

Due Diligence

Due Diligence

RETHINKING | communications

SVP Advisors - Finance Group

Since 2005 SVP Advisors has carried out market due diligence and business planning activities for leading companies in the telecoms business. We also provide Corporate Finance support in high growth mid-market operations generally related to the technology, telecoms and media sectors.

Our consultants combine highly specialized know-how with an excellent understanding of the working methods of financial players. This familiarity is essential for an effective communication of conclusions and proper co-ordination with other team members.



RETHINK

Due Diligence & Business Planning

Our finance group has extensive experience in due diligence and business planning activities for the telecoms business. Within our range of services we offer:

- Reviews of market hypotheses
- Reviews of networks, IT and other investments
- Technology and strategy roadmap analyses
- Reviews of business plan mechanics
- Sensitivity analyses
- Construction of hypothesis panels and covenant sheets

Our clients include telecom operators, financial institutions, public institutions and private equity investors with interest in the telecom business. Examples of clients include InterAmerican Development bank, Telefónica, Telecom Italia and Citigroup. Partners of our firm have also worked with relevant financial institutions such as Goldman Sachs, Deutsche Bank, Permira, Carlyle, JP Morgan, EBRD, BBVA and BSCH.

Our services are typically required on a global scale, in large debt facilities, acquisition processes and privatisation processes.

We combine our financial skills and expertise in telecoms and technology to swiftly integrate as part of larger teams, guaranteeing that no important industry-specific issues are missed. We place a particularly strong emphasis on ensuring that complex, highly specialized issues are communicated in an effective way that can be understood by non-technical audiences, and that those variables can be included in financial models and forecasts as appropriate.

Corporate Finance

Incorporated in this area is all that relates to our corporate finance services for technology, telecommunications and media. We focus this range of services on smaller transactions, typically mid-market where we can add value not only in terms of consulting by building business plans or valuation models, but also in structuring transactions, creating placement memoranda, negotiating offers, coordinating full due diligence work or even finding investors or investment opportunities. Within our range of services we offer:

- Full transaction support services
- Full business planning and strategy
- Valuation models and benchmarking
- Finder services

At SVP Advisors, we have participated in multiple ventures and product launches in a diverse range of sectors, including but not limited to telecoms and media.

Our clients typically include mid-market companies in the TMT arena and venture capital and private equity groups. Our services are typically required in Southern Europe (Iberia, Italy and Greece), and include providing support in relation to the selling or buying processes of TMT companies.

We combine our high standard consulting practices, which incorporate our extensive consulting know how for large telecom operators and transactions, with a strong presence in the Southern Europe TMT community. We have a database of over five hundred contact-investors in Southern Europe interested in TMT. We also have close links and strong contacts with the TMT SME community in these countries to scout for specific targets.

Case Study: Due diligence process for a leading wireless telecoms operator

On behalf of a major US lending bank, SVP Advisors recently assessed the business plan of an important wireless operator in Latin America. The transaction was a refinancing syndicated facility of US\$600 million co-financed with several leading commercial banks from Latam, US and Europe.

SVP Advisors' experts provided a market and technical due diligence report, including revenue, capex and opex analyses, as well as payback analysis and sensitivity analysis. Our work included on-site visits to network and operational facilities, as well as quantitative analyses of the business models. Our revised case included a complete reorganisation of the hypothesis panels and check of model mechanics. As part of our work we also contracted a local telecoms consulting associate to provide inside information on the continental telecoms market and networks.

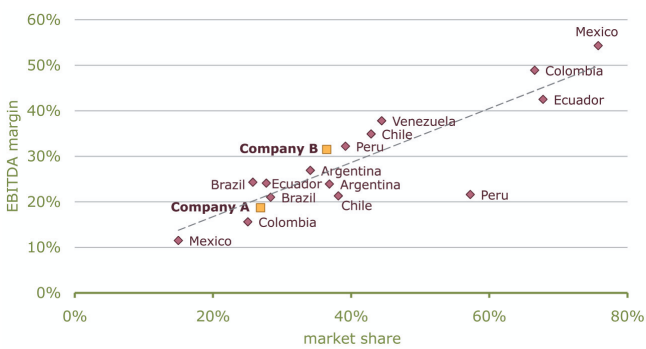


Exhibit 1. Relationship between market share and EBITDA margins for Latam operators

Case Study: Full transaction support

On behalf of the shareholders we have recently concluded the sale of an important company in the financial brokerage franchising market with a strong technology platform. The size of the transaction was in excess of 30 million euros.

Our role in this case was a classic example of a full transaction support. We initially created a business plan, valuation and benchmarking model. We then created a private placement memorandum and identified a dozen potentially interested investors. We proceeded to discuss our list with the shareholders and approached the investors in individual meetings. Once offers had been received, SVP Advisors' consultants negotiated terms and incorporated legal advice using our extensive network in the financial services world. As a final step, SVP Advisors supported the management of the company in coordinating the due diligence process and ultimately closing the sale.

During the course of this project, SVP Advisors also contracted two associates in Portugal and Spain who provided investor scouting capabilities and market insight.

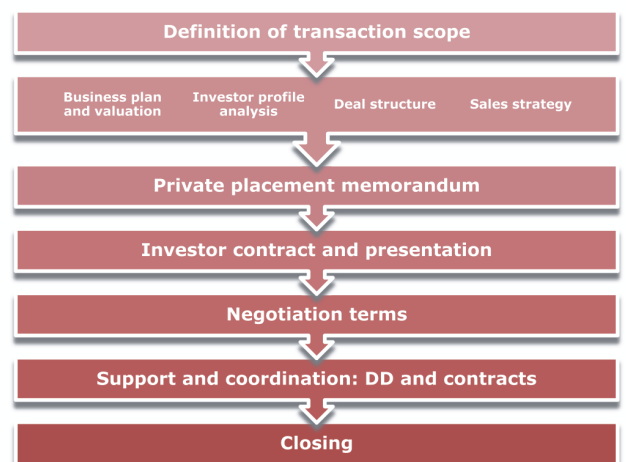


Exhibit 2. Full transaction support