

The Research Centre of the School of Economics and Business,
in cooperation with **the Bank of Slovenia,**
cordially invites you to a research seminar
on **Wednesday, 22nd May 2019**
at **13:00** in room **P-119**
at **the School of Economics and Business, University of Ljubljana**

Author:

Nadia Massoud, PhD

Melbourne Business School, University of Melbourne

will present the article

“The Lender Effects on M&A Gains”

“This paper employs a new approach to identify and examine the effects of lenders on acquirers’ gains from M&A transactions. We find that acquirer gains are significantly higher in M&A deals financed with syndicated loans than in other deals. Utilizing an instrumental variable approach, we provide evidence that the higher acquirer gains associated with syndicated loan financing can be attributed to lender-side factors. We then establish two channels through which lenders may affect acquirer gains: first, we use the adoption of FAS166/167 as a quasi-natural experiment and show that the lender effects on M&A gains can be attributed to lenders’ ability in choosing good quality M&A deals to finance; second, acquirer gains are also higher when the lender has a prior lending relationship with the M&A target, suggesting that lenders’ decision to finance an M&A deal could resolve the uncertainty associated with the M&A deal quality. Finally, we find that variation in lender ability, measured as average acquirer announcement returns of historical M&A deals financed by the lender, can explain variation in acquirer gains from loan-financed M&As and that lender ability is persistent over time.”

You can register for the free seminar by phone (01) 58-92-489, or via e-mail:

research.seminars@ef.uni-lj.si by Tuesday, 21st May 2019.

You can find all information regarding future research seminars on following link:

http://www.ef.uni-lj.si/raziskovanje/seminarji_in_konference

We look forward to seeing you!

