



The brightest minds in finance

# Acquisition Finance

# Discover how to create value in your next deal

The **Acquisition Finance** program introduces participants to the intersection of theory and practice in mergers and acquisitions (M&A) from a finance point of view. The 3-day program provides the necessary quantitative tools to understand and apply the financial side of preparing the deal. It will cover both public and private deals involving large corporations and SMEs as market participants. The program emphasizes the importance of deal structure, managerial conduct, and the ability to estimate a deal's success.

## How you will benefit

By attending the program, you will

- Understand the importance of defining success in M&A and the role of valuation models
- Explore several cash flow and balance sheet models for valuing and structuring a deal
- Understand the tradeoffs between forms of payment and equity and debt financing
- Recognize and exploit unused debt capacity
- Understand the major differences and challenges between public and private deals
- Understand the role of liquidity discounts and control premia
- Examine the types of debt and equity best suited to the acquirer's and target's objectives
- Strengthen bargaining and deal design in acquisition finance and merger advisory work
- Understand the role of collars, toeholds, earn-outs and termination fees for risk mitigation
- Gain the expertise to enter the financing process with confidence and skill

## Who should attend

The **Acquisition Finance** program is an introductory program designed for professionals with a desire to learn more about the finance perspective on M&A, corporate restructurings, and highly leveraged transactions, such as buyouts or recapitalizations. The program is beneficial for those serving in various roles in and around the organization:

- Senior executives would benefit if they want to be introduced to or better understand the role of M&A in achieving strategic growth considerations.
- Mid-level managers would benefit if they seek to enhance their involvement in and understanding of the various finance and investment functions in the organization.
- Anyone in peripheral or external roles that involve financial and legal advising as it relates to M&A strategies.

This program can be taken as a follow-up to AIF's Mergers and Acquisitions program, which provides more of a birds-eye view on the topic and offers less emphasis on the financial and quantitative aspects of M&A, or as a stand-alone program. Experience in corporate finance (including acquisition finance), capital markets, or investment management is helpful, but not required. However, it is important to note that the program is often technical and quantitative in nature and assumes a base-level knowledge of valuation methods in finance, including the concept of cash flows, cost of capital, asset valuation, and tradeoff models between risk and return, such as the CAPM and empirical factor-models.

Please contact us should you feel the need to verify your level of knowledge.

# Program at a glance

## Introduction to Acquisition Finance: Overview of the program

- Define a successful M&A?
- Underlying forces
- Importance of deal structure

## The acquisition process: An introduction to deal design

- Framework: Structure - Conduct - Outcomes

## M&A Valuation

- Valuation methods: Discounted cash flows (DCF)
- DCF, multiples, or alternative methods?
- Discount rates, cost of capital, and risk
- Valuing synergies
- Private company valuation
- Valuing liquidity and control

## Capital structure theory: A quick review

- The impacts of debt
- MM I & MM II
- Corporate taxes and tax shield assumptions
- Levering and unlevering betas
- Debt capacity

## Terms of the deal

- Determinants of form of the transaction
- Methods of transferring ownership and control
- Form of payment and financing
- Exchange ratios
- Win-win deals
- Risk management
- Caps, floors, collars
- Toeholds puzzle, termination fees, and lockups

## Empirical evidence on M&A

- Event study method: pros and cons
- US evidence
- European evidence

## Highly leveraged transactions

- Adjusted present value technique

3 days | € 4,150 | Check AIF.nl for dates

# The expert

Meet the brightest minds in finance. Learn from the world's leading finance academics and experienced corporate executives.



**Frederik P. Schlingemann** is a professor of finance at the Katz Graduate School of Business at the University of Pittsburgh.

He served as the Finance Area Director (Chair) from 2009 to 2012 and has chaired the Doctoral and Research Committee at Katz since 2018. He held the Barry J. Epstein Faculty Fellowship from 2010 to 2016 and the H.R. and Betty Young Faculty Fellowship in Finance from 2018 to 2022. He is also a Research Member of the European Corporate Governance Institute (ECGI). In addition to his professorship in Pittsburgh, Frederik also held a part-time position as a full professor of corporate finance at the Rotterdam School of Management of the Erasmus University from 2010 to 2020.

Frederik earned his doctorate in finance at the Ohio State University. He has taught a variety of courses at the executive level in Manchester, Pittsburgh, Prague, and São Paulo. He also teaches the Financial Management, Corporate Finance, Mergers and Acquisitions courses in the undergraduate program, the full-time MBA and Executive MBA programs, and Doctoral Program at Katz, where he has won several teaching awards.

Frederik's research has been published in top academic journals like the Journal of Finance, the Review of Financial Studies, the Journal of Financial Economics, and the Journal of Banking and Finance. Furthermore, his research has been cited in the Wall Street Journal, the Financial Times, The Economist, Business Week, NPR, and the New York Times.

## Enrolling & practical information

### Enrollment requirements

AIF considers each enrollment application carefully to ensure the quality and level of the program is maintained and that participation of candidates is beneficial to both themselves and their organizations. The general prerequisite for all AIF programs is the possession of an academic or equivalent degree, as well as proficiency in English and practical experience.

### Accommodation

AIF has special corporate rates available for participants at a number of hotels in central Amsterdam.

### Certificates

An AIF certificate of attendance is awarded to all participants who successfully complete the program.

### Program location

The programs are held in the financial hub in the south of Amsterdam, within an easy walk from Amsterdam Zuid Station, and within 15 minutes from Schiphol International Airport.

### Program fees

Program fees include tuition, all comprehensive program materials, books, and any software that is required for the program, as well as luncheons and daily refreshments. Accommodation is not included.

### In-company programs

For information on how AIF can add value to your organization via a tailored in-company program, please contact AIF directly at: +31 20 246 7140.

**Ready to learn more?** Find your program and reserve your place at **AIF.nl**

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