# Module: Mergers and Acquisitions and Corporate Restructuring

### Topics

This module includes the following eight topics:

Topic 1: Rationale for M&A

Topic 2: Types of M&A

Topic 3: Take-over Bids

Topic 4: Take-over Defenses

Topic 5: Calculating a Take-over Bid

Topic 6: Evaluating the Division of Synergies

Topic 7: Success of M&A

Topic 8: Other Forms of Corporate Restructuring

## Topic 1: Rationale for M&A

This topic discusses the reasons why companies should and should not engage in M&A activity.

### Readings

Section 1.1

### Learning Problems

None

## Topic 2: Types of M&A

This topic looks at the different types of M&A and when they should be used.

**Readings**

Section 1.2

### Learning Problems

### None

## Topic 3: Take-over Bid

This topic describes the importance of take-overs to the economy and the bidding process offerors must follow to protect investors’ interests.

**Readings**

Section 1.3

### Learning Problems

### None

## Topic 4: Take-over Defenses

This topic describes the take-over defenses that management can use to protect companies from unwanted offerors or to increase their take-over bids.

**Readings**

Section 1.4

**Learning Problems**

Identifying Take-over Defenses

**Answer Keys**

Identifying Take-over Defenses

**Topic 5: Calculating a Take-over Bid**

This topic examines how to calculate a take-over bid using either the discounted cash flows or market multiple models.

**Readings**

Section 1.5

#### **Learning Problems**

Take-over Bid Calculation at Predator

Take-over Bid Calculation at Vicious

Take-over Bid Calculation at Terrible

Take-over Bid Calculation at Tough Guy

Take-over Bid Calculation at Hastings

Using Comparable Companies and Transactions

**Answer Keys**

Take-over Bid Calculation at Predator

Take-over Bid Calculation at Vicious

Take-over Bid Calculation at Terrible

Take-over Bid Calculation at Tough Guy

Take-over Bid Calculation at Hastings

Using Comparable Companies and Transactions

## Topic 6: Evaluating the Division of Synergies

This topic describes how to evaluate the division of synergies in an M&A between the acquiring firm and the target company.

**Readings**

Section 1.6

### Learning Problems

### None

## Topic 7: Success of M&A

This topic investigates the financial success of M&A from the perspective of both the offeror and target companies.

**Readings**

Section 1.7

### Learning Problems

### None

## Topic 8: Other Forms of Corporate Restructuring

This topic examines the advantages of other forms of corporate restructuring including divestitures, spin-offs, split-outs, split-ups, and tracking shares.

**Readings**

Sections 1.8 and 1.9

**Learning Problems**

Appropriate Corporate Restructuring Measures

**Answer Keys**

Appropriate Corporate Restructuring Measures

## Module Summary

In this module, you learned about the rationale for different forms of corporate restructuring focusing on M&A; how offerors calculate and implement a successful take-over bid; the actions target companies take to protect themselves from unwanted take-overs or to raise the take-over bid; and the success of M&A for both acquiring and target firms.