CORPORATE FINANCE

Sellside Advisory Services

ADVISORY

Are you evaluating selling all or a portion of your business?

If you are a founder, shareholder, or manager of a business or division, and have considered the option of exploring a sale of the business, we can help.

KPMG Corporate Finance can assist you in evaluating your options as you seek to maximize the value of your business with the assistance of a professional financial adviser at your side.

KPMG Corporate Finance's team of professionals has the experience and qualifications to assist you with the many issues and decisions you may face as you consider selling your business. We advise our clients through each stage of the process, from formulating a sales strategy and identifying potential acquirers, through negotiations, structuring the transaction, and assisting with the closing process.

Factors Leading to a Sale Decision

There are a number of different reasons why a company or shareholder may choose to sell all or a part of their business. The following are some of the key factors that might lead to a decision to sell:

- *Liquidity.* A company (or the owner) is interested in generating liquidity. This situation can arise when an owner is seeking to exit the business or if the company needs resources for other investments.
- *Industry Indicators.* Some companies choose to sell when the industry is "hot" and valuation multiples are high. A sale may be attractive when an industry is consolidating or when overall industry prospects are positive.
- *Succession.* Private middle market companies may not have a defined transition or succession plan for the business when the current owner seeks to exit the business (particularly relevant with family-run businesses).
- *Non-Core Assets.* For a company that has grown or has changed its strategy, there may be one or several components of the company that are no longer considered to be of strategic value. In order to focus on and invest in the company's core business, the company may choose to divest its non-core assets.
- *Re-capitalization.* A company may seek to recapitalize its ownership structure to attract outside investors or take out existing shareholders.
- *Diversification.* A shareholder may desire to diversify his or her personal asset holdings when the value of a business represents a significant portion of total net worth.

Contact Us

KPMG Corporate Finance LLC

We welcome the opportunity to meet with you, learn more about your company's objectives, and discuss our people and capabilities.

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KPMG Corporate Finance – We Can Do a Great Deal Together.

The Sales and Divestiture Process: Overview and Timing

Timing	8–10 weeks	4–6 weeks	4–8 weeks	8–12 weeks	**Total Time: 24–36 Weeks**
Stage	Preparation	Marketing: Phase I	Marketing: Phase II	Final Negotiation and Closing	
Process	• Formulate sales strategy • Develop potential counterparty list • Prepare marketing materials for distribution to potential counter-parties	• Contact potential counterparties • Distribute marketing materials to interested counterparties • Receive indications of interest	• Evaluate initial indications of interest • Conduct management meetings with potential counterparties • Receive Letters of Intent	• Negotiate final terms and conditions • Conduct final due diligence • Facilitate final documentation and closing	

* KPMG Corporate Finance also advises on financing if it is needed by a client during a buyside transaction.

The Sales and Divestiture Process

There are several distinct stages during the sales and divestiture process. The timing of each phase depends on the selling strategy, the characteristics of the company, the deal process, and the market conditions prevailing at the time of the transaction. On average a typical process ranges from six to nine months.

KPMG Corporate Finance LLC

KPMG Corporate Finance provides a full suite of investment banking and advisory services to its domestic and international clients. Our professionals have the experience and depth of knowledge in global M&A and project finance to advise clients on mergers and acquisitions, sales and divestitures, buyouts, financings, debt restructurings, equity recapitalizations, infrastructure project finance, and other advisory initiatives. In addition, we remain independent of financing sources, helping to ensure that our efforts are objective and aligned with the goals of clients.

Operating in 62 countries, KPMG's member firms' corporate finance practices (KPMG) comprise more than 2,200 professionals who are able to meet the needs of clients across the globe. In 2009, as a leading financial adviser, KPMG completed 260 deals totaling US$119.7 billion, according to Thomson Reuters SDC's global M&A league tables.

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