

KPMG in the UK advises on **Divestiture** of a Major **Meter** Services Provider



An integrated KPMG M&A advisory team recently helped an international electricity and gas distribution company in the landmark sale of its meter service business. The business provides a comprehensive range of gas and electricity metering services and is positioned to become a “partner of choice” for UK energy suppliers in the UK’s roll out of smart meters.

By providing an integrated lead M&A advisory and full suite of transaction support services, the KPMG team was able to support the client throughout the transaction, helping to maximize the value gained from the divestiture.

KPMG professionals secured the work after a competitive process. The client initially asked KPMG for a vendor due diligence (VDD) proposal. However a multi-disciplinary team of KPMG professionals concluded that VDD alone was not the best solution.

The KPMG team proposed two options. The first involved the client leading the sale process with KPMG specialists providing sell-side assistance throughout the process, including some general M&A advice. Under the second option, the KPMG team would lead the whole sale process. Although the client engaged the team for the first option, they switched to the second when they recognized the added value that the KPMG specialists could provide.

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Following the appointment of the team in mid-June, the client challenged the team members to understand the business, prepare robust data books, develop an integrated financial model, identify potential purchasers, carry out pre-marketing and send out the Information Memorandum by the end of July. The KPMG team delivered according to plan and on schedule, and then organized management presentations over the August holiday period, supported the Q&A process, maintained competitive tension and successfully solicited offers in September. KPMG was able to enlist specialists in areas such as leasing tax and locked-box completion mechanisms, for example, which proved to be invaluable during the engagement.

This engagement provides another example of how an integrated team of KPMG specialists can be quickly assembled to provide a seamless, end-to-end service for large, highly complex transactions conducted under accelerated schedules.

The KPMG team delivered according to plan and on schedule



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