Learning Outcomes

This course is intended to provide financial analysts, corporate finance professionals and CFO’s with strong fundamentals in the knowledge of corporate restructuring and corporate finance. This block covers essential topics out of corporate finance such as the M&A process, valuation of market transactions and companies, the financing of mergers and acquisitions, the market outlook of M&A activity and the pitfalls of national and cross border transactions. We will discuss both the sell and the buy side and as such sufficient attention will be given to:

- Corporate divestitures - where we will analyze how public and private corporations can be assisted in divesting non-core and underperforming business units.
- Sales by entrepreneurs - how should we work with private business owners and family-owned business in the sale of their companies.
- Private equity fund divestitures - what are the tactics regarding the sale, recapitalization or other disposition of portfolio companies from private equity funds, orchestrated to produce premium values.
- Management buy-outs - sufficient attention is given to the development and execution of management-led buyouts.

M&A activity includes comprehensive research to identify a complete universe of prospective target companies, contact of each qualified target directly, structuring and negotiating an appropriate proposal, assistance in conducting due diligence, and closing the transaction. We will analyze the financing of an important acquisition.

A strong focus is made on financial markets, corporate finance and credit, as well as on the process and the way pitfalls can be mitigated. Applications and a business game around a real deal will be treated in smaller groups, where the necessary winner’s capacity of ad hoc teams will be tested.
This course is crucial for anyone desiring to work in finance in the future, even more in the light of the recent financial crisis. Corporate Finance in general and M&A in particular is heavily influenced by the financial markets and its current evolution.

After this course, you will be able to:

- Identify, describe and understand the complete M&A process as it is played in the current financial markets.
- Understand and master the implementation and limitations of the most usual corporate finance techniques.
- Define the range of actions and solutions necessary to solve the most common pitfalls in M&A.
- Build acquisition strategies and calculate the necessary valuation and financing steps to close the deal successfully.
- Understand the impacts of the new regulatory developments in the assessment of acquisition finance by financial institutions.

Audience

This course is intended to professionals with a strong desire to make themselves familiar with financial analysis, company valuation, acquisition financing, deal structuring. But it does not limit itself to the pure corporate finance professional, such as the investment banker or the financial analyst. Credit analysts, controllers, treasurers, accountants, often get confronted with M&A activity developed or undergone by their employer. The canvas, the process, and the different techniques to cope with the rapidly changing environment of M&A has become a must.

Lecturer: Hans Buysse

Hans Buysse is partner at Clairfield International (www.clairfield.com), as well as Adjunct Professor in Finance at the Vlerick Leuven Gent Management School and at the Vrije Universiteit Amsterdam. Hans presides the Belgian Association of Financial Analysts and is Board Member and treasurer of the European Federation of Financial Analyst Societies (www.effas.com). Hans is member of the Belgian accounting commission (commission des normes comptables) and is member of the ESMA Consultative Working Group on Corporate Reporting Standing Committee (www.esma.org).
Reference


*Other very pedagogical references:*

Day 1: M&A fundamentals
- The M&A process and the lessons learned
- The regulatory and practitioners’ frameworks
- What, Why, How... do we merge, buy, sell, delist, ...?
- Market Value and recent trends in valuation
- Value Modelling

Presentation of the M&A Case
- Pitching for the mandate
- Long list, short list and market intelligence

Case(s): • ABN Amro
          • Option Huawei

Reading(s) • Robert F. Bruner, Applied M&A, chapters 1-14

Day 2: New Valuation techniques
- The application of real option valuation within M&A.
- Valuing liquidity and control

Presentation of the M&A Case
- Analysing the information memorandum
- Preparing the valuation for a buy mandate

Case(s): • Heavy Contracting case
          • Asterion and the Belgian Post

Reading(s) • Robert F. Bruner, Applied M&A, chapters 15-23
Day 3: Building the bidding strategy
- From Information Memorandum to Due diligence process
- Deal Integration.
- Rating agencies
- The pricing of an M&A deal and the lessons learned.
- Why does is go wrong

Case(s):  - Quick vs CDC
          - KPN

Reading(s)  - Robert F. Bruner, Applied M&A, chapters 24-37

Day 4: Financing the transaction
- The current financial markets
- How to finance an M&A deal.
- Institutional Buy Outs
- Raising finance and delistings
- Pitfalls in financing the transaction.

Case(s):  - Petrozuata

Reading(s)  - Robert F. Bruner, Applied M&A, chapters 38