

Business Restructuring Services



Harsh economic climate embedding rapid market changes, new business models, and disruptive technologies may plunge companies into serious financial distress. Disregarding deliberately these elements could impact negatively the corporate survival, leading to a host of problems including underperformance, declining earnings, funding issues and cash flow blockage to name a few.

The analysis of the industrial dimension of the business is a key entry point for early detection of exhibits signs of distress. As a result, taking swift and strategic actions is crucial to restore performance and value.

Status quo is not an option. That's why companies often struggle to sort out, plan and address related business & operational challenges. In that context, PwC with huge accumulated experience in serving companies together with international skills and best practices of the companies worldwide makes it possible to accomplish restructuring project in a most efficient way.

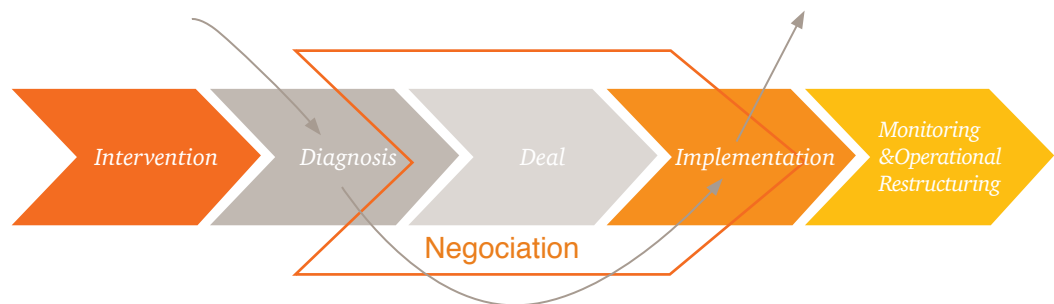
The challenges

Companies seek an efficient way to overcome the numerous challenges resulting from the crisis:

- Anticipate and manage industrial changes;
- Differentiate locally and internationally;
- Improve operational performance and optimise investment;
- Face increase of fixed cost;
- Increase your level of cash flow;
- Maintain and optimise your financial resources;
- Regain the confidence of your financial partners.

The restructuring cycle

We deliver a set of customised services at every stage of the restructuring life cycle.



PwC main services

<p>1</p> <p>(Independent) business review</p>	<ul style="list-style-type: none"> • Industrial approach review: value chain analysis, purchase process review, production process review, logistic implantation review, etc.; • Commercial approach review: mix of product-market, client portfolio analysis, sales process, after-sales services, sales workforce competences, key performance indicators, etc.; • Financial approach review: allocation of fixed and variable costs, sensitivity analysis, capital expenditure needs, working capital (focus on reduction of inventory), financial debt, gearing, capital structure, etc.
<p>2</p> <p>Review of restructuring options</p>	<ul style="list-style-type: none"> • Strategic and operational restructuring: simplification of business process, definition of new reporting, optimisation of production routing, review of pricing policies, rationalisation of IT spending, etc.; • Financial restructuring: inter-creditor negotiation, cash needs and controls, balancesheet reconstructions leaner corporate structure, etc.; • Optimised exit services/distressed M&A: execute a controlled exit plan, maximise value through sale of shares or business and assets, reduce the cost.

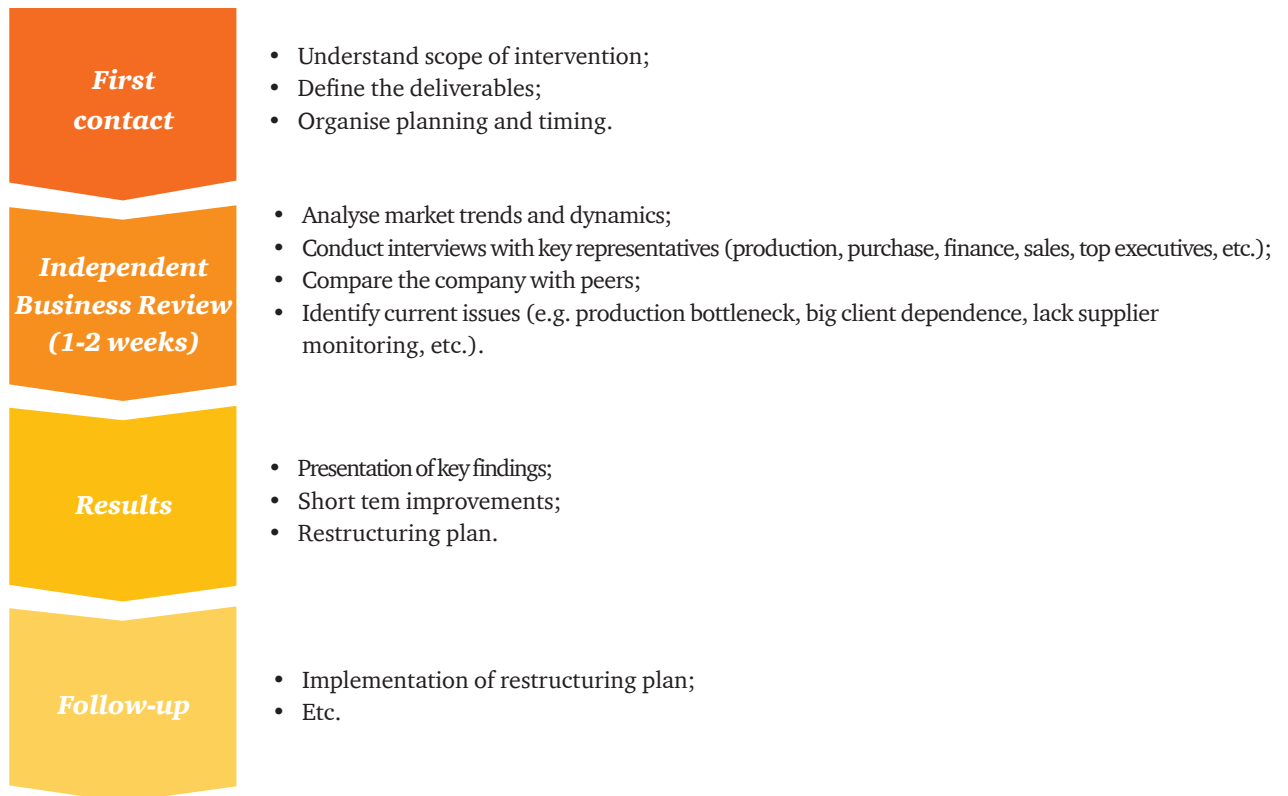
What are the deliverables?

- A synthetic report outlining the gaps identified between the current situation, best practices and your objectives;
- Recommendations for short-term improvement of cash flow, organisational efficiency, productivity efficiency, transparency of reporting;
- An indicative action plan for the medium and long-term.

The approach

According to the size of the corporation, the company diagnostic can be easily operated within one to two weeks on average thanks to a straight forward process.

- A predefined set of questions tailored to each activity to cover;
- Involvement of PwC experts ready to participate in your global company diagnostic by analysing business processes, by reviewing related policies and documentation;
- Our approach is divided in four distinctive steps:



Tangible benefits for your company

By completing the PwC Business Restructuring diagnostic, you will rapidly benefit from recommendations to support you in:

- Better understanding of market dynamics and business key success factors;
- Better understanding of the element of the added value;
- Support for delivery of turnaround plan;
- Definition of working capital improvement measures;
- Updating time frame for short-term cash flow;
- Improve relationship with stakeholders (e.g. banks, clients, employees, etc.).

Further to the diagnostic, PwC experts are at your disposal to analyse specific dimensions into more details and to help you adapt your organisation to overcome the gaps identified during our review.

WhyPwC Luxembourg ?

PwC Luxembourg (www.pwc.lu) is the largest professional services firm in Luxembourg with 2,200 people employed from 57 different countries. It provides audit, tax and advisory services including management consulting, transaction, financing and regulatory advice to a wide variety of clients from local and middle market entrepreneurs to large multinational companies operating from Luxembourg and the Greater Region. It helps its clients create value they are looking for by giving comfort to the capital markets and providing advice through an industry focused approach.

The global PwC network is the largest provider of professional services in audit, tax and advisory.

We're a network of independent firms in 158 countries and employ more than 180,000 people. Tell us what matters to you and find out more by visiting us at www.pwc.com and www.pwc.lu.

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