

Private Equity

ADVISORY

A photograph of two people swimming in the ocean. The water is a deep blue, and the swimmers are in the middle ground. One swimmer is in the foreground, and another is slightly behind and to the right. The background is a clear, bright sky.

Private Equity

Experienced professionals
that work as a team,
transforming knowledge
into value, for the benefit
of our clients.

Quality and integrity are essential characteristics of our services. But our clients expect much more – they expect us to provide them with profound knowledge and perspective in their markets and to understand their needs.



Our private equity group, composed of experienced professionals, dedicates its time to providing our clients with services appropriate to the different phases of a transaction, from initial investment to exit, including advisory services in the management of their own portfolio.

This is carried out through a coordinated, multidisciplinary approach, geared towards the industry, reflecting our belief that this is the way we should offer the advisory services that our clients require.



KPMG's Private Equity group in Brazil

The member firms of KPMG International have a long-standing commitment with the private equity community. In our global network of offices located in the main financial centers, dedicated professionals, experienced in private equity, focus on the needs of the community and of its investors. KPMG's private equity group in Brazil includes professionals from the Audit, Tax and Advisory practices.

Global M&A activity and the larger number of entities supported by private equity funds has led to a competitive business environment, in which the capacity to buy under the best possible conditions, to manage the business efficiently and to sell at the best moment have become some of the key factors for success.

Our team is knowledgeable about the private equity sector and understands that the challenges and the opportunities for a company supported by private equity are totally different from those of a publicly-held company or of an owner-managed business. We are experienced in responding to the requirements of private equity funds and portfolio managers.

Focus on the essential

Clients can rely on professionals that truly understand the challenges and opportunities of your company.

Our private equity teams, which combine a wide range of skills and experiences, tailor their services to meet the client's individual demands.

Why KPMG?

KPMG was the first of the Big Four Audit Firms to create a dedicated private equity group, entirely focused on the requirements of the private equity community.

Furthermore, just as the private equity sector grew significantly during the last decade, we also expanded and refined the range of our services and added to our team to provide what the client needs, whenever and wherever it needs it.

KPMG's private equity team in Brazil combines the knowledge, the experience and the capacity of some of our most experienced professionals in Audit, Corporate Finance, Transaction Services, investigation and assistance in litigation (Forensic), strategic and market analysis, human resources advisory, structuring and tax and legal advisory in transactions, as well as in restructuring processes.

The private equity practice is also present in other member firms of KPMG International, meaning that professionals from these member firms dedicated to the industry combine knowledge and experience in different sectors, and are able to offer coordinated and multidisciplinary perspective and advice.

KPMG strives to offer clients a combination of profound local knowledge and international experience in deals in the Brazilian market, Latin America and in other cross-border transactions.

Clients will have access to a high degree of professionalism wherever they are. Our private equity group can offer you not only teams committed to private equity, but also highly experienced teams.

At KPMG, we have the necessary experience to help our clients from the phases of fundraising and investment to exit strategies and value realization.

With a single point of contact and teams connected globally we are able to deliver high quality services and a high level of responsiveness.

We designate a single point of contact so that the client receives what he needs, in any part of the world and at the right time.

We place actively committed professionals at the disposal of clients, irrespective of where the clients and the portfolio companies are located.

Our private equity professionals maintain a constant dialogue on your needs, in order to advise you in all your businesses – from the formation of the fund and its investment to the presentation of results at the portfolio-company level.

Full-service

KPMG's private equity group in Brazil was created to respond to the requirements of clients in all phases of the private equity cycle, from fundraising to value realization. The group's performance has corroborated the links between a private equity fund, its managers, its transactions, its investments and the realization of value.

The private equity sector has become an important alternative for capital market investments. The emphasis for private equity firms currently lies in increasing the value and performance of portfolio companies, and in enhancing existing assets. This further increases the need for firms to achieve excellence throughout the complete private equity cycle: fundraising, investments and deals, portfolio management and value realization.

KPMG's private equity group in Brazil can assist the client in resolving difficulties that are exclusively faced by the sector and help in the performance of all essential aspects of the private equity cycle.

Our focus

Specific advisory services for the private equity industry, addressing the entire investment cycle, including:



Fundraising

In an increasingly competitive market, investors are demanding greater transparency in information and clarity on the possible development of investments.

KPMG in Brazil's private equity team performs independent analyses and provides preliminary advisory services for decision-making at the stage of the evaluation of a potential investment. We are aware of the growing demand for quality of information and of clarity in the forecast of the development of investments.

In this scenario, the independent review and verification carried out by our multidisciplinary teams, composed of financial, market, legal and tax professionals can reinforce further the transparency in the process.

In this demanding environment, we can help the client reach its objectives through:

- ✓ Preliminary analyses of potential investors.
- ✓ Independent analyses and economic/financial evaluations of the portfolio.
- ✓ Advisory on fund structuring options that can help reduce the exposure of the fund to taxes on its investments.
- ✓ Advisory services to fund managers on regulatory and compliance requirements.
- ✓ Market surveys and strategic advisory.

Investment and transactions

Our analysis provides clarity and perspective, with an emphasis on the analysis of the strategic factors of the business and of the sector.

Our professionals provide advice on the evaluation of the potential of each transaction to generate value, as well as in the quantification of inherent risks identified and in the confirmation of estimated opportunities and synergies.

Our multidisciplinary private equity teams offer continuous advisory services in all your transactions by:

- ✓ Performing evaluations prior to transactions and by estimating the value generation potential of a deal.
- ✓ Performing financial, accounting, tax, labor, legal and other types of due diligence related to the target investments.
- ✓ Strategic advisory, business assumptions review and market and operational challenges.
- ✓ Helping understand the business of the target company, its market and the main operating challenges faced by the target company using professionals experienced in the sector.
- ✓ Providing tax and corporate structuring and assistance in integration.
- ✓ Advising on efficient ways of financing an investment.



Portfolio management

We keep track of the whole cycle of each transaction. We take part in the project of the business plans, by integrating the strategic, operating or financial, tax and legal aspects required to help improve the return on your investments.

Clients' management teams can, through the use of our advisory services, improve the development of their business plans, by combining strategic and operational aspects with the financial, market, tax and legal aspects necessary to improve the return on their investment. We can also help them develop a change program that enables them to summarize or reconsider business trends.

Some of our portfolio management services include:

- ✓ Helping to build and evaluate project plans based on the strategic, operating or financial data required to enhance performance.
- ✓ Providing objective and strategic recommendations at the levels of portfolio and of investor company.
- ✓ Advising on essential purchase, sale or maintenance decisions required to obtain of the best returns.
- ✓ Helping comply with the demands of investors for regular evaluations of the portfolio and reporting disclosures.
- ✓ Carrying out independent audits of the financial statements of the portfolio companies and/or of the funds and other investment vehicles.
- ✓ Providing restructuring and refinancing measures geared towards the increase in value and the improvement of performance.
- ✓ Corporate Governance reviews.
- ✓ Accounting and tax services.

Value realization and exit strategies

Our private equity team considers the potential exit strategy as part of the evaluation of the initial investment.

Our focus enables us to retain a view of the complete cycle of a transaction from the perspective of value generation.

We can help clients by advising on all aspects of disposals, and in the refinancing processes, by identifying buyers and providing them with assistance throughout the sale process.

We offer advisory services appropriate to the phase of the cycle, including:

- ✓ Act as advisor, on disposals, using professionals from the member firms of KPMG International.
- ✓ IPO support services.
- ✓ Helping to determine whether a portfolio company is ready to be sold.
- ✓ Identify and negotiate with potential buyers.
- ✓ Valuation and business model support services.
- ✓ Providing in vendor due diligence and vendor assistance projects.
- ✓ Advising on exit strategies that may reduce tax liabilities on disposal.
- ✓ Obtaining financial and commercial information that will serve as a basis for a future transaction.
- ✓ Assist in planning exit strategies at the initial investment stage.
- ✓ Providing assistance in tax matters to investors.

In the current market environment, exit strategies comprise from the traditional sale of the business to refinancing, recapitalization or restructuring options. This increases the demands on the initial analysis in the investment phase, and in the preparation for exit.

The focus of KPMG's private equity group in Brazil allows us to have a similar view of the transaction to that of the client, aiming to identify the risks inherent in the investment strategy and to confirm the expected opportunities.

When organizations work with KPMG's private equity group, they take advantage of our extensive experience in the sector of private equity, mergers and acquisitions, and disinvestments.

Our team is ready to support your company and your business.





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