

**SLOAN SCHOOL OF MANAGEMENT
MASSACHUSETTS INSTITUTE OF TECHNOLOGY**



Egor Matveyev

IAP 2025
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15.S22 Mergers and Acquisitions

Mergers and acquisitions (M&A) are among the most common corporate transactions, with global deal volume reaching approximately 60,000 annually and valued at over \$4 trillion. For senior managers, encountering M&A transactions—whether as a buyer, seller, board member, or advisor—is almost inevitable. In these high-stakes scenarios, the ability to effectively evaluate and understand how deal structures affect various stakeholders is essential.

This course equips senior managers with the tools needed to navigate and optimize M&A transactions. Through a comprehensive framework, students will learn to assess the financial and strategic implications of deals, preparing them to lead, advise, or execute transactions that drive long-term value creation.

Learning Objectives: By the end of the course, students will:

- Master key evaluation techniques for M&A transactions, including accretion/dilution analysis.
- Understand the sources of value creation in M&A transactions.
- Analyze how deal structures—cash, debt, stock, and hybrid deals—impact value redistribution among stakeholders.
- Learn to interpret market reactions to deal announcements and use this information to estimate the perceived value of synergies.
- Address complex capital structures and their influence on value redistribution between acquiring and target companies.
- Utilize protective tools such as collars, caps, and floors to mitigate downside risks in deals.
- Differentiate between mergers, tender offers, and friendly/hostile deals, and understand how to defend against hostile takeovers.

Target Audience: This course is designed for MIT Sloan’s EMBA and SFMBA students, providing advanced knowledge and practical tools to excel in M&A transactions. Whether leading, advising, or managing M&A deals, this course prepares students to make informed decisions that maximize value.

A. Administrative Structure

Class Schedule

The class meets on January 8 and January 9, 2025. Sessions run from 8:30-11:30 am and 1:00-4:00 pm on both days.

Prerequisites

A basic understanding of core finance concepts is required for this course. Sloan Fellows should have passed 15.414 (Financial Management). EMBA students should have passed 15.724 (Financial Management). Key topics include valuation by multiples, discounted cash flow (DCF) valuation, and the cost of capital.

Contact Information and Office Hours

- Instructor: Egor Matveyev
 - Email: matveyev@mit.edu
 - Office: E62-621
- Teaching Assistant: Tony Arroyo, MBA Class of 2025 (tarroyo@mit.edu)
- Course Assistant:
 - Jasae Hinds (jasae@mit.edu, E62-631)

B. Course Materials

This course relies heavily on case studies, which are accessible on Canvas under the 'Study.Net Materials' section. You are required to obtain access and thoroughly review them in advance.

C. Course Requirements and Grading

This course is graded on a Pass/D/Fail basis. To earn a passing grade ('P'), students must meet the following requirements:

1. Attendance and Participation:
 - Full attendance at all sessions is mandatory. The TA will take attendance during each session.
 - Active participation in class discussions is expected. Students must display their name cards during all sessions.
2. Pre-Course Assignments:
 - Students must complete three assignments prior to the start of the course. The assignments are available on Canvas.

3. Take-Home Exam:

- Completion of a take-home exam is required. Details will be provided in class.

Failure to meet any of these requirements may result in a grade of 'D' or 'Fail'.

D. MIT Sloan Values and Accommodations for Students with Disabilities

Students are expected to adhere to MIT Sloan's code of conduct. Sloan is committed to fostering an inclusive environment. If you require accommodations for a disability, please inform us as early as possible. If you have an accommodation letter, schedule a meeting with the faculty to discuss your needs and ensure accommodations are in place. If you have not yet been approved for accommodations, contact Student Disability Services to begin the process. We encourage early action to allow sufficient time to implement the services or accommodations you may need.

E. Preliminary Course Outline

The tentative course outline is provided below.

Session	Date	Topics covered
1	Jan 8 8:30-10:00	Value creation Accretion/dilution analysis
2	Jan 8 10:00-11:30	MVBS analysis of M&A deals Market reaction and synergies
3	Jan 8 1:00-2:30	Deal structuring Deal structure on value redistribution and shareholder returns
4	Jan 8 2:30-4:00	Capital structure complexities and stakeholder impacts Governance issues in M&A deals
5	Jan 9 8:30-10:00	Deal negotiations Asymmetries in information on synergies
6	Jan 9 10:00-11:30	Risk management in M&A deals Collars, caps, floors
7	Jan 9 1:00-2:30	Merger agreements (DEFM 14A, S-4) Tender offers (14D-9)

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