



Cutting to the heart of financial matters

Strategic Profitability Insights (SPI)
Deal Advisory / Global



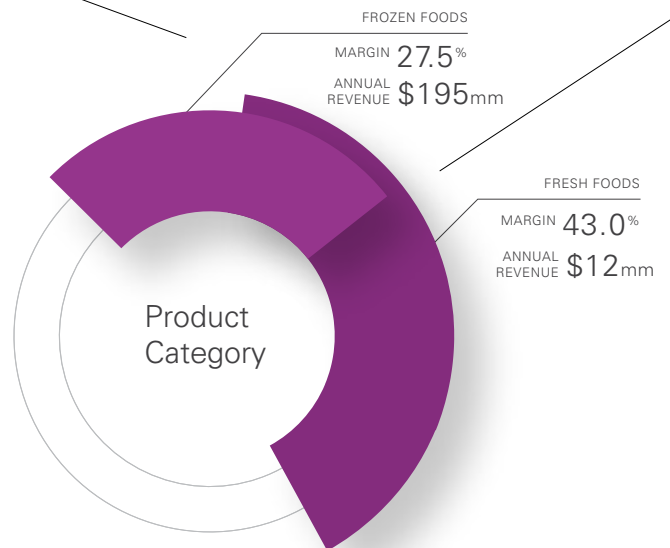
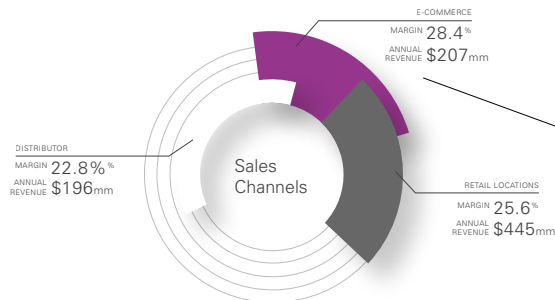
If you're looking at a potential acquisition or transaction, you have limited time to discern its real strengths and weaknesses. KPMG's Strategic Profitability Insights (SPI) platform helps extract key financial data that may not be accessible by other means—helping to provide deeper insights faster.

Don't settle for the data you're handed

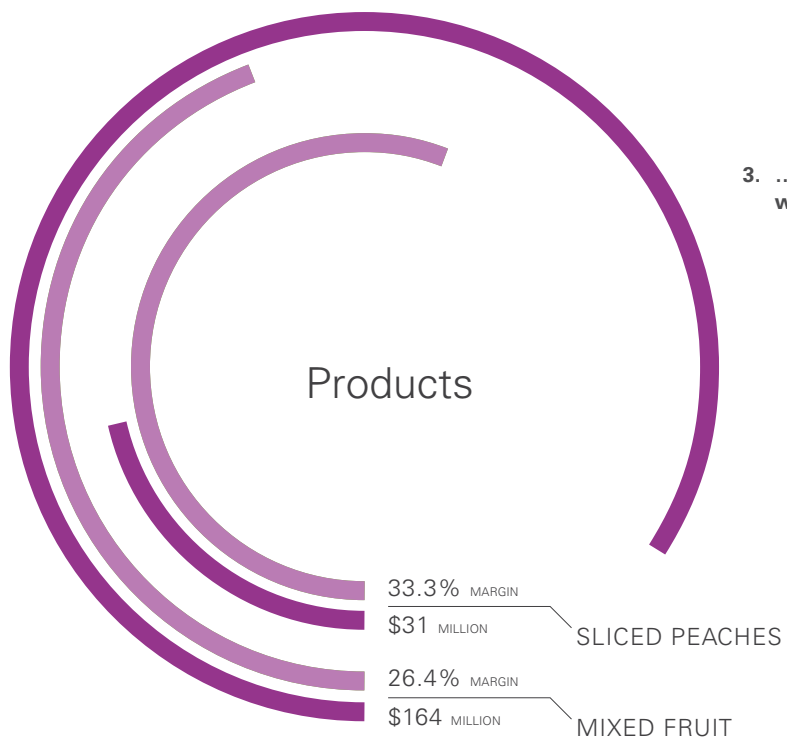
If your financial due diligence stops short, you may not know the true value of a deal until after it's done. KPMG's SPI allows us to dig deeper, faster and more accurately. So you'll be more informed about what you're getting going in.

SPI is designed to drill down and give you deeper insights into the value of a deal.

1. Traditional FDD may stop at sales channels.

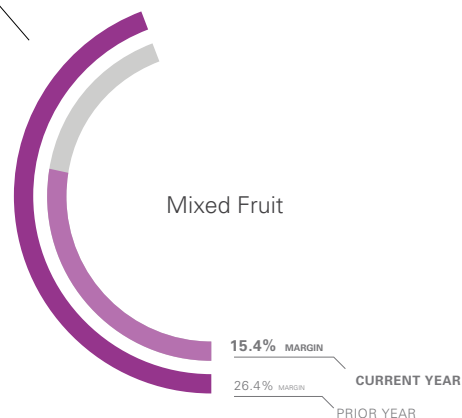


2. SPI can drill down into product categories within sales channels...



3. ...and into various products within those categories.

4. Going this deep can provide more insights. For instance, you might find that margins here are compressing due to rising costs and customers' unwillingness to accept higher prices.





What are the growth rates for each customer channel segment?

Why stop here when SPI can take you deeper:

- + What customers within those segments are driving revenue and profitability?
- + Are the fastest growing customer segments purchasing our new products?
- + For the most significantly declining customers—why are they declining?
- + How many customers have we lost?
- + How much of our revenue base must we replace each year?

How is our product portfolio being consumed by our customer base?

Why stop here when SPI can take you deeper:

- + What percent of the product base is sustainable and how fast is it growing or declining?
- + Is our product portfolio attracting new customers to the business?
- + Once new customers purchase from us, do they go on to purchase more of our product portfolio?

These are just a few of the places where SPI can drill deeper

Pick a vantage point. Then get past the obvious questions—down to the ones that can give you deeper insights into the true value of the deal.

Does the business have a wide range in terms of product profitability?

Why stop here when SPI can take you deeper:

- + How much of the business is shifting from lower profitability products to higher profitability, and vice versa?
- + How does product profitability change as a result of cost changes from the suppliers?
- + How do costs for that particular product or raw material differ across the supplier base?
- + Does the business purchase the largest percent of the good from the lowest cost supplier?

Turning data into insight

Data is only as powerful as the insights it produces. KPMG's ability to provide you with deal-shaping insights comes from our breadth of experience across industries and geographies, combined with an enormous investment in technologies like SPI, that help us uncover data you would be hard-pressed to find anywhere else.

KPMG Industry Knowledge

It runs deep in more than 20 sectors, including:

Automotive
Chemicals
Consumer Goods
Defense
Energy & Natural Resources
Financial Services
Healthcare & Life Sciences
Industrial Manufacturing
Insurance Industry
Media
Oil & Gas
Retail
Technology
Telecommunications
Utilities

KPMG Global Presence

Our network of knowledgeable professionals spans the globe.

KPMG Technology

We invest heavily in creating advanced technology platforms including:

Strategic Profitability Insights (SPI)
Benchmarking Plus
Advanced Analytics
KPMG Aggregation and Reporting Tool (KART)

Learn more about SPI right now. So when the clock starts ticking on your next deal, you'll be ready to drill down to the data and insights you need.

For more information, contact:

NATHAN SAEGESSER

Managing Director

Deal Advisory

KPMG in US

nsaegesser@kpmg.com

Phone: 312-665-8936

Deal Advisory

Real results, achieved by integrated specialists

www.kpmg.com/dealadvisory

www.kpmg.com/socialmedia



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2016 KPMG International Cooperative (“KPMG International”), a Swiss entity. Member firms of the KPMG network of independent firms are affiliated with KPMG International. KPMG International provides no client services. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

