



Merger & Affiliation Seminar 2012

Mazars' Presentation
May 2012

Ask these questions

- Why do I need to merge?
- What do I want – merger or affiliation?
- Where do I want to be in years time?
- When do I target to complete it?
- How to achieve it?



Merger & Affiliation Seminar 2012

■ What Are You Looking for ?

▶ Growth

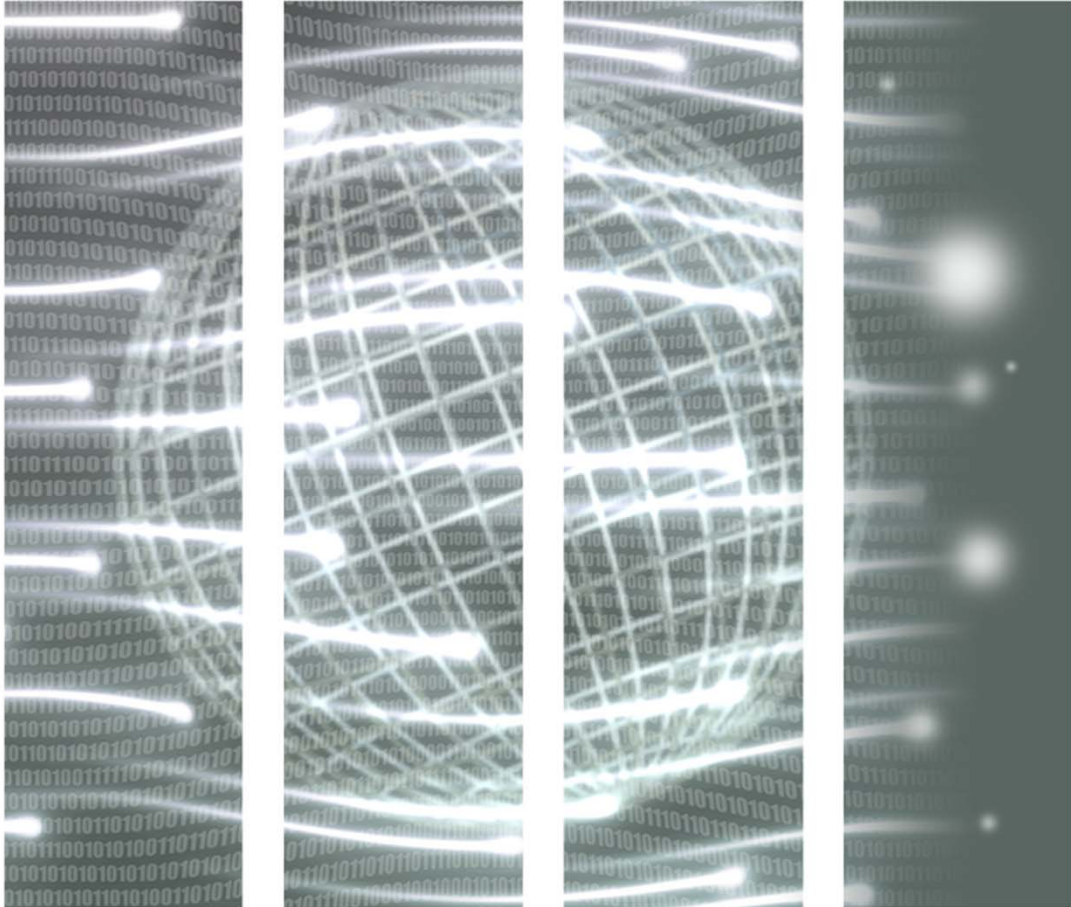
+ Clients
- Redundancy
x Services
/ Expenses
= More Profits



▶ Support

- *Compliance challenges*
- *Talent management*
- *Leverage resources*

▶ Succession planning



My Experience

Characteristics of EY

- **Multi-disciplinary**
- **One-stop centre**
- **One-man show**
- **Competitive price**



Merger & Affiliation Seminar 2012



“It’s not good for the man
to be alone...”

** Bible - Genesis 2:18*

Merger Process



■ Searching for the one

- ▶ Model
 - ▶ Type of firm
 - *Affiliation*
 - *Alliance*
 - *Network*
 - *Integrated*
 - ▶ People [4C's]
 - *Chemistry*
 - *Core values*
 - *Competence*
 - *Culture*

Merger Process



■ Searching for the one

► Goals

- *Meeting needs*
- *Long term vs short term*
- *Complementing strengths*
- *Dealing with differences*



What do I look for?



Similar values

Respect & diversity
Technical excellence
Independence
Continuity

MAZARS PUBLISHES THE 2010-2011 EDITION OF ITS ANNUAL REPORT



Mazars Worldwide

Mazars is an international, integrated and independent organisation, specialising in audit, accountancy, tax, legal and advisory services. Mazars can rely on the skills of 13,000 professionals in the 68 countries which make up its integrated partnership on the five continents. Mazars also has correspondents and joint ventures in 15 additional countries. Mazars is also one of the founding members of the Praxity Alliance, which gathers 79 independent organisations and 28,000 professionals in 82 countries.



Services

Mazars specialises in audit, accountancy, tax, legal and advisory services across a range of markets and sectors. We offer specialist skills beyond the reach of most regional firms. You will find below our main services. The complete description is available in the "Our services" section.

- Financial reporting audit & advisory Consulting**
- Financial advisory services**
- Outsourcing and accounting services**
- Tax services**
- Legal services**
- Actuarial services**

Group news

COUNCIL OF Denise K. Fletcher is now member

Doing business in Malaysia ?

Mazars has offices in Kuala Lumpur. Click here for more information about Mazars' services and contacts in your country.

Job offers

- Audit Assistant , Kuala Lumpur
- Audit Manager , Kuala Lumpur
- Senior Auditor , Kuala Lumpur

Among our publications



Tax Alert: FATCA 13 March 2012

February 2012: The Foreign Account Tax Compliance Act (FATCA) became law in March 2010 and will go into effect January 1, 2013. The policy rationale is to reduce U.S. tax evasion by improving the information available to the IRS about the offshore accounts of U.S. persons.



Basel III and its impact on the liquidity of banks 25 February 2012

The financial crisis of recent months came about not because of the credit crisis but because credit institutions had extreme difficulty in refinancing in the market - prudential supervision at the European level had taken no account of the liquidity criteria.

Merger Process



■ Merger

- ▶ Due diligence
- ▶ Negotiation
- ▶ Money matters
- ▶ Staff convergence
- ▶ Logistics
- ▶ Culture alignment

Merger Process



■ Post-merger

- ▶ Be open
- ▶ Be adaptable
- ▶ Be learnable

Personal Post Merger Experience

■ Work experience

- ▶ Firm size & revenue increase
- ▶ Audit PIE & AOB registered
- ▶ Special jobs of my interest – forensic accounting, IPO, human rights audit
- ▶ Overseas contacts
- ▶ Regional trainings & e-learning



Personal Post Merger Experience

- Partnership experience
 - ▶ Accountability
 - ▶ Collective decision making
 - ▶ Specialized functional activities
 - ▶ Leveraged branding



Personal Post Merger Experience

- Group support
 - ▶ Regional support
 - ▶ IT upgrade
 - ▶ ISQC1 compliance
 - ▶ Internal QC
 - ▶ Talent management



Personal Post Merger Experience

- Set backs:
 - ▶ Internal reporting
 - ▶ Regional reporting
 - ▶ Global accountability
 - ▶ Heavy investment

Personal Post Merger Experience

- Set backs:
 - ▶ Bureaucracy
 - ▶ Disagreement
 - ▶ Loss of clients
 - ▶ Loss of staffs

Merger Process



The search continues...

** Bible - Genesis 2:18*



Mazars globally

Mazars in the region

Mazars in Malaysia

Our credentials

Matters of interest

Mazars globally

Mazars is a business advisory and accountancy firm. We are a unique independent, integrated and international partnership with global reach and local roots.

- We can rely on the diverse experience and skills of more than 13,000 professionals operating together in 69 countries.
- We are one of the world's largest accounting firms often ranked in the top 5 to 10 largest national audit firms.
- We are a founding member of Praxity, an international alliance of independent accounting firms. We therefore have access to the skills and expertise of a further 20,500 individuals in another 16 countries.

Our range of services

offering
integrated
services

and
creating
added
value

to
contribute
to clients'
success



Mazars' facts and figures

- An international, integrated and independent organisation
- Specialising in:
 - Audit
 - Accounting
 - Tax
 - Law
 - Consulting
- Now Mazars is present in **69 countries** across five continents with more than **13,000** professionals
- Through our **correspondents** and **representative offices**, Mazars can operate in **15 additional countries**
- Mazars provides solutions to large international corporations, SMEs and individuals

13 000
Professionals

69
Countries

An International Organisation

Founded in 1940, Mazars is an international, integrated and independent organisation, specialising in audit, accountancy, tax, legal and advisory services.

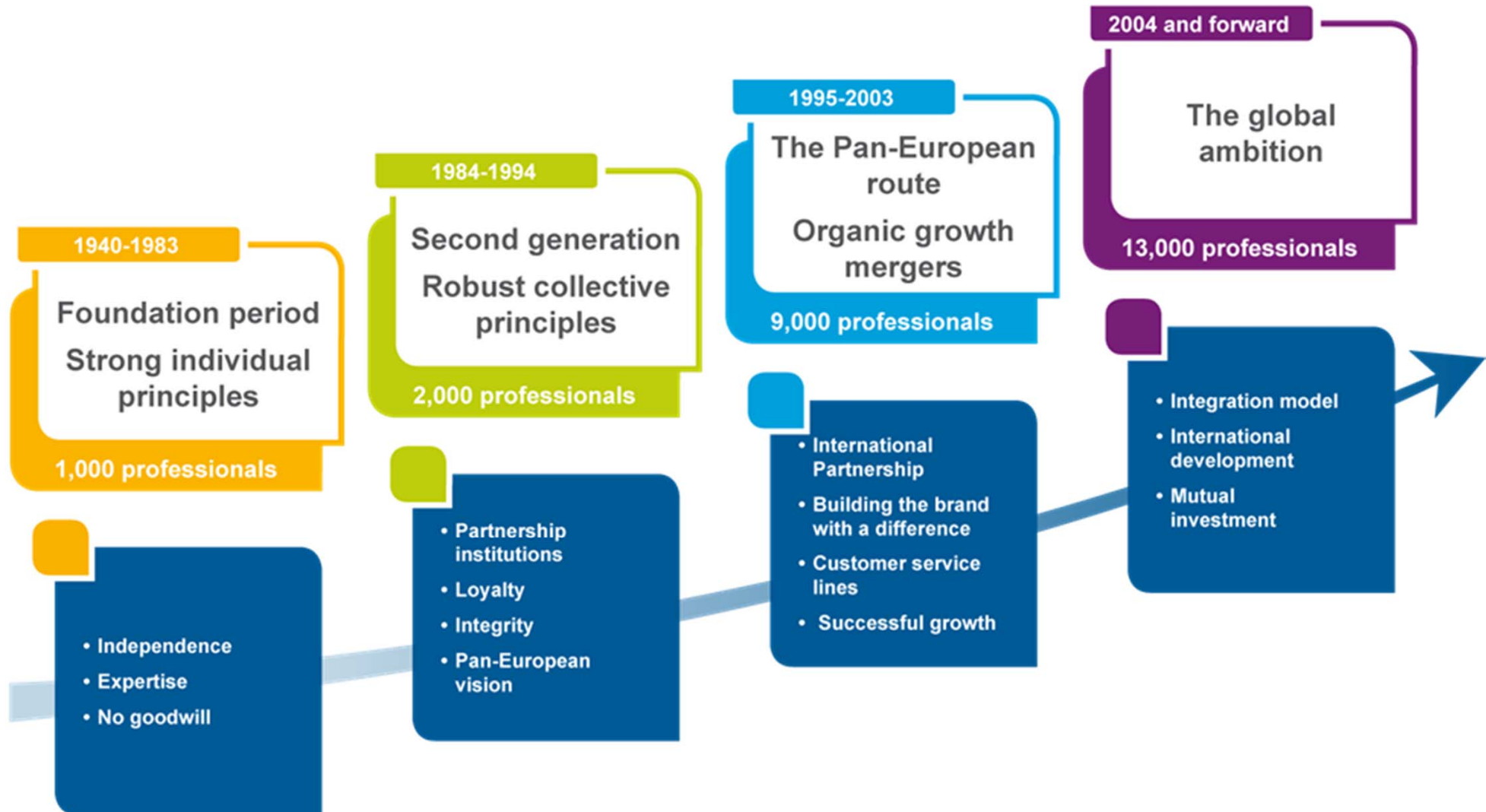
- ▶ As at February 2012, Mazars has its own offices in 69 countries across five continents with more than 13,000 professionals.

Became the only international player that integrated worldwide

- ▶ Guaranteed strategic, operational and financial homogeneity and quality of services offered throughout the Group.
- ▶ Ensured transparency: Mazars is today the **only** audit organisation to publish an annual report including its audited consolidated accounts under IFRS.



Mazars' history: steady development and international reach



Seeking to Make A Difference

Our Priority is Quality



MAZARS' services - Mazars, a global player...



... offering integrated services and creating added-value to contribute to its clients' success

Mazars globally

Mazars in the region

Mazars in Malaysia

Our credentials

Matters of interest

Mazars in the region

Mazars in Asia Pacific

We are present in 12 countries with more than 2,000 staff and 50 partners

Our team includes more than 2,000 staff and 50 partners

- In addition to the countries where there is a Mazars office, we work together with our Praxity members in the Philippines, Taiwan, New Zealand and New Caledonia. In doing this, our presence is enhanced throughout the region

We are currently working on further developments

- To develop our presence in Central Asia
- To develop our consulting team

All our offices have an international exposure

- International standards (IFRS, US GAAP, PCAOB, etc.)
- International clients
- Cross-boarder transactions (IPO, IT consulting)



Mazars globally

Mazars in the region

Mazars in Malaysia

Our credentials

Matters of interest

Mazars in Malaysia

Mazars in Malaysia

The roots of Mazars in Malaysia go back to the 1986 merger of Hew & Co (established 1955) and Tan Toh Hua & Partners (established 1958). The merged firm practised under the name of Hew & Tan until December 1999 when it changed its name to Moores Rowland.

On 1 September 2008, the Kuala Lumpur office of Moores Rowland merged with the global integrated structure of Mazars. To implement the merger, a new firm, Mazars (AF: 1954), was registered to assume all existing mandates and statutory audit appointments of the Kuala Lumpur office of Moores Rowland.

Mazars Malaysia offers a range of specialised services to its clients including audit and assurance, advisory, tax, French Desk, and a range of outsourcing services. Mazars in Malaysia employs around 120 highly qualified professionals and general staff with 2 audit partners, 1 tax partner, 3 audit directors and 2 tax directors.





Mazars globally

Mazars in the region

Mazars in Malaysia

Our credentials

Matters of interest

Our Clients Worldwide

FRANCE



ITALY



NETHERLANDS



UNITED KINGDOM



7. Our clients in Asia Pacific

MALAYSIA



7. Our clients in Asia Pacific (cont'd)

SINGAPORE



Luzhou Bio-Chem



TRIO-TECH INTERNATIONAL



INDIA



NORTON GRINDWELL NORTON LTD.



INDONESIA



Bakrie Telecom



HONG KONG





Mazars globally

Mazars in the region

Mazars in Malaysia

Our credentials

Matters of interest

DIVERSITY AT MAZARS

DIVERSITY AT MAZARS

Mazars is committed to equality

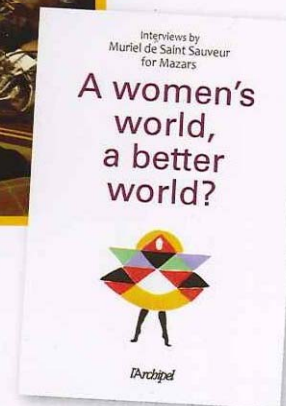
- Gender equality at all levels
- Inclusion of all, irrespective of origin, religion, age, or disability

Mazars: a debating force on diversity

- Partner of the Women's Forum since 2007
- Publication of the book "*A women's world, a better world?*" by Muriel de Saint Sauveur



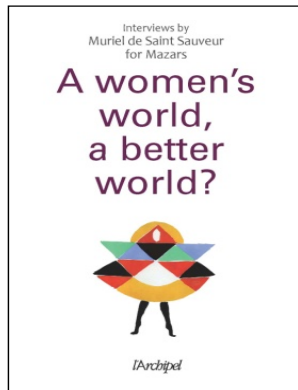
A round table organised during the Women's Forum



Mazars trains and raises awareness among its employees

- Identification, training and coaching of talents: "Women's Talent Pool"
- Internal network of women: "Mazars Connecting Women"
- Participation in an international competition organised by Studyka, in 2012, on the future of gender equality in business

“A WOMEN’S WORLD, A BETTER WORLD?”



100 women from the world over imagine another society

What would society be like if women were entrusted with governing the world? How would they change it? Would their priorities be different? What fundamental changes would be made to our lives?

100 women coming from 33 different countries answer Muriel de Saint Sauveur's questions and share with her their visions for the future: A female G20, a new vision of leadership...

More involved, more ambitious and less “ego-centric” in their suggestions, the women who have participated in this book provide an open and constructive vision of the world. If they held the destiny of the world in their hands, they would apply concrete solutions and show their ability to rise above local quarrels to build a global project. Furthermore in some parts of the world they are already carrying out many of their proposed solutions, notably in the fields of education, justice and agriculture.



The Author : Muriel de Saint Sauveur

Born in Paris in 1954 Muriel de Saint Sauveur, with a degree in Communication, first of all accompanied the careers of exceptional musicians such as Xenakis before joining the world of finance and business. In 1993, she joined Mazars, an international auditing and advisory group. At present she is the Director of Group Diversity and is Head of the International Agency for Marketing and Communication.

2ND WOMEN IN LEADERSHIP FORUM – 16 & 17

February 2012

About Women in Leadership

Since 2009, WIL series has connected over 2,000 successful, international heads of commerce – to inspire the women business leaders of tomorrow. The initiative features two days of superior networking, inspirational speakers and potential business opportunities.

Experts share their knowledge whilst world class suppliers showcase their most innovative solutions. WIL is a dynamic platform for the growth of business women from all backgrounds, industry sectors and locations around the world.

Since 2007, Mazars has supported the Womens' Forum, whose aim is to bring together female leaders and their male peers to discuss ways of enhancing women's contribution to the global economy. Being a partner of the Women's Forum has created among the 61 countries of the Group a discussion concerning diversity, evolution of women and work-life balance. Mazars has sponsored a Chinese delegation in 2008, an Indian delegation in 2009 and a Russian delegation in 2010.

For the 2011 edition, Mazars has decided to imagine a scenario in which men and women share equal power. Muriel de Saint Sauveur's book, "A women's world, a better world" will be officially launched during the Forum. Through debates and meetings with 4 women interviewed, Mazars will invite both men and women to share their ideas for the future.



SERVICE OFFERINGS

- CR Internal Audit
- Community Needs Assessment
- CR Program Design & Development
- CR Communications & Media Relations
- Third Party Advocacy
- Stakeholder Engagement & Outreach
- In House Training Capacity
- Risk & Crisis Communications



MAZARS CORPORATE SOCIAL RESPONSIBILITY

Paper Neutral Audit

- ▶ Partner with the *Conservation International* to calculate the effect of its paper consumption on the environment.
- ▶ The audit determines the amount of paper trees it takes to produce the paper it uses from 2003-2008.

Tree Planting

- ▶ Around two hundred staff compensated their ecological footprints by planting trees on a 10,000 square meters of Green Belt land in the National Park Gunung Gede Pangrango in West Java.
- ▶ The replanted trees were expected to balance out the amount of paper its use on daily basis.

PSR STRATEGY AT MAZARS

PSR* STRATEGY AT MAZARS

Diversity at Mazars is part of the Group's PSR policy which is organised around 4 main axes:



KEY ACTIONS

Strong and coordinated action which illustrates the 4 axes includes:

- > Carbon balance sheets, improvement plans and/or Carbon emissions offsetting
- > A citizenship role in cultural access for all ((e.g. partnership with the Louvre) and at the heart of social debate (e.g. conferences, think-tanks,...))
- > A solidarity commitment through, most notably, the Mazars Foundation for children, solidarity, health and development
- > Continued development of our responsible service offers throughout the world
- > Signing of the United Nations' Global Compact by Mazars in 2011

Mazars Malaysia were appointed as consultants to provide inputs and analysis to REHDA about the application of IFRIC 15 in Malaysia and to share some examples of application in other countries.

“Property developers, and The Real Estate and Housing Developers’ Association of Malaysia (“REHDA”) are lobbying for MASB to consider adopting the “percentage-of-completion” (PoC) method, as it is one of the methods mentioned in IFRIC 15, provided certain criteria are met”. (Asian Daily, 13 July 2010)

“Mazars Malaysia has been appointed by REHDA to advice on what was permitted by IFRIC 15 in the France and Belgium context; both countries has successfully adopted IFRIC 15 but still continue to permit PoC method”. (The Edge, 20 July 2010)

Deferred IFRIC 15 brings relief

Local property players get more time to discuss ruling

By **EUGENE MAHALINGAM**
eugenicz@thestar.com.my

PETALING JAYA: The Malaysian Accounting Standards Board (MASB) has deferred implementing the much-debated accounting practice that recognises developers’ revenue only on completion of projects to 2012, MASB announced on its website yesterday.

Under the current system, developers report profits progressively.

The new ruling under the International Financial Reporting Interpretations Committee (IFRIC) 15 is deferred to Jan 1, 2012 after much deliberation among property players and accounting associations



and America where only upon (project) completion does the developer get to recognise profits.

“Our system has always been based on progressive profits. This is recognised under the Housing Development Act, a legislation recognised by Parliament,” he said. “There are valid and bonafide differences between both systems.”

Yam said Rehda had subsequently engaged in a series of meetings and discussions with MASB, the Malaysian Institution of Accountants and the SC to recognise the fact that the existing system was unique and that more time was needed before a final decision was made to implement the IFRIC 15.



Mazars

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