clients within the biotechnology sector and expand into new sectors. We believe that the recent volatility in the U.S. capital markets presents potential opportunities for us. The recurring financing needs of our core client base generally require those clients to access the capital markets on a regular basis, not just opportunistically. Moreover, valuations and activity in the biotechnology sector, for which a large segment of our business could be seen to serve as a proxy, have been strong even through recent market volatility. Finally, we are not burdened with exposure to commercial paper or real estate risk and hold no investments in structured products or vehicles that have undergone recent revaluations. As a result, we believe that both our key market sector and our strong balance sheet leave us well positioned to drive continued growth.

The Biotechnology Sector

The U.S. biotechnology sector continues to experience significant growth, as evidenced by the following:

total market
capitalization
of U.S.
biotechnology
companies
increased from
\$15 billion in
1986 to over
\$500 billion
today;

currently, there
are over 330
publicly-traded
and 1,100
private
biotechnology
companies in

the United States; and

it is estimated that, in 2006, the U.S. biotechnology sector generated more than \$60 billion in revenue.

Capital origination in the biotechnology sector has been strong over the past decade.

From 1996 through 2006, U.S. biotechnology companies raised \$149.1 billion.

From January 1, 2003 through December 31, 2006, U.S. biotechnology companies raised:

- u \$4.1 billion from initial public offerings;
- u \$15.2 billion from follow-on offerings; and
- u \$11.7 billion from PIPE and RD financing transactions.

From January 1, 2003 through

December 31,
2006, merger
and
acquisition
transaction
value within
the U.S.
biotechnology
sector totaled
\$66.4 billion.

With additional resources to devote to the biotechnology sector, we believe we can grow our corporate finance and strategic advisory businesses as the sector continues to grow. Companies in this sector require growth capital on a regular basis and regularly evaluate their strategic alternatives. Investors in companies in this sector require investment research and brokerage services, which we believe will allow us to grow our equity research and sales and trading platforms.

PIPE and RD Financing Transactions

Today, PIPE and RD financing transactions represent a key source of funding for publicly- traded biotechnology companies. For example, the U.S. biotechnology sector used PIPE and RD financing transactions to raise:

\$13.8
billion
from
January
1, 2003
through
June 30,
2007;

\$3.6
billion
in 2006;
and

\$2.1
billion
in the
first six
months
of 2007.

We believe that PIPE and RD financing transactions will continue to play a significant role in financing the biotechnology sector because the efficiency of these types of transactions better meets the funding needs of biotechnology companies as compared to alternative financing methods.

PIPE and RD financing transactions provide public companies across multiple sectors with effective and viable alternatives to raising capital through public follow-on offerings. The use by issuers of these financing alternatives to public follow-on offerings has grown significantly in recent years. Since 2003, when the capital markets began to recover after the Internet bubble, the number of PIPE and RD financing transactions and the amount of capital raised through such transactions have increased every year. For example, PIPE and RD financing transactions raised an aggregate of:

\$12.6 billion
through 882
transactions
in 2003;

\$15.6 billion
through
1,270
transactions
in 2004;

\$20.0 billion
through
1,304
transactions
in 2005;

\$28.2 billion
through
1,342
transactions
in 2006; and

\$22.4 billion
through 645
transactions
in the first
six months
of 2007.

We believe there is a significant opportunity for continued growth in this space given issuers' continuing desire to identify and pursue faster and less costly financing alternatives to traditional follow-on public offerings and institutional investors' continuing interest in participating in these financing transactions.

Consolidation in the financial services industry has created an opportunity for us to grow our business

The financial services industry has experienced substantial consolidation over the past 10 to 15 years. During this period, a number of growth-focused investment banks were acquired by larger financial institutions with broader platforms. We believe that large investment banks often under-serve clients considered to be small-cap or mid-cap companies, which has created a significant market opportunity for us to serve the specialized needs of these

companies. A significant majority of our investment banking revenues is earned from publicly-traded companies with a market capitalization below \$500 million. In addition, we believe many large investment banks have responded to margin pressure within their equity brokerage divisions by reducing research coverage, particularly for smaller companies, consolidating sales and trading services and transitioning to a more commoditized brokerage model. We will continue to work with these small-cap and mid-cap companies and aim to provide them with high quality services tailored to meet their needs for capital origination and strategic advisory services.

Competitive Strengths

We expect to maintain and expand our position in our target sector by continually leveraging our principal competitive strengths, which include the following:

Sector focus

We believe that our focus on the biotechnology sector is a competitive advantage. This focus manifests itself in the form of an integrated platform, including investment bankers, research analysts, traders and institutional sales people, all devoted to companies operating in the biotechnology sector. The team is comprised of individuals who are all knowledgeable and, in some cases, experts in this area. We believe this specialization produces a combination of financial and technical expertise, allowing us to better understand and service the strategic and financing needs of our clients and deliver differentiated advice that our clients require and appreciate when addressing complex financing issues and making important strategic decisions. As a result, we have become a leading provider of investment banking services to companies in the biotechnology sector.

Within the biotechnology sector, our strengths include:

Focus on financing transactions. Our investment bankers are corporate finance specialists and plan to continue to focus primarily on financing transactions, particularly PIPE and RD transactions.

Development of innovative solutions. Our in-depth knowledge of the biotechnology sector enables us to develop financing strategies, transaction structures and financing instruments that simultaneously address issuers' needs for capital and the investment community's need to balance risk and reward.

Focused equity research. Our biotechnology research team (including eight PhDs and two medical doctors) focuses on uncovering market opportunities and on developing recommendations that will enhance our clients' investment returns.

Industry leading conferences. Our industry-leading investment conferences dedicated to the life science sector, with particular emphasis on biotechnology companies, bring together companies, institutional investors, business development executives and experts from the life science community. Our life science conferences are an effective marketing tool for us and provide an opportunity for us to facilitate relationship building between the participating companies and investors.

Experienced professionals with deep knowledge and broad skills

We have created an entrepreneurial, performance-oriented corporate culture that attracts professionals who share a reputation for sector expertise, strong execution skills and a history of successful transactions. We are led by a team of professionals with extensive track records of success in the biotechnology sector and with arranging and executing PIPE and RD financing transactions.

Strong client relationships

We place great emphasis on developing and nurturing long-term relationships with both issuers and investors, including hedge funds, venture capital funds and private equity funds. This has expanded our distribution and placement capabilities, enabling us to raise significant amounts of capital for our issuer clients. We strive to build long-term relationships with our issuer clients by providing services appropriate to each stage of a company's development. We provide our clients with frequent and consistent interaction with our senior professionals, who are actively involved in all stages of our client engagements. We believe that the high levels of expertise and client trust we have developed have been significant factors contributing to our growth and have enabled us to generate significant repeat business. In 2006 and 2005, over 34% and 44%, respectively, of our investment banking transactions were executed with repeat clients. In the first six months of 2007, the percentage was 29%.

Established and respected brand

We believe the Rodman & Renshaw® brand name is well-recognized, highly-regarded and associated with knowledge leadership, especially in the biotechnology sector and the PIPE and RD transaction markets. In particular, we believe that we are known for developing creative solutions to financial and strategic challenges and for sound execution of our clients' transactions.

Growth Strategy

Our primary business objective is to become a leading full-service investment banking firm for companies with significant and recurring capital needs across multiple sectors. We believe that, as a publicly-traded company with increased available capital, we will be better able to: (i) grow our platform by adding new products to serve our existing clients; (ii) build new teams to focus on sectors of the economy other than biotechnology that have similar

financing needs; and (iii) hire professionals to supplement our existing staff. We intend to pursue this objective through the following strategies:

Expand our existing biotechnology sector platform

We believe that the biotechnology sector is still a growth area for us and, with our expertise and reputation, we are well-positioned to achieve a greater share of financial and advisory engagements in this sector. First, in order to capitalize on our inherent advantages, we intend to increase our investment banking, sales and trading, and research capability in this sector by adding additional professionals to augment our existing team. Our intention is to grow our leading PIPE and RD transaction business, to pursue more follow-on offerings and initial public offerings, to expand our merger and acquisition advisory services and to increase our focus on raising capital for private companies in the biotechnology sector. Second, we intend to nurture our relationships with those companies for which we have raised capital in the past and aggressively pursue relationships with other companies in this sector. Third, we intend to continue to develop new financing products and create new transactional structures that will address the risks and rewards inherent in this sector. Finally, we intend to apply our capabilities to other areas of the life science sector in addition to biotechnology. For example, specialty pharmaceuticals, medical devices and healthcare services, represent natural areas for expansion, particularly as we broaden our product capabilities.

Expand into new sectors

We intend to expand opportunistically into other sectors of the economy that have particular similarities with the biotechnology sector, including significant and on-going capital needs, highly technical expertise, high risk/high return operating environment and the presence of numerous innovative small and mid-size companies among larger companies. Such sectors may include one or more of the following: mining, energy, technology and business services. During the past 18 months, we completed investment banking transactions for companies in the environmental services, business services, technology, security, oil and gas, retail and logistics sectors, in addition to continuing to grow our presence in the biotechnology sector.

Expand our existing merchant banking and asset management businesses

Our current merchant banking activity includes the following: (i) taking a portion of our fee in warrants in connection with finance transactions; (ii) purchasing securities in a finance transaction in which we are also acting as placement agent; and (iii) retaining equity ownership in public shell companies, *i.e.*, reporting companies that have no active trade or business and nominal assets, which we subsequently merge with operating private companies through reverse mergers or CAPs[®] (Collateralized Acquisition Pools[®]) arranged by us.

We may expand our merchant banking activities in a number of ways, including: (i) making larger investments in companies for which we are acting as placement agent in connection with a financing transaction; (ii) making direct investments on a more frequent basis; (iii) making bridge loans and providing other interim capital; (iv) financing a company ourselves or with a limited number of other institutional investors; and (v) increasing the number of shell companies that we own. We may also develop our asset management business by, for example, launching a lifescience sector focused fund. These initiatives may be carried out through in-house efforts, through the recruitment of a fund manager or by acquiring an existing asset management business.

Strategic acquisitions

Our growth strategy also contemplates expansion through strategic acquisitions. We may acquire teams of investment bankers or institutional salesmen and traders in one or more of the sectors that we target or we may acquire an investment bank or financial advisory firm or other company in a complementary business or sector. In addition, our expansion strategy contemplates pursuing business opportunities outside of the United States. We have already raised capital for a number of foreign companies and have business contacts in Europe, Asia, Latin America and the Middle East.

Recent Developments

The Exchange

On July 10, 2007 (the Exchange Date), pursuant to an Exchange Agreement, dated as of July 10, 2007, we completed a reorganization transaction, which we refer to as the Exchange, with Enthrust, a shell company in which we indirectly held 80% of the common equity. As a result of the Exchange, Holding became a wholly-owned subsidiary of Enthrust and the beneficial owners of our outstanding debt and equity securities became stockholders of Enthrust. The Exchange consisted of the following:

- (i) Paul Revere, LLC (Revere), a Delaware limited liability company, which owned 70% of Holding, contributed its membership interest in Holding to Enthrust in exchange for 12,711,683 shares of Enthrust s common stock;
- (ii) the stockholders of R&R Capital Group, Inc. (RRCG), a Delaware S corporation, who, through their ownership of RRCG, owned 30% of Holding and 25.5% of RRPR, LLC (RRPR), a

Delaware
limited
liability
company,
contributed
all of their
RRCG
shares to
Enthrust in
exchange for
5,967,591
shares of
Enthrust s
common
stock;

- (iii) the holders
of the 6%
Senior
Convertible
Debentures
in the
aggregate
principal
amount of
\$20 million
(the
Debentures)
and warrants
to purchase
714,286
shares of
Holding
stock at a
price of
\$7.70 per
share (the
Holding
Warrants)
issued by
Holding in
March 2007,
contributed
the
Debentures
and the
Holding
Warrants to
Enthrust in
exchange for
5,970,099

shares of
Enthrust s
common
stock and
warrants to
purchase
1,355,600
shares of
Enthrust s
common
stock at a
purchase
price of
\$7.00 per
share (the
Warrants);
and

- (iv) options held
by
employees to
purchase up
to 2,848,370
shares of
Holding s
stock at
prices
ranging from
\$0.409 to
\$8.24 per
share were,
by their
terms,
converted
into options
to acquire up
to 5,278,071
shares of
Enthrust s
common
stock at
prices
ranging from
\$0.22 to
\$4.45 per
share.

Immediately after the Exchange, 1,707,144 shares of Enthrust s common stock that were outstanding prior to the Exchange, including all of the shares held indirectly by Holding, were cancelled. Thus, the shares of Enthrust s common stock issued to Revere, the RRCG stockholders and the holders of the Debentures and the Holding Warrants pursuant to the Exchange Agreement represented 98.6% of Enthrust s issued and outstanding shares immediately after the Exchange.

On the Exchange Date, all of Enthrust's officers resigned and its then sole director, Arnold P. Kling, appointed Edward Rubin, Holding's President and a member of Holding's board of directors, as a director of Enthrust. Messrs. Kling and Rubin then appointed the officers of Holding as Enthrust's new officers. In addition, they appointed the other members of the Holdings' board of directors to Enthrust's board of directors effective as of July 22, 2007, the tenth day after Enthrust mailed an Information Statement pursuant to Rule 14f-1 of the Securities Exchange Act of 1934, as amended (the Exchange Act) to its stockholders of record. Mr. Kling then resigned as a director of Enthrust effective as of July 22, 2007. In this prospectus, we refer to our board of directors after the Exchange as the Board of Directors.

Finally, on August 31, 2007, Enthrust changed its name to Rodman & Renshaw Capital Group, Inc.

Based on the fact that: (i) prior to the consummation of the Exchange, Enthrust was not engaged in any trade or business; (ii) immediately following the Exchange, the former beneficial owners of Holding's equity and debt securities owned 98.6% of Enthrust's issued and outstanding shares of common stock; (iii) Holding's officers became the officers of Enthrust and Holding's directors became, as of July 22, 2007, the directors of Enthrust; and (iv) Enthrust changed its name to reflect Holding's corporate identity; for accounting purposes: (a) Holding is treated as the acquiror; (b) the Exchange is treated as a recapitalization of Holding; and (c) Holding's historical financial statements are treated as the historical financial statements of Enthrust.

New Chief Executive Officer

In August 2007, we entered into an employment agreement with Michael Lacovara pursuant to which Mr. Lacovara became our Chief Executive Officer and a member of our Board of Directors effective September 4, 2007. Mr. Lacovara previously served as co-chief operating officer of Sandler O'Neill & Partners, L.P., the representative of the several underwriters of this offering. Mr. Lacovara replaces John J. Borer III as our Chief Executive Officer. As of September 4, 2007, Mr. Borer became a Senior Managing Director and Head of Investment Banking. For a more detailed description of the terms of Mr. Lacovara's employment, see Executive Compensation Employment Arrangements.

Corporate Information

Our principal executive office is located at 1270 Avenue of the Americas, New York, New York 10020, and our telephone number is (212) 356-0500. Our corporate website address is *www.rodmanandrenshaw.com*. Information contained on our website is not incorporated by reference into this prospectus and you should not consider information contained on, or accessible through, our website as part of this prospectus.

The Offering

Common stock offered	8,000,000 shares ⁽¹⁾
Common stock to be outstanding after this offering	33,750,000 shares ⁽¹⁾⁽²⁾
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately \$36.0 million based on the offering price of \$5.00 per share, after deducting underwriting discounts and expenses payable by us. We plan to use the net proceeds we receive from this offering for general corporate purposes, which may include, among other things: (i) expanding our presence in the biotechnology sector; (ii) continue our expansion into new sectors; (iii) strategic acquisitions; and (iv) expanding our merchant banking and asset management businesses.
Dividend policy	For the foreseeable future, the Board of Directors intends to follow a policy of retaining earnings for the purpose of increasing our capital to support additional growth. Accordingly, we currently do not expect to declare or pay dividends for the foreseeable future.
Listing	Beginning on October 16, 2007, our common stock will be listed on the NASDAQ Global Market and will trade under the symbol RODM.
Risk factors	See Risk Factors, Dilution and other information included in this prospectus for a discussion of certain factors that you should carefully consider before investing in our common stock.

(1) Assumes that the underwriters do not exercise their option to purchase up to an additional 1,200,000 shares of common stock from us to cover over-allotments, if any. If the underwriters exercise this option in full, we will sell 9,200,000 shares in the offering and 34,950,000 shares of common stock will be outstanding immediately after this offering. See

Underwriting.

- (2) The number of shares of common stock outstanding immediately after this offering does not include:

5,278,071 shares of common stock reserved for issuance upon the exercise of outstanding options granted prior to the adoption of our 2007 Stock and Incentive Plan, at exercise prices ranging from \$0.22 to \$4.45 per share, having a weighted average exercise price of \$3.74;

1,355,600 shares of common stock underlying the Warrants, which have an exercise price of \$7.00 per

share; and

4,500,000
shares of
common
stock
reserved for
future
issuance
pursuant to
grants of
restricted
stock and
options
under our
2007 Stock
and
Incentive
Plan.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table summarizes our selected historical consolidated financial data for the periods and at the dates indicated. You should read this information in conjunction with our audited and unaudited consolidated financial statements and related notes, Selected Unaudited Pro Forma Combined Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations, and other financial information appearing elsewhere in this prospectus. We derived our selected historical consolidated financial data as of December 31, 2006, 2005 and 2004 and for the years ended December 31, 2006 and 2005 and for the nine months ended December 31, 2004, from our audited consolidated financial statements, which have been audited and reported upon by Marcum & Kliegman LLP, an independent registered public accounting firm. We derived our selected historical consolidated financial data for the years ended March 31, 2004 and 2003 from our unaudited consolidated financial statements not included in this prospectus. The selected historical consolidated financial data as of and for the six months ended June 30, 2007 and 2006 is derived from our unaudited interim consolidated financial statements, which includes, in the opinion of management, all adjustments (consisting only of normal recurring adjustments) necessary to present fairly the data for such periods. The results of operations for the six-month period ended June 30, 2007, do not necessarily indicate the results that may be expected for any future period or for the full year 2007.

Consolidated Statement of Operations Data:

	Six Months Ended June 30,		Years Ended December 31,		Nine Months Ended December 31,	Years Ended March
	2007 (Unaudited)	2006 (Unaudited)	2006 (Audited)	2005 (Audited)	2004 (Audited)	2004 (Unaudited)
(in thousands)						
<i>Revenues:</i>						
Private placement, underwriting and strategic advisory fees ⁽¹⁾	\$ 39,374	\$ 17,234	\$ 43,081	\$ 17,887	\$ 16,669	\$ 32,207
Principal transactions, net ⁽²⁾	(340)	1,480	11,519	1,175	827	5,580
Realized gains (loss) on securities, net ⁽³⁾	3,540	5,068	1,884	6,174		
Commissions ⁽⁴⁾	3,606	2,327	5,161	2,429	2,140	673
Conference fees	719	749	2,093	1,488	1,112	
Other income ⁽⁵⁾	326	81	220	102	129	555
Total Revenues	\$ 47,225	\$ 26,940	\$ 63,958	\$ 29,255	\$ 20,877	\$ 39,015
<i>Expenses:</i>						
Employee compensation	\$ 26,542	\$ 9,508	\$ 26,782	\$ 15,345	\$ 14,427	\$ 33,733

and benefits⁽⁶⁾

Conference fees	2,144	1,670	4,748	3,673	2,957	876
Professional fees	2,713	2,488	6,192	1,492	1,026	765
Business development	1,434	880	1,880	765	410	356
Communication and data processing	889	628	1,452	671	282	132
Other expenses	2,084	1,373	3,319	2,423	1,482	1,336
Total Expenses	\$ 35,806	\$ 16,547	\$ 44,373	\$ 24,369	\$ 20,584	\$ 37,198