

***Dissertation Seminar***  
**MERGERS & ACQUISITIONS**

*Academic Year:* **2017/2018**

*Semester:* **2nd**

*Instructor(s):* **António Borges de Assunção**

*Max. Number of Students:* **6**

*Seminar Description:*

This workshop will provide an overview of the main equity valuation methodologies and the use of Mergers and Acquisitions (M&A) to perform corporate reorganizations and increase shareholder value, presenting a toolset that will allow students to work in the “investments / financial advisory” community. The workshop comprises a mix of group and individual mandatory sessions.

Throughout the sessions, students will be asked to present their current work and to discuss the work of other students. The course will be taught in English. The thesis will be written in English.

**Students need to be present in EVERY session.**

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*Seminar Content:*

There will be a strong conceptual approach based on academic papers. We will also discuss why and how M&A transactions take place, their role in the economy and how they perform from the perspective of the shareholders and other stakeholders. In addition, in some weeks we will discuss a current / “real world” transaction which should help to provide further illustration of the relevant ideas covered in the workshop.

Each student must choose a listed company, a take-over (M&A) target, and must develop all his/her work around the proposed transaction, incorporating (at a minimum) the following topics:

- Literature review – the applicable academic “school of thought”;
- Value the acquiring company, the target company, and the potential M&A synergies, using the appropriate valuation methods;
- Explain the differences between the synergy values derived under each valuation method and discuss which method is the most appropriate and why;
- Discuss the strategic rationale and the potential benefits from the proposed M&A transaction;
- Review the M&A financing options, the potential transaction bid premium and any potential execution risks / issues.

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*Seminar Objectives:*

This workshop is aimed at helping students perform academic research and write their master thesis.

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Bibliography / Additional Readings:

- "What's It Worth: A General Manager's Guide To Valuation"* by Timothy Luehrman, Harvard Business Review, May-June 1997
- "Using APV: A Better Tool for Valuing Operations"* by Timothy Luehrman, Harvard Business Review, May-June 1997
- "The Market Pricing of Cash Flow Forecasts: Discounted Cash Flow vs. the Method of Comparables"*, by Stephen Kaplan and Richard Ruback, Journal of Applied Corporate Finance, Winter 1996
- "The Value of Synergy"* by Aswath Damodaran, Stern Business School, Working Paper, October 2005
- "Avoiding the Synergy Trap"* by Mark Sirower and Sumit Sahni, Journal of Applied Corporate Finance, Summer 2006
- "Are You Paying Too Much for That Acquisition?"* by Robert Eccles, Kersten Lanes and Thomas Wilson, Harvard Business Review, July-August 1999
- "The Era of Cross-Border M&A: How Current Market Dynamics are Changing the M&A Landscape"* by Marc Zenner, Matt Matthews, Jeff Marks and Nishant Mago, Journal of Applied Corporate Finance, Spring 2008
- "Cross-Border Valuation"* by Kenneth Froot and Carl Kester, Harvard Business School, 1995
- "Where M&A Pays and Where It Strays: A Survey of the Research"* by Robert Bruner, Journal of Applied Corporate Finance, Fall 2004
- "When to Walk Away from a Deal"* by Geoffrey Cullinan, Jean-Marc Le Roux and Rolf-Magnus Weddigen, Harvard Business Review, April 2004
- "The Return of the Recap: Achieving Private Equity Benefits as a Public Company"* by Anil Shivdasani and Adrian Zak, Journal of Applied Corporate Finance, Summer 2007
- "Private Equity, Corporate Governance, and the Reinvention of the Market for Corporate Control"* by Karen Wruck, Journal of Applied Corporate Finance, Summer 2008

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Short Bio:

António Borges de Assunção has a thirty year career in the financial services industry in Portugal, having started in the Pension Fund Management area (1987-1990), enlarging his scope of activity to Investment Banking (1988-2005) with direct management responsibilities in Corporate Finance (1991-2005) and periodic Board Management positions in Securities Brokerage Services (1991-1996) and Asset Management (1991-1996). He returned to asset management as a Member of the Board of Directors of BPI – Gestão de Activos (2005-2011) and of BPI Vida and BPI Pensões (2007-2011). He later became an advisor to the Executive Committee of the Board of Banco BPI (2011-2015). Currently he is an independent financial advisor alongside an activity as entrepreneur and investor. He is also a member of the Supervisory Board (Conselho Fiscal) of Caixa Geral de Depósitos.

He has taught various finance and management related courses both in Portugal (Universidade Nova de Lisboa and Universidade Católica) and in the USA (Wharton School).

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Contac) and Office Hours:

E-mail: **a.b.assuncao2@gmail.com**

Office hours will be held by appointment only. To make such appointments students should e-mail me in advance until 6 p.m. of the previous day. I shall try to have time available to meet all student's needs.

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Schedule:

Introduction – Week beginning 5<sup>th</sup> February, 1 hour (February 8<sup>th</sup>, 9:30 a.m.)  
1st Group Session – Week beginning 12<sup>th</sup> February, 1 hour (February 15<sup>th</sup>, 9:30 a.m.)  
2nd Group Session – Week beginning 26<sup>th</sup> February, 1 hour (March 1<sup>st</sup>, 9:30 a.m.)  
3rd Group Session – Week beginning 12<sup>th</sup> March, 1 hour (March 15<sup>th</sup>, 9:30 a.m.)  
Individual Review Sessions – **to be scheduled in April and May**, as required.  
**Master Thesis Delivery Date to the Academic Advisor: 18<sup>th</sup> May 2018**

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Deadlines:

The full list of dates and deadlines can be consulted [here](#).