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Simpson Thacher Crosses \$7.5M in PEP, Revenue Jumps 24% as Firm Eyes Westward Expansion

By Patrick Smith

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What You Need to Know

- Simpson Thacher saw revenue and net income surge over 20% last year.
- The firm also saw a 19.1% spike in profits per equity partner.
- The firm's fund formation practice was a major driver of growth last year.

Citing the fact that all of the firm's practices "performed well," Simpson Thacher & Bartlett saw its revenue jump 24% to \$2.9 billion in 2024 while its profits per equity partner shot up 19.1% to \$7.66 million in one of the strongest financial years the firm has seen.

The firm's net income was up 22.9% to \$1.56 billion, and revenue per lawyer was up 13.9% to \$1.94 million.

"It was a good year," firm chair Alden Millard, in his third year in the role, said in an interview. "But what's important, from my standpoint, were the head count increases. We were up 9% overall. We don't grow for growth's sake, but we wanted to steadily increase the talent levels across our equity and income partnership as well as our associates. It's a testament to the health of our business that we can grow and create more opportunities for our people."

The firm did grow. As Millard noted, overall head count was up 8.9% to a total of 1,490 FTE attorneys. The firm's equity partnership increased by 3.2% to

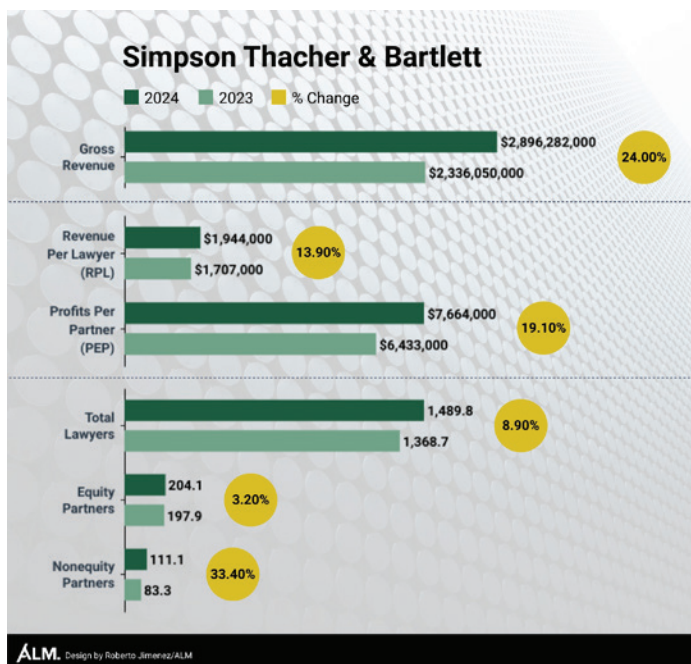


Courtesy photo

Alden Millard, chair of Simpson Thacher.

204 FTE, up from 198 FTE in 2023. Total partnership numbers were up 12.1% to 315 FTE, up from 281 the previous year. Much of that growth was from the firm's nonequity (income) tier, which saw 33.4% growth year-over-year to bulk up to 111 FTE attorneys, up from 83 in 2023.

"We implemented an income tier back in 2019, really as a means of furthering talent retention and development," Millard said. "And we are very pleased with the results, as it has helped us accelerate the firm's growth by allowing us to attract and retain associates. We are intentionally scaling up



our income tier, but in a balanced way. That balance is important.”

Part and parcel with that growth is an increase in nonequity compensation, which shot up 55.3% to \$132 million, up from just over \$85 million in 2023.

Driving much of that growth, Millard said, other than the consistent overall performance, was the firm’s fund formation practice, which Millard said outperformed.

“We are at the forefront of pioneering perpetual capital investment vehicles for investors,” he said. “In the democratization of assets, we advised every major retail sponsor and are taking the lead on tie-ups between the asset managers themselves.” In addition to funds, Millard said the firm saw success from the investments it made in energy and infrastructure.

“Last year was a bang-up year for us,” he said, referring to the firm’s gains in energy and infrastructure work. “Energy transfer, renewables, digital infrastructure and real estate were all busy.”

Laterals, Matters and Offices

Millard said the firm was up across the board geographically, but did say the firm’s London office had

seen “hypergrowth” over the past several years and that last year was no different.

Also across the pond, the firm announced an office in Luxembourg in late 2024, which opened at the beginning of April of this year.

Back stateside, the firm is expanding further into Northern California in early 2026, Millard said, when it will open an office in San Francisco.

“In terms of geography, we are always evaluating options to ensure we are meeting the needs of our clients and making sure we are in a position to recruit the best talent we can,” Millard said.

He said the firm had no plans to open or close any other locations. Millard said the firm’s in-office policy will remain the same as last year at four days per week.

As for matters and wins, the firm highlighted that it advised on five of the 10 largest PE funds raised in 2024, including EQT X (which closed at \$24 billion), Silver Lake Partners VII (\$20.5 billion), New Mountain Partners VII (\$15.4 billion) and Eighth Cinven Fund (\$14.5 billion).

In M&A, the firm worked on Paramount Global’s merger with Skydance Media (\$28 billion) and also Silver Lake’s buy of Endeavor (\$25 billion), among other wins. In litigation, the firm represented Mattress Firm in its victory against the FTC’s PI motion, which would have blocked Mattress Firm’s \$4 billion acquisition by Tempur Sealy.

The firm also got a win for 12+ investment banks that underwrote ViacomCBS (n/k/a Paramount Global) offerings, reversing a ruling requiring underwriters to perform due diligence on other underwriters’ client relationships/trading activities and substantially limiting underwriters’ due diligence obligations.

As for 2025, Millard said the firm’s year had “started out fast” and that the firm’s path was one he didn’t see a need to deviate from currently.

“We are going to stick to our knitting,” Millard said. “Recruit the best people and deliver the best possible product.”