

Industry Insight, Market Intelligence for Private Equity Firms and Portfolio Companies

Navigating the Challenges of Capital, Competition, Cost

With the strengthening of the economy, today's private equity firms are enjoying a welcome period of solid performance. To maintain this success, firms must be strategically positioned to respond to fresh capital entering the market, intensifying competition, escalating prices and new regulations.

Essential to navigating these challenges while fulfilling the demands of ongoing fund and portfolio company management is the support of a trusted advisor, as KPMG clients have discovered. The benefits we engineer are integral to our clients' operations and are the reason we serve a majority of the top 100 global private equity firms and their portfolio companies. As they do, so can you count on our expansive capabilities, knowledge and dedicated attention for help addressing the complexities of the private equity lifecycle.

Industry-Leading Strengths

Both diverse and comprehensive, the services our private equity practice professionals deliver help you act strategically on everyday management issues and react tactically to opportunities as they arise. Clients that engage us for our audit and tax expertise quickly discover our outstanding capabilities in transaction advisory, valuations, restructuring, corporate finance and forensic services. From fundraising and acquisition through realization, divestitures or exit, the value we add translates into meaningful, sustainable business advantages for our clients.

- **Extensive, Exceptional Experience:** In the high-stakes, high-pressure realm of private equity, experience not only counts, it is indispensable -- precisely why our clients choose to work with a team such as ours: a leading network of international finance and transaction professionals. Our specialists possess in-depth experience in, and a profound understanding of, diverse industries, sectors and markets around the globe. As a result, they are ideally equipped to help strengthen portfolio performance, refine risk management, assure compliance and optimize transaction efficiency.
- **Client-Focused Perspective:** Our clients choose KPMG for our acumen, vision and experience -- and because we are recognized for pioneering the single point of contact approach to client service. Assigning a dedicated specialist to orchestrate access to our substantial service array and global provider network ensures accountability, personal attention and responsiveness throughout the engagement...and often becomes the foundation for a stable, long-lasting collaboration.
- **Vast Global Presence:** As the alternative investment industry evolves, the boundaries for private equity expand, making global agility a must. Responding to the opening of new capital markets, for example, can also mean responding to new and aggressive competition in areas where customs, culture and contacts are critical concerns. Through KPMG and our member firms, our clients gain access to an international network spanning 155 countries that includes 60 major alternative investment fund centers. As a result, they benefit from local and regional market intelligence, global representation and presence.

An Industry Leader in Private Equity Services

KPMG serves a majority of the top 100 global private equity firms and their portfolio companies.

By the Numbers: KPMG's Alternative Investment Practice

- 20,000+ Financial Organizations served; more than half U.S.-based¹
- 3000+ Alternative Investment Funds served
- 6,000+ Professionals worldwide including 400+ focused on Alternative Investments
- 500+ Partners worldwide including 50 focused solely on Private Equity
- 60+ Fund Centers worldwide

¹ Served by KPMG International member firms

Industry Recognition

KPMG is pleased to share the honors our industry has awarded Rothstein Kass, long-time leader in serving the alternative investment sector.

- ★ Best Audit and Tax Service
-CTA *Intelligence*, February 2014
- ★ Top U.S. Accounting and Auditing Firm
-*Hedge Funds Review*, November 2013

Complete Capabilities to Fulfill Complex Demands

Today's private equity firms strive to meet multi-layered objectives. Chief among them are value enhancement, performance improvement and accountability of existing assets. In addition to these goals, our specialists simultaneously help our clients fulfill operational, technological and regulatory requirements through the delivery of a wide-ranging roster of services tailored to address every critical aspect of the private equity cycle.

Fund-raising

- Advise on fund-structuring options to mitigate exposure to tax on investments
- Advise on the fund managers' regulatory and compliance requirements

Investments and Deals

- Perform pre-transaction evaluations and assess a deal's potential to create value
- Complete detailed financial, tax, and other related due diligence regarding target investments
- Help understand the target's business, its market, and key operational challenges through use of the group's industry-specific practitioners
- Provide deal completion and integration assistance
- Advise on efficient forms of financing a target investment

Fund and Portfolio Management

- Help management build or assess current project plans encompassing the strategic, operational, or financial input required to improve performance
- Provide objective and strategic advice at both the portfolio and investor company levels
- Advise on crucial buy, sell, or hold decisions for optimum returns
- Help meet investors' requirements for portfolio valuations and reporting disclosures
- Conduct audits and tax compliance/consulting for portfolio companies
- Conduct audits and tax compliance/consulting for funds and management companies
- Provide restructuring and refinancing measures that focus on value enhancement and performance improvement

Exit and Realization

- Act as divestment advisor
- Help determine if a portfolio company has reached potential value and is ready to be sold
- Advise on an exit strategy that limits tax liabilities for divestitures
- Consider IPO readiness for entering the public equity markets
- Help ensure the reliability of financial and commercial information that underpins a transaction
- Assist management in planning realization strategies at the pre-investment deal stage

The KPMG Alternate Investment Website

Visit us at kpmg.com/us/aits for 24/7 access to Thought Leadership, video analyses, event updates, practice insights and more to:

- Discover the latest news and analyses.
- Stay up-to-date on current and emerging industry trends.
- Secure information that may affect fund performance.

KPMG Institutes

Register with kpmginstitutes.com to receive news, whitepapers and webcast information – and to join an open forum for easily exchanging insights and sharing leading practices with corporate executives, business managers, industry leaders, academics, and other key industry players.

Contact Us

To discover precisely how our private equity practice can add value as you seek to capitalize on new funding opportunities, explore new industries and enter new international arenas, we invite you to contact our practice leader directly:

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