

## Mergers and Acquisitions: 1 Day

**Delegate Profile:** This course is targeted at delegates working in corporate finance, broking, research or investment management who are new to M&A and seeking a general overview of the subject.

### Key Learning Outcomes

- Delegates will learn the different rationale for M&A deals and the typical stages and documentation involved
- They will consider different types of M&A transactions, contrasting public vs. private and hostile vs. agreed
- Finally, they will examine the proforma financial effects and how value creation may be quantified

**Pre-requisite Knowledge:** No prior knowledge of M&A is assumed, however, delegates should already be familiar with financial statements through having attended the 3-Day Financial Statement Analysis course (or equivalent).

**Our Approach:** In this course we facilitate the learning process through a combination of:

- Presentation of core knowledge and concepts using power point slides
- Press articles and real life case studies, demonstrating how M&A concepts are applied in practice
- Short 'single worksheet' excel exercises to enable delegates to analyze proforma financial effects of transactions
- Regular summaries, to remind delegates of the key points of each session
- End of Day quizzes, to confirm the achievement of the learning outcomes
- One page course summary, as a take away and reminder of the key learning points

Each delegate should be provided with a laptop, which is pre-loaded with some exercises in excel format. (Note: the course may be delivered in either Excel 2003 or 2007, however, all delegates should use the same version of excel in the training room.)

**Training Fees:** £2,500 plus VAT (£2,500 per training day). This covers all research, design and delivery of the training by James Gilpin, for up to 20 delegates.

**Expenses:** All incremental travel and accommodation expenses will be charged separately, however, we will work hard to ensure all costs are kept to a minimum. With regard to materials, JGFT can provide 2 options:

- JGFT can arrange for all materials to be professionally printed and couriered to the training centre for which we would recharge the cost (for 20 delegates approximately £200 - £300)
- All materials will be sent electronically to the client with instructions to print internally (at no additional cost)

With regard to excel exercises, JGFT can provide all these materials electronically, which must be loaded onto delegate laptops in advance of the course.

## Day One

### Session 1

#### Overview of the M&A Process

- Rationale for a transaction: SWOT analysis and Porter's Five Forces
- Valuation
- Capital Structure and financing: Sources and Uses of Funds
- Execution: Shareholder Approvals, Regulatory and Competition issues

### Session 2

#### Different Types of M&A deal

- Horizontal, Infill, Vertical and Conglomerate deals
- Recommended vs. Hostile
- Public vs. Private

### Session 3

#### Private Transactions

- Initial Approach
- Heads of Terms and other preliminary agreements
- Due Diligence
- Financing
- Negotiation dynamics
- Sale and Purchase Agreement: typical clauses
- Completion and Post-Merger Integration

### Session 4

#### Public Transactions

- UK Public Offer Timetable
- Scope of Due Diligence
- Committed financing
- Shareholder approvals: Class Tests
- Recommended vs. Hostile: Offer and Defence Documents
- Case Study: Kraft/Cadbury

### Session 5

#### Acquisition Accounting and Proforma Financial Effects

- Calculating Goodwill on consolidation
- Balance Sheet adjustments
- Income Statement adjustments
- Earnings accretion / dilution
- Quantifying value creation
- Sensitivity analysis of EPS vs. financing and PE ratios