



# Financial Aspects of Mergers and Acquisitions

MBA Option Course 22 – 26 April 2019

## TESTIMONIALS



***“An excellent overview of the topic.”***

***“I must highlight the benefit having the opportunity to analyse real transactions using the tools provided during the course.”***

***“learning how to value the company was incredibly important to me.”***

## OVERVIEW

In the competitive market of corporate control, perfecting the skills of negotiation and deal making is essential for successful mergers and acquisitions.

The course will give participants a good appreciation of the theoretical, practical and institutional aspects of mergers and acquisitions, focusing particularly on the financial aspects of such deals.

Every day companies worldwide announce merger and acquisition transactions, and such deals form a major part of the corporate finance world in which we live today. Yet, the majority of acquisitions fail to deliver value. How can company managers identify a potential opportunity, understand the financial issues involved, structure a proposal and then negotiate a successful deal? What are the pitfalls, and how can we avoid these?

Join us for this highly interactive 5 day course, where you will explore the intricacies and potential pitfalls of the merger and acquisition business, how to approach company valuation, issues relating to negotiating and structuring the deal, and how to assess the financial impact on a company.

## AIMS & OUTCOMES

The course aims to promote an understanding of the business environment and the tools to facilitate structured thinking about a business problem making special reference to mergers and acquisitions.

On completion of this course, the student will be able to:

- understand and critically discuss some of the main strands of theory and the latest trends in research on which mergers and acquisitions depend
- critically evaluate merger motives
- understand and critically discuss how firms make mergers and acquisitions and how they structure and finance them
- critically evaluate how mergers and acquisitions affect company performance and how investors react to them
- understand and critically discuss some of the key success factors of mergers and acquisitions

## WHO WILL BENEFIT FROM THE COURSE?

This course will help managers ask the right questions when considering their merger and acquisition strategy or faced with a potential deal. It is ideal for managers or mid-level employees looking to develop their career who possess basic knowledge/understanding of accounting and finance.



## COURSE CONTENT

This is an intensive yet accessible course that utilises a variety of teaching methods including lectures, interactive discussions, case study analysis and role play exercise.

### Content Overview

- 1. An introduction to mergers and acquisitions:**
  - Definitions and theoretical framework
  - M&A and the market for corporate control
  - Merger activity and trends
- 2. Target company valuation:**
  - Valuation methods
  - Issues and challenges in target company
  - Target company valuation exercise (Takeover game - assessment one)
- 3. Merger motives:**
  - Critical evaluation of alternative merger motives, including
  - Shareholder vs managerial motives
  - Economic vs questionable motives
- 4. The Merger process, negotiating and deal structure:**
  - Takeover strategies and the acquisition process, including
  - Bid strategies and tactics
  - Financing and structuring the deal
  - Hostile acquisitions and takeover defenses
  - Due diligence and post-acquisition integration
  - Negotiating the deal (Takeover game – assessment one)
- 5. Evaluating M&A outcomes:**
  - Do M&As work? How do we know?
  - Different approaches to evaluation – operating performance vs share returns
  - Analysis of long-term operating performance following takeovers and mergers
  - Event study analysis of firm performance around and after acquisition
  - Evaluating M&A outcomes – the empirical evidence
  - Exercise in evaluating M&A outcomes (Deal analysis – start assessment two)

## ASSESSMENT/CREDITS

Participants are required to attend every session throughout the week and to take part in all activities and submit all assessments. On successful completion, they will receive a certificate and 10 credits which can be used towards an University of Edinburgh MBA/EMBA programme.

This programme will be assessed by two group projects.

Project 1: Takeover game consisting of a group presentation and written group report which will be completed during course.

Project 2: Critical evaluation of completed acquisition, including assessment of merger motives and impact of acquisition on shareholder wealth.



## SPEAKER

### Professor Jo Danbolt

Professor Jo Danbolt joined the University of Edinburgh Business School in 2012. He holds the Baillie Gifford Chair in Financial Markets, is a qualified Siviløkonom (which is a Norwegian business qualification), and he holds a BA (Hons) in Business Organisation along with a PhD in Finance, both from Heriot-Watt University, Edinburgh.

Prior to joining the University of Edinburgh, Jo worked as Professor of Finance at the University of Glasgow Adam Smith Business School, where he was also Deputy Head of School and Head of Accounting & Finance. He has previously also worked as a lecturer at Heriot-Watt University.

Jo's teaching experience spans undergraduate, postgraduate and executive education, and he has taught in the UK, the Netherlands and Greece. He teaches mainly in the areas of mergers & acquisitions, international financial management, financial analysis, and corporate finance. Although he has also taught a wide range of other finance subjects.

Jo's work has been published in journals such as Journal of Corporate Finance; Journal of International Business Studies; Corporate Governance: An International Review; European Accounting Review; European Financial Management; European Journal of Finance; and Journal of Business Finance & Accounting.



## COURSE FEE

The course fee is £1,555. This includes all tuition and course materials, but excludes all textbooks that may be required. Catering and accommodation are not included. Please contact us for information on our preferred suppliers and special rates for accommodation.

There is a 20% discount for University of Edinburgh Alumni and Staff.

## COURSE DATES

The course will run from Monday 22<sup>nd</sup> until Friday 26<sup>th</sup> April 2019. This is an intensive course, with teaching based on a 9-5pm working day however there will be group work, assignments and reading outside these hours. There will also be some pre-course reading and tasks to complete before the first session.

## HOW TO APPLY

To apply for this course please visit [www.business-school.ed.ac.uk/executive](http://www.business-school.ed.ac.uk/executive)

We strongly encourage you to apply as early as possible before the start of the course to avoid disappointment.

Please note the deadline for applications for this course is Monday 25<sup>th</sup> March 2019.

To discover if this course is right for you, please get in touch with the **Executive Team** on **0131 651 5245** or email: [executive@business-school.ed.ac.uk](mailto:executive@business-school.ed.ac.uk)