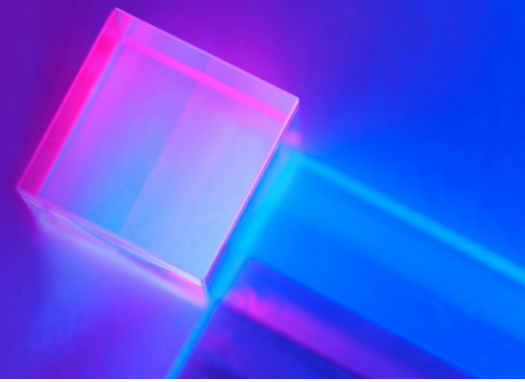


Separation Methodology

Maximizing value and reducing risk throughout a structured end-to-end integration process
 KPMG Integration & Separation



There are various business drivers which lead to divest or restructure



Strengthening balance sheets by selling of non core business



Forced sales due to regulatory or competition



Achieving a new strategic vision or entering new markets



Tidying up to maximize shareholder value by selling lesser brands

Different key barriers need to be considered to find the right balance between maximizing value while maintaining control and protecting business as usual



Difference in priorities and motives between vendor and buyer



Treating Separation planning as a business as usual project



Separation planning ignores the strategic deal rationale



Too slow and high risk program governance structures/processes

Our Separation approach will help you throughout the end-to-end separation process, structured around key modules which allows you to pick and choose

The Separation process can be divided into 4 phases: ‘Separation Strategy’, ‘Pre-Signing’, ‘Pre-Closing’ and ‘Implementation’ which are built around four key drivers to overcome the key barriers to success: ‘Maximize value’, ‘Mitigate risks’, ‘Maintain control and protect business as usual’ and ‘Accelerate momentum’. Our offering is modular and consists of different modules which can be used either standalone or in combination with each other.

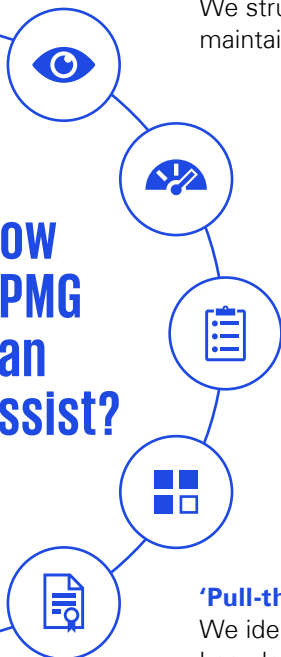


KPMG's unique approach provides multiple benefits and is based on experience, industry and service expertise

Key Separation drivers

We structure our approach along the key Separation drivers: maximize value, mitigate risks, maintain control and protect business as usual and accelerate momentum.

How KPMG can assist?



Value driven

We use an approach which is output driven, pragmatic and focused on cascading strategy into practical financial and operational outcomes and plans ("it's not just a program management office").

Phased approach

We follow a structured phased approach: 'Separation Strategy', 'Pre-Signing', 'Pre-Closing' and 'Implementation' connecting deal strategy with operational implementation.

Modular approach

We apply our approach as the 'first lens' to come up with the best solution for you by using a modular approach which consists of several modules that can be used either standalone or in combination with each other.

'Pull-through' vehicle

We identify client needs alongside our work and bring in specialists with deep subject knowledge from other service lines in each of the four phases.

What's in the box?

Key separation drivers to overcome the key barriers to a successful separation

Maximize value

- Identify the critical drivers of value
- Accelerate analysis of potential separation issues
- Identify performance improvement opportunities

Maintain control and protect business as usual

- Define and implement an issue escalation process
- Support management with coaching
- Develop a detailed Day-1 action list
- Drafting and implementation of cutover plans

Mitigate risks

- Identify key risks
- Define transitional services
- Determine governance, reporting, control processes

Accelerate momentum

- Align key stakeholders, mobilise resources
- Formalise program objectives, scope, deliverables
- Determine a set of separation principles
- Coordinate faster decision making

Our recent credentials

- International manufacturer with a turnover of 1.7 B€
- International leader in healthcare and pharmaceuticals with a turnover of 7.4 B€
- International leader in healthcare and pharmaceuticals with a turnover of 36.0 B€

Contact



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