Complex Transactions Group

Tax
KPMG LLP’s (KPMG) Complex Transactions Group offers a different way to help businesses uncover opportunities, manage risks, and create more value with each transaction, every step of the way. Our team of tax professionals has extensive experience with sophisticated corporate transactions and the most current approaches for mergers and acquisitions, spin-offs, divisions, migrations, and supply chain enhancement, both domestically and cross-border.

We devote our time to learn about your business needs and vision, and we do this right from the beginning, before a deal is announced or even considered. Once it is, our professionals are then fully positioned and prepared to more effectively work side-by-side with your team and help you achieve greater tax efficiencies.

The challenge

Every deal has tax implications. Setup and postacquisition structuring, shareholder impact, transfer pricing, capital/transfer tax planning, valuations, compensation and benefits, location planning, credits and incentives, financial instruments impact, assignment services, base erosion and profit shifting (BEPS), and state and local tax planning are just a few of the issues that may arise. The most successful endeavors understand and plan for these considerations at the earliest possible stage. Failure to resolve them within the transaction structure can critically undermine the long-term success of the deal.

KPMG’s Complex Transactions Group helps multinational corporations and investor groups enhance the return on large-scale, complicated transactions by bringing together KPMG professionals from disparate tax disciplines to help you develop and execute business strategies more quickly and effectively. We objectively and methodically help clients manage their transactions’ tax profile to foster proper alignment with their global business objectives and overall tax planning.

Our approach

Working with your team, our professionals first gain an understanding of your business drivers and strategic initiatives. We then tap into the right resources from KPMG and KPMG International’s global network of member firms and professionals to anticipate your needs and deliver targeted cross-border support. Through building a sustainable working relationship with you before the opportunity arises, we can add great value to the deal quickly once the pursuit begins.

Our coordinated team includes Washington National Tax and industry-leading professionals from throughout our Tax function (including our M&A, International Tax, Indirect Tax, Valuation, Transfer Pricing, Partnerships, State and Local Tax, Financial Products, Accounting Methods, Accounting for Income Taxes, Value Chain Management, and Trade and Customs practices).

Potential benefits

KPMG’s Complex Transactions Group helps companies enhance the value of their largest decisions through:

- Up-front development and investment in sophisticated and sustainable planning to execute upon when the opportunity arises
- Realignment and transformation of global business operations to obtain a more competitive overall effective tax rate for the group
- Harmonizing global tax management with future business model development
- Identification, management, and mitigation of tax risk
- Up-to-date analysis of the latest administrative and legislative developments in tax policy.
The members of KPMG’s Complex Transactions Group have overseen and participated in a significant number of market-leading, front-page transactions, a brief sample of which includes:

<table>
<thead>
<tr>
<th>Industry</th>
<th>Transaction size</th>
<th>Project description/assistance</th>
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<tbody>
<tr>
<td>Automotive</td>
<td>$1-5 Billion</td>
<td>Design and implementation advice on public stock acquisition and post-transaction integration</td>
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<tr>
<td>Biotechnology</td>
<td>$20+ Billion</td>
<td>IRS private letter ruling and opinions on spin-off and related stock-for-debt exchange of global life sciences business; supportive tax attribute analysis; pre-spin restructuring; post-spin tax compliance support</td>
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<tr>
<td>Diversified Industrials</td>
<td>$1-5 Billion</td>
<td>Spin-off of industrial products business; financial accounting carve-out and “stand-up” assistance for new company</td>
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<tr>
<td>Electronics and Software</td>
<td>$20+ Billion</td>
<td>Spin-off of ecommerce financial company: Financial statement carve-out assistance (accounting and tax); Finance and Treasury organization separation assistance; Tax consulting: spinoff opinion and support, structuring, tax attribute analysis, compliance assistance</td>
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<tr>
<td>Energy</td>
<td>$250 Million – $1 Billion</td>
<td>Restructuring, tax planning, and transfer pricing work for “Up-C” IPO of renewable energy asset portfolio</td>
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<tr>
<td>Entertainment</td>
<td>$1-5 Billion</td>
<td>IRS private letter ruling and tax opinion on spin-off of entertainment and media assets</td>
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<td>Food &amp; Beverage</td>
<td>$10-20 Billion</td>
<td>Cross-border merger: tax structuring and acquisition integration services; tax due diligence; financial due diligence; accounting advisory services; valuation services</td>
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<td>Gaming</td>
<td>$1-5 Billion</td>
<td>First tax-free spin-off with REIT election, as well as post-transaction compliance and planning assistance</td>
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<tr>
<td>Manufacturing</td>
<td>$1-5 Billion</td>
<td>Advice and structuring for extraction of assets and taxable disposition of industrial conglomerate to private equity buyer</td>
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<tr>
<td>Retail</td>
<td>$250 Million – $1 Billion</td>
<td>IRS private letter ruling and tax opinion, design and implementations assistance for spin-off of education business</td>
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<tr>
<td>Technology</td>
<td>$20+ Billion</td>
<td>Cross-border merger: design and implementation of merger structure; post-acquisition restructuring, including “out-from-under” planning</td>
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<tr>
<td>Transportation</td>
<td>$10-20 Billion</td>
<td>Structuring the combination of major transportation companies in conjunction with bankruptcy emergence</td>
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Contact us

For more information on how KPMG’s Complex Transactions Group can help improve the long-term performance and value of your largest transactions, please contact:

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The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.