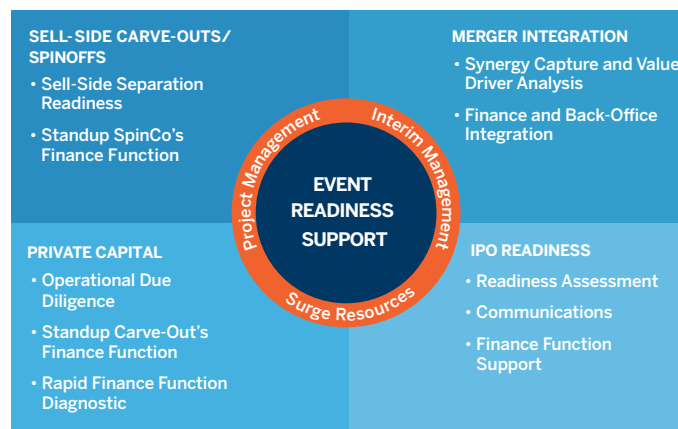


When a company faces a transformational event such as an initial public offering (“IPO”), sale, carve-out, merger, or acquisition, the CFO is often burdened with most of the responsibility in preparing for and managing the process. Such events often require more resources and experience than are available internally.

CLIENT SUCCESS STORIES

- Performed IPO assessment for a national hospitality company, identifying key operational gaps and resources required to become a public company. Acted as interim management in financial planning and analysis (“FP&A”) and improved the 5-year financial model in advance of the IPO.
- Retained by the private equity (“PE”) sponsor as interim treasurer, controller and financial planning & analysis FP&A leader for a newly acquired \$5 billion subsidiary from a \$50 billion chemical company. The PE sponsor and company were able to undertake a \$600 million leveraged recapitalization on top of the existing \$800 million of funded debt within eight months.
- Identified \$380 million in working capital savings opportunities for a \$6 billion carve-out from a chemicals conglomerate, and developed a series of cash boards that were deployed across the business to provide the organization with a common view of key performance indicators (“KPIs”).
- Facilitated the execution of a large carve-out transaction in the rental industry, including preparing Form 10, carve-out financials and amendments and five-year financial projections for both the parent and SpinCo and identifying sensitivities for key risks and opportunities discussed with ratings agencies, potential lenders and investors.

The Office of the CFO Solutions team at FTI Consulting creates value for clients by managing the path to an event across all critical areas. We work alongside the CFO to form a sustainable foundation for operational success starting on Day 1, whether the organization is a public company or a privately held entity.



SELL-SIDE CARVE-OUTS/SPIN-OFFS

The complexities of carve-out transactions require a structured, disciplined and comprehensive divestiture approach. Our team combines divestiture expertise with industry-specific, financial and operational experience to provide integrated and comprehensive carve-out services for companies and their investors.

- **Sell-side separation readiness.** When looking to divest, many sellers face challenges driven by the lack of preparation or experience. Our team helps prevent surprises from buyer due diligence that reduce price and minimize post-close purchase price adjustments. We enhance data visibility and access into shared service environments and cost allocations, and help identify and develop cost effective transitional service agreements. We equip a prospective seller with the buyer's view of the carve-out, while providing an early and transparent view on potential separation complexities and stranded costs.
- **Standing up SpinCo's finance function.** The carved-out entity needs to prepare to manage the separated business and operate as a stand-alone. We use our deep knowledge of the issues and leading practices to help stand up SpinCo on its own. We provide interim management and surge resources to position the company for success from Day 1.

MERGER INTEGRATION

Our team supports accounting executives and finance leaders during mergers and acquisitions. Our experts offer solutions to executives and their teams in combining two distinct finance/accounting groups, systems, and cultures into one cohesive unit that is ready to operate from Day 1.

- **Synergy capture and value driver analysis.** Our team has in-depth experience in developing synergy business cases. Our methodology follows a sequence of coordinated steps to identify, prioritize, execute and track the drivers of value across the integration timeline in order to maximize value. We put processes, KPIs and reporting in place to identify the redundancies and “differentiators” of the merging companies’ operations.
- **Finance and back-office integration.** Finance requires a significant level of support during the integration effort due to the array of operational and financial priorities and high degree of complexity required for accounting and external reporting requirements. Our experts, who are former practitioners, provide the hands-on guidance needed to combine the finance functions successfully. We evaluate potential organizational frameworks, optimize business processes and design efficient roles and responsibilities.

IPO READINESS

Drawing upon our deep expertise in the capital markets, corporate finance, and communications, we identify and assess operational gaps and provide guidance and support to bridge those gaps to form a sustainable foundation for operational success following the IPO.

- **Readiness assessment.** The key to successfully planning for an IPO is to begin with a detailed, data-driven assessment of company-wide strategic, organizational and operational readiness. Our team of experienced professionals quickly analyze performance and identify where operational gaps exist in people, process and technology.
- **Finance function support.** It is imperative to build an experienced and centralized project management office when pursuing a complex transition. Our team has the experience and tools to ensure a project stays on track. Treasury, legal, tax and internal audit must also adapt to public company requirements, with accounting and finance facing the greatest challenges. We have professionals with extensive U.S. Securities and Exchange Commission (“SEC”) experience to

assist with the complexities of Sarbanes-Oxley compliance and SEC reporting requirements.

- **Communications.** Our strategic communications team offers comprehensive counsel and a multi-stakeholder approach to manage a company’s reputation and maintain key stakeholder support. We design internal and external communication strategies and develop materials for an IPO launch.

PRIVATE EQUITY

There has never been a more challenging time for PE firms and the CFOs of their portfolio companies to manage competing demands and priorities. Our team works with PE firms and their portfolio companies at various deal stages to support decision making, identify and prioritize improvement needs, and establish a successful stand-alone company.

- **Operational due diligence.** We conduct comprehensive financial, operational and IT due diligence to assist management with decision analytics. Leveraging our deep experience, we develop stand-alone cost analyses and assess the overall separation scope and level of entanglement with the seller, which enables a deep dive of the seller’s proposed transition services, existing operational issues and risks.
- **Standing up a carve-out’s finance function.** We assist the carve-out entity in managing and operating as a stand-alone company. We help balance finance function priorities in order to optimize organizational structure and drive profitability. Our experienced team can provide interim management and surge resources in challenging situations to establish direction and deliver results immediately.
- **Rapid finance function diagnostic.** Our team will quickly and efficiently assess a portfolio company’s finance function to improve finance capabilities, optimize company growth and profitability and drive sustainable performance. Utilizing our set of assessment tools, we evaluate the maturity level of key areas that span across people, process, controls and technology supporting the finance function.

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EXPERTS WITH IMPACT

About FTI Consulting

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organizations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. FTI Consulting professionals, who are located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges in areas such as investigations, litigation, mergers and acquisitions, regulatory issues, reputation management and restructuring.