

FUC - Ficha de Unidade Curricular

Curricular Unit's File

Code	L0641
Name (PT)	Fusões, Aquisições e Avaliação de Empresas
Name (EN)	Mergers and Acquisitions and Company Valuation
Regime	Semestral
Level	1.º Ciclo
Teaching language	Inglês
School	Escola de Gestão (EG)
Department	DF
Scientific area	Finanças (Fin)
Responsible academic staff	José Paulo Afonso Esperança
Pre-requisites	None
Objectives	This course provides the fundamental tools to determine the expected gains from mergers, acquisitions and reorganization operations as well as the main techniques used for company valuation. Students should be able to understand the sources of value creation in an M&A, the alternative modes for its implementation and the potential costs and problems that may emerge in the process. They should also be able to analyze the implications for the different parties involved and the corresponding negotiation boundaries. Knowledge of key evaluation techniques is fundamental to predict and measure the synergies created by an M&A.
Learning outcomes	LG1 - To analyze, synthesize and solve complex problems, being able to identify the sources of value creation or destruction affecting a merger in a competitive setting and a complex organizational change. LG2 – To use financial tools fit to predict and measure the value created through a M&A, by comparing the value of the companies before the merger with the value of the new firm that is created in the process. LG3 - To understand and be able to use appropriate company valuation techniques, for different life cycle stages and ownership structures.
Syllabus	1- Definition and types of M&A and company restructuring operations. 2 – Overview of merger waves and capital market trends since the early 20th century. 3 - Strategy and sources of value creation in M&As. Negotiation and value sharing. 4 – Dubious reasons for M&As. Managers versus share and bondholders. 5 – The M&A plan. Cash versus share exchange acquisition. Anti takeover defenses. Auctions Theory. 6.- Valuation Methods: stock market, DCF valuation and multiples, EVA/MVA and the venture capital method. 7.- Presentation and discussion of M&A cases in Europe
Assessment	During the semester students will provide the following evaluation items: Group writing and presentation of a case on a new venture creation and restructuring, on an European M&A - 40%. Teams should ideally be composed by 4 members Final Exam: 60%.
Teaching methodology	Classes have mainly a practical content. More theoretical subjects are presented through small cases and short exercises. Students should develop and present a group work about the case of a M&A.
Demonstration of the syllabus coherence with the curricular unit's objectives	This "demonstration of consistency" stems from the interconnection of the syllabus with learning goals (LG) and is explained as follows: LG1 - Syllabus points: 1, 2, 3 and 5. LG2 - Syllabus point: 3, 4 and 5. LG3 - Syllabus points: 6.
Demonstration of the coherence between the teaching methodologies and the learning outcomes	The learning-teaching methodologies are aimed at the development of the students' main learning competences that allow to fulfill each of the learning goals. The grid below presents the main links between the learning-teaching methodologies and the respective goals. Learning-Teaching Methodologies(LTM) Learning Goal (LG) 1. Expository, to the presentation of the theoretical reference frames - All 2. Participative, with analysis and resolution of application exercises - All 3. Active, with the realization of individual and group works – LG 1 and 2. 4. Self-study, related with autonomous work by the student, as is contemplated in the Class Planning - All

Main Bibliography	
Complementary Bibliography	