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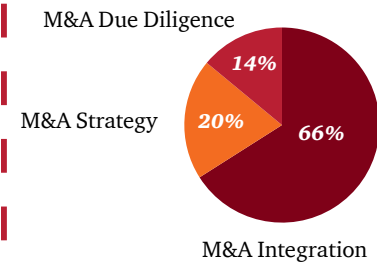
# *Delivering Deal Value*



## Importance of M&A integration

Considered as one of the most important aspects in an acquisition, M&A integration has increasingly drawn attention from enterprises.

### What is the most important part in the M&A process?



Source : PwC Internal research report

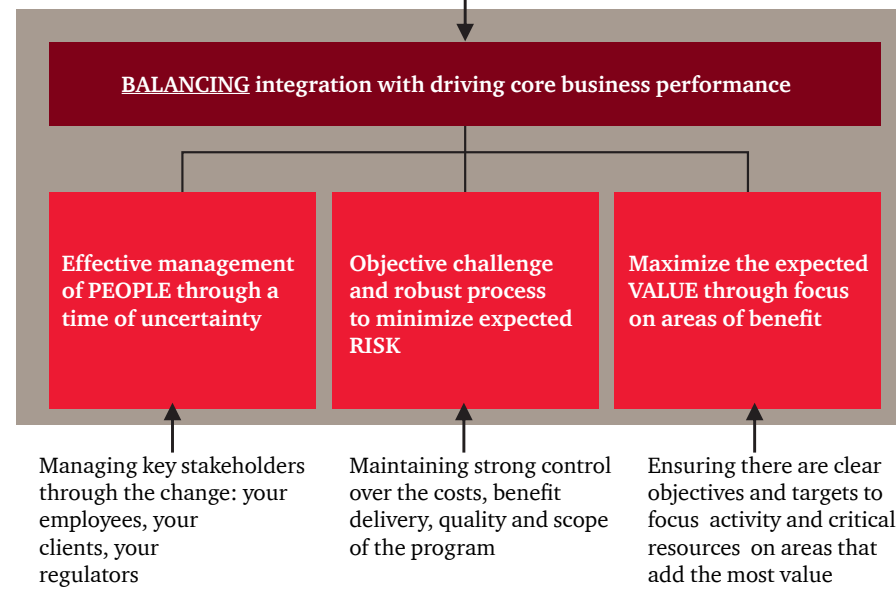
- Create synergy and shareholder value through collaboration
- Achieve desired operating model (from blueprint to deliverables)
- Enhance investor satisfaction through various optimization and integration activities
- Retain deal value and mitigate risk

## Most investors focus on business stabilization and synergy realization when managing post-merger integration in the western world



## Integration principles

Delivering the benefits whilst ensuring that focus is maintained on core business growth opportunities, business as usual activity and other change programs

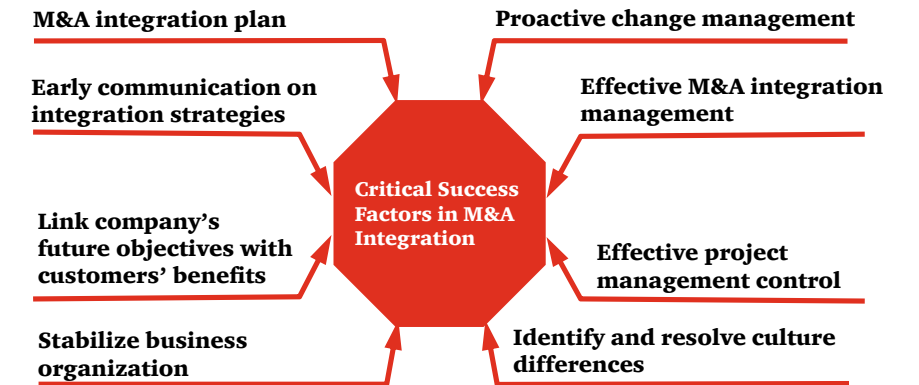


## Different M&A modes present different challenges

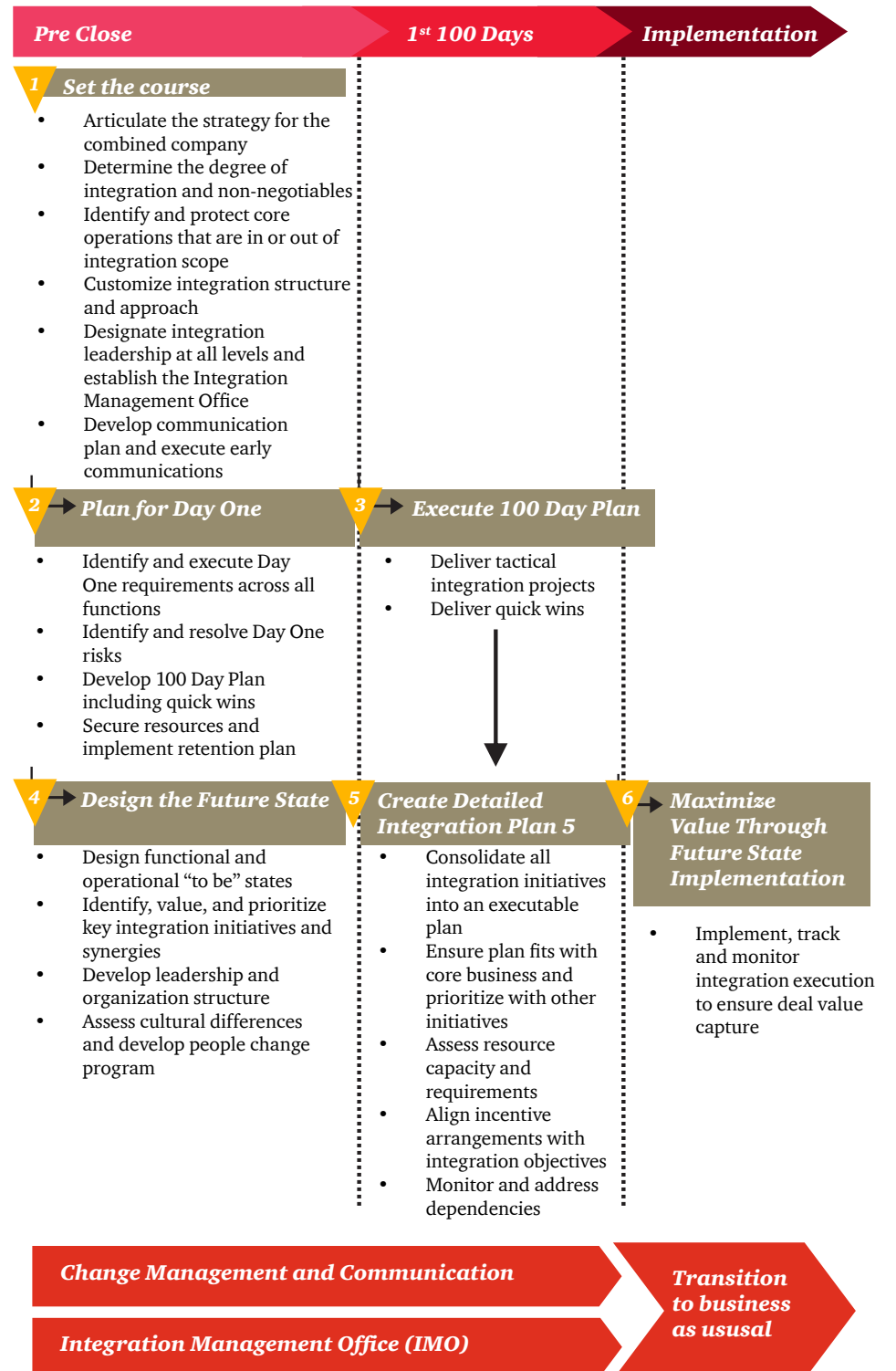
The majority of M&A challenges lie within the first two modes, where the third mode involves less integration complexity

M&A Mode	Different Integration Challenges
Merger of Equals (or JV)	<ul style="list-style-type: none"> <li>• Integrate best practices</li> <li>• Culture synergy</li> <li>• Balance pressure, define organizational structure, design key management positions and retention</li> <li>• Regulatory requirements and process/policy realignment</li> </ul>
Taking Control	<ul style="list-style-type: none"> <li>• Send management to the integrated company</li> <li>• Manage employees at the acquired company</li> <li>• Deal with conflicts</li> </ul>
Keep as it	<ul style="list-style-type: none"> <li>• Share financial information through implementation</li> <li>• Align reporting requirements</li> </ul>

## Integration Success Factors



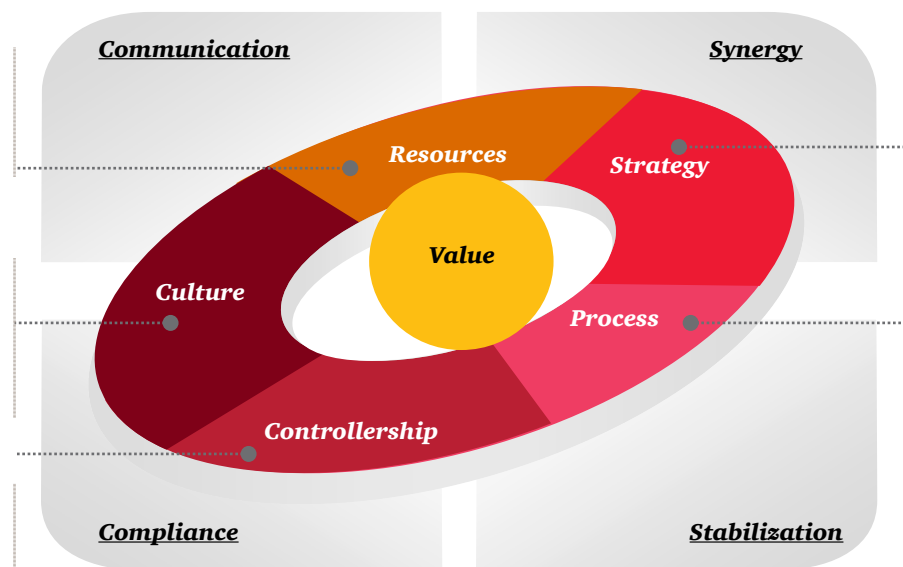
## Integration Methodology



## Specific challenges and issues need to be managed for post-deal integration in Indonesia

### Frequently...

- No systematic compensation and performance system
- Lack of open communication
- Customary gift giving culture
- MNC vs. domestic company cultures and ways of working
- Sales FCPA compliance
- Cash based accounting
- Multiple sets of books



### Frequently...

- Lack of systematic planning and forecasting mechanisms
- No standardized business processes (e.g. finance, distribution management, procurement, etc.) nor sufficient documentation
- Different manufacturing requirements
- Managed by "people" instead of "policies" and "processes"

Manage integration to create value through four guiding principles and five key elements

## We have strong capabilities in Indonesia

### Market leader

The largest professional service firm, with more than 50 partners and 1,600 people in Indonesia.

### Value proposition

We help organizations to work smarter and grow faster. We consult with our clients to build effective organizations, innovate & grow, reduce costs, manage risk & regulation and leverage talent. Our aim is to support our clients in designing, managing and executing lasting beneficial change.

### Indonesia knowledge & international experience

Our team consists of Indonesian nationals with overseas work or study experience, and a few expatriates who have been in Indonesia for at least 3 years, and with some more than 10 years. We are familiar with Indonesia business practices and experienced in dealing with local companies, their management, and employees.

### Dedicated

A team dedicated to and familiar with pre-deal and post deal integration and carve-out issues and management.

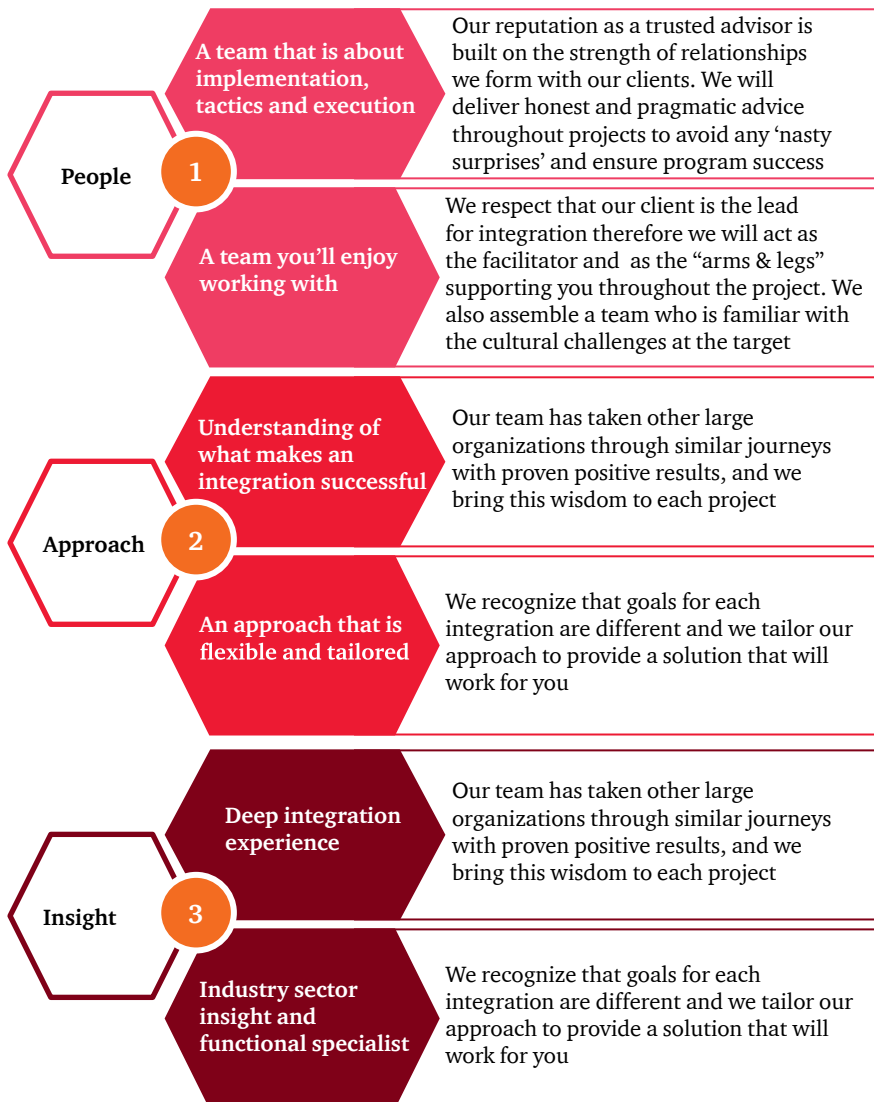
### Industry expertise

We have sector specialization in key sectors to eliminate up-to-speed time and add insightful value.

### Integrated service

Our teams work alongside Corporate Finance, Due Diligence, Valuations, Tax and structuring, and system integration colleagues to provide an integrated service.

## Our values



Our reputation as a trusted advisor is built on the strength of relationships we form with our clients. We will deliver honest and pragmatic advice throughout projects to avoid any 'nasty surprises' and ensure program success

We respect that our client is the lead for integration therefore we will act as the facilitator and as the "arms & legs" supporting you throughout the project. We also assemble a team who is familiar with the cultural challenges at the target

Our team has taken other large organizations through similar journeys with proven positive results, and we bring this wisdom to each project

We recognize that goals for each integration are different and we tailor our approach to provide a solution that will work for you

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## Contact Us



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