



TARGET BUSINESS CONSULTANTS GROUP



TARGET Group

History

- 1987 company founded in Munich by Dr. Horst M. Schüpferling
- 1990 head office moved to Hamburg
- 1995 office opening in UK
- 2001 head office moved to Austria
- Partners in Germany, Switzerland, England and South Africa

TARGET's Consultancy activities focus on Europe and North America



TARGET Group

Strengths

- Extensive knowledge and experience in the field of Mergers & Acquisitions
- Excellent knowledge regarding company strategies of leading corporations and the investment criteria of institutional investors
- Each TARGET partner is an independent entrepreneur
- Tightly run project coordination within flexible international cooperation
- Efficient partner network with excellent contacts in the economic and financial world
- Discretion and trust
- Independence from financial institutions



Services

Overview

- The TARGET partners have long-term experience based on negotiations and transactions with middle-sized companies and industry board members in Europe and North America
- Furthermore TARGET has excellent contacts to institutional investors and private equity companies
- TARGET's consultancy is specialised in:
 - Business Acquisitions
 - Business Sales
 - Private Equity
 - Identification of Strategic Partners
 - Venture Capital
 - Business Evaluation
 - Start Ups



Services

Business Acquisition

- Implementation of a growth strategy or gaining access to certain technologies or markets are best achieved by the acquisition of a suitable business

- TARGET accompanies the whole negotiation process and carries out the following project steps based on a clearly defined mandate:
 - Defining of acquisition aims and criteria
 - Researching the target market and collecting information referring to potential target businesses
 - Shortlisting of targets and compiling of business information
 - Contacting the shareholders or owners of the target business
 - Conducting negotiations
 - Supporting contract negotiations and pricing



Services

Business Sale

- Issues like owner succession in middle-sized businesses or decisions to focus on core business lead to sale of business or business divisions

- TARGET accompanies the whole negotiation process:
 - Preparing documentation and analyzing strengths and weaknesses
 - Evaluating the business according to the present market situation
 - Selecting potential acquirers with strongest strategic interest
 - Approaching potential acquirers (business information not disclosed at that stage)
 - Presenting business and initiating of negotiations
 - Conducting negotiations
 - Supporting contract negotiations and pricing



Services

Private Equity

- TARGET is mandated by the client to carry out the following steps in the project:
 - Analysing market and competitive position of the business
 - Selecting suitable investors
 - Preparing an Offering Memorandum
 - Approaching suitable investors
 - Presenting the business
 - Conducting negotiations
 - Supporting of contract negotiations and pricing



Services

Identification of Strategic Partners

- TARGET identifies potential Strategic Partners
- Strategic Partners, especially abroad may be
 - distribution partners or
 - contribute additional know-how for the development of complex products
 - contribute in financing special developments
- Investment of Equity or acquiring shares may be necessary to guarantee long-term success



Services

Venture Capital

- Possible project steps:
 - Examining the business idea
 - Support in establishing the business plan
 - Selecting and approaching potential institutional investors
 - Letter of Intent
 - Due Diligence
 - Negotiation and closing of the transaction



Services

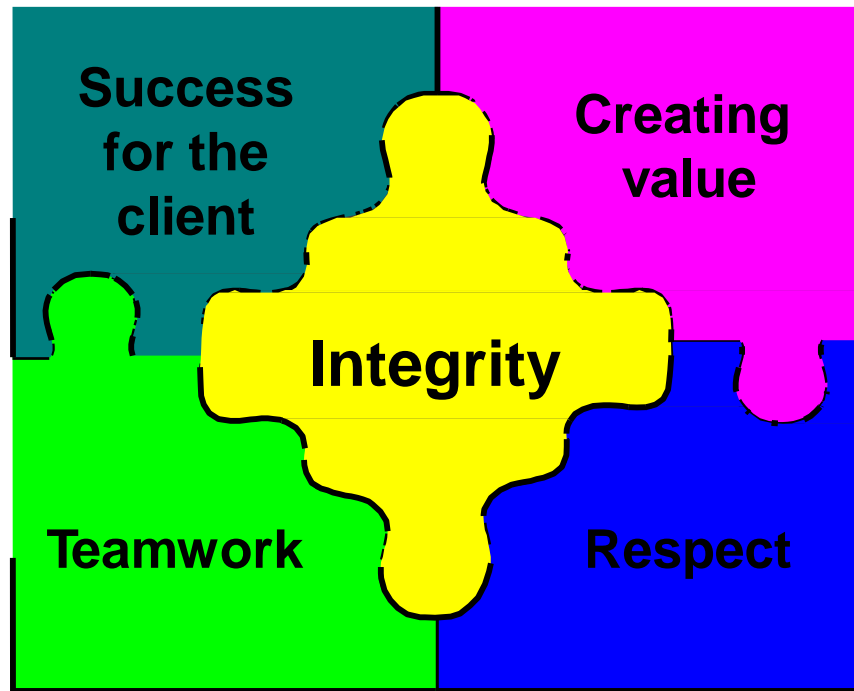
Business Evaluation

- TARGET supports business owners in evaluating their businesses and in establishing prices based on economic principles and the present market situation
- The Discounted Cash Flow (DCF) is the internationally recognized and used method for business evaluation referring to business transactions
- In practice the value of the business is calculated simply as multiple of the EBIT (Earnings before interest and taxes). The purchase price is calculated by subtracting the loan capital of the above result.
- Growth potential, competitive situation and the results achieved in the past extensively influence the height of the above multiple .



Philosophy

TARGET's Values



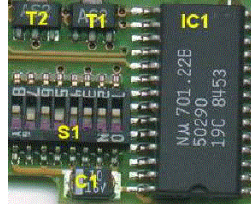
Experience in market segments



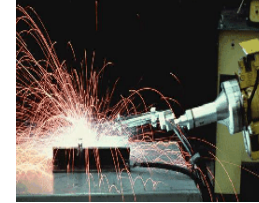
Chemical



Services



Electronics



Manufacturing



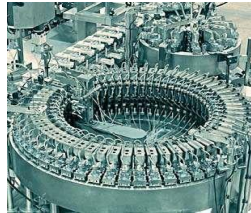
Import/Export



Information
Technology



Communication
Technology



Mechanical
Engineering



Measuring and
Testing Technology



Private Equity

TARGET possesses extensive knowledge regarding the above market segments

Project examples – References (1)

Business acquisition

- Carve out of a Machine Tool business from a large industrial group in Germany (Sales above € 500 mio)
- Take over of an electronics group division with turnover of more than € 35 million – TARGET advised the buyer referring to the strategic takeover
- Acquisition of a world market leader operating in the sector of crane attachments with a turnover of € 25 million – TARGET advised the investor
- Acquisition of an IT Consulting company in the energy market
- Acquisition of an IT Consulting company in the field of SAP
- Acquisition of several travel agency chains for a tour operator
- Take over of an importer of chemical products with turnover of € 60 million for a strategic investor
- Take over of an importer for gift items with excellent returns for an import/export business



Project examples – References (2)

Business Sale

- Sale of an Austrian electronics company to an institutional investor in Germany – TARGET advised the owner and identified the investor
- Sale of a Bavarian steel construction company to a private investor – TARGET advised the owner
- Sale of a Dutch raw material importer (more than € 50 million turnover) to a company group in Italy – TARGET advised the shareholders and identified the buyer
- Sale of an IT Consulting Company in the field of Telecommunication
- Sale of a Hardware-/Software development company
- Sale of a wireless IP-Service-Provider
- Sale of a service company (Facility Management) to a Strategic Investor



Project examples – References (3)

Private Equity

- Strengthening the equity basis of a company operating in the field of mechanical engineering with a turnover of more than € 100 million – TARGET advises the private equity company

Identification of Strategic Partner

- Cooperation of a commodity trader in South America with a German-American strategic partner
- Search for a company specialised in the field of laser and opto-electronics, which developed a holographic mass storage
- Search for a company, which develops and produces IP-video server and smart home components

Venture Capital

- Privatisation of a public company operating in the field of microelectronics – TARGET identified and supported the investor in the transaction
- Support of a start up business in the field of holographic laser-measure systems



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