Course Descriptions None 2025-2026

Course Title	Managing Takeovers
Course Code	EBS2017
ECTS Credits	4,0
Assessment	Pass / Fail

Period

Period	Start	End	Mon	Tue	Wed	Thu	Fri
3	12-1-2026	23-1-2026	C				

Level	Intermediate
Coordinator	Sanne Jongen For more information:s.jongen@maastrichtuniversity.nl
Language of instruction	English

Goals

The purpose of this skills course is to become familiar with Mergers and Acquisitions (M&As) from a valuation perspective.
After completing the course, you:
1.) understand how M&As can be valued using common scientifically valid valuation approaches;
2.) develop skills to apply valuation techniques to M&A related investment opportunities;
3.) be able to judge whether M&A's add value;
4.) understand the difference between DCF valuation and real-option approach to valuation;
5.) further develop your presentation and communication skills

Description

Mergers and acquisitions (M&As) have become key drivers of growth and transformation in the modern economy. They offer companies opportunities to expand, achieve synergies, enhance operational efficiency and more.
Despite their prevalence, M&As remain a subject of significant debate. A central question is whether these transactions genuinely create value for the firms involved. Do they lead to measurable increases in firm value and generate wealth for shareholders? While M&As often result in larger and seemingly more influential companies, their actual impact on value creation requires careful examination.
The purpose of this skills course is to become familiar with M&As from a valuation perspective. You will explore the principles of valuation in case studies focused on valuing and assessing M&A deals, identifying synergies, analyzing leveraged buyouts, and evaluating option-like deals.
Through this course, you will develop practical skills to analyze and assess the financial and strategic implications of M&As in the corporate world.

Literature

Selection from:
Berk, J. and DeMarzo, P. (2019). Corporate Finance. Global Edition. Pearson.
* Chapter 8: Fundamentals of Capital Budgeting
* Chapter 18: Capital Budgeting and Valuation with Leverage
* Chapter 19: Valuation and Financial Modeling: A Case Study
* Chapter 20: Financial Options
* Chapter 21: Option Valuation
* Chapter 28: Mergers and Acquisitions

Bruner, R. F. (2004). Applied mergers and acquisitions (Vol. 173). John Wiley & Sons.
* Chapter 10: Valuing options
* Chapters 14: Real Options and Their Impact on M&A

Alternative textbooks and chapters that are made freely available online by the authors can be valuable resources:
Welch, I. (2009) Corporate Finance: An Introduction. (Links to an external site.) New York: Prentice Hall.
* Chapter 4: A first encounter with Capital Budgeting Rules
* Chapter 12: Pitfalls in Capital Budgeting
* Chapter 13: From financial statements to economic cash flows
* Chapter 20: ProForma Financial Statements

Damodaran, A. (2002). Investment Valuation, Wiley.
* Chapter 2: Approaches to Valuation: ch2.pdf (nyu.edu) (author website)
* Chapter 5: Option pricing theory and models: ch5.pdf (nyu.edu)
* Chapter 25: acquisitions and takeovers: ch25.pdf (nyu.edu)

Damodaran, A. (2005). "The Value of Synergy", The Value of Synergy by Aswath Damodaran - SSRN

Malmendier, U. and G. Tate (2008). 'Who Makes Acquisitions?' CEO Overconfidence and the Market's Reaction', Journal of Financial Economics. See Canvas for access details.

Prerequisites	Exchange students need to have taken at least one introductory finance course, sufficient first-year finance skills, passing criteria are that all three cases must be completed with a "sufficient" grading. An advanced level of English
Transitional Regulations	
Teaching methods	Presentation / Assignment / Papers / Groupwork
Assessment methods	Attendance / Assignment
Evaluation in previous academic year	For the complete evaluation of this course please click http://iwio-sbe.maastrichtuniversity.nl/rapporten.asp?referrer=codeUM

This course belongs to the following programme / specialisation

Bachelor Economics and Business Economics - Economics	Year 2 Elective Skills
Bachelor Economics and Business Economics - Emerging Markets	Year 2 Elective Skills
Bachelor Economics and Business Economics - Economics and Management of Information	Year 2 Elective Skills
Bachelor Economics and Business Economics - International Business Economics	Year 2 Elective Skills
Bachelor International Business	Year 2 Elective Skills
SBE Exchange Bachelor	Bachelor Exchange Skills
SBE Exchange Master	Bachelor Exchange Skills
SBE Non Degree Courses	Bachelor Skills