COMILLAS
UNIVERSIDAD PONTIFICIA
ICAI ICADE CIHS

Syllabus
2026 - 2027

TECHNICAL SHEET OF THE SUBJECT

Data of the subject	
Subject name	Mergers and Acquisitions : SYLLABUS - MERGERS & ACQUISITIONS 26-27
Subject code	E000011595
Mainprogram	Official Master's Degree in Business Administration - MBA
Involved programs	Máster Universitario en Administración de Empresas (MBA) [First year]
Level	Posgrado Oficial Master
Quarter	Semestral
Credits	3,0 ECTS
Type	Optativa
Department	Departamento de Gestión Financiera
Coordinator	Óscar Marcos Mallo (omarcos@comillas.edu)
Office hours	by appointment (email)
Course overview	Understanding of the statistical nature of finance and more specifically, mergers and acquisitions (M&A). The class will reflect on the new tendencies of M&A. In particular, the vision of how Big Data will affect M&A and finance will have a greater role within the course. In order to understand such dynamics a review of the fundamentals of M&A including synergies, available theoretical mocels and its applicattions will be offered within the course.

Teacher Information	
Teacher	
Name	Óscar Marcos Mallo
Department	Departamento de Gestión Financiera
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SPECIFIC DATA OF THE SUBJECT

Contextualization of the subject

Contribution to the professional profile of the degree

The lectures will approach, from a theoretical and mainly a practical approach, the assessment of companies involved in mergers and acquisitions, including the most relevant valuation methods.

Based on this assessment, the course will help students to understand the corporate activity by focusing on the creation of value and their different metrics. During the course, we will analyze the potential synergies of the transactions as the basic source of value creation. We will study for example the relation between the price payed and the control premium as well as many other basic references in order to measure value creation in a company.

Students will learn how to identify and calculate synergies, both on the revenue and on the cost side. They will also study how to analysing potential integration costs, very common in any M&A process, which sometimes make impossible the deal and some other times generate

heavy operating and management conflicts that might cause value destruction.

We will do this through practical examples using the value creation metrics previously mentioned in order to analyze the valid or invalid motives that justifies the merger and acquisition operations.

For deeper understanding of mergers and acquisitions we will work in understanding the different types of transactions and other figures, such as the sale and purchase of assets, the holding companies or the joint-ventures. Additionally we will also see the main financial, commercial, competitive and market aspects of these transactions.

All these topics will put a special emphasis in developing a non-deterministic approach to the valuation. This view will lead the way to understand how to design specific transactions. This type of approach is having a profound impact in M&A frameworks thanks to the development of Big Data.

Prerequisites

There two specific types of knowledge needed for the Mergers & Acquisitions course (both are covered in the first semester of the MBA)

- Ability to understand and manage complete financial statements
- Basic knowledge of Corporate Finance

Competencies - Objectives

Competences

GENERALES	
CG01	Analytic and synthesis cognitive capacities applied to business situations and managing and organisation problems.
CG02	Management of data and information as key elements for decision-making and for identification, formulation and resolution of business problems.
CG03	Problem-solving and decision-making skills at a strategic, tactic and operational level with regard to a business, considering the interrelationship between the different functional and business areas.
CG05	Ethical commitment with a behaviour based in moral principles and those principles of the organisation when facing moral dilemmas and corporate social responsibility issues.
CG06	Time management capacity with the purpose of improving personal and team efficiency within business organizations, its environment and its management.
CG07	Critical reasoning and argumentation according with the understanding of knowledge and know-how on business administrations, their external context and their administration and management processes.
ESPECÍFICAS DE OPTATIVIDAD	
CEO02-FINA	Comprensión de los fundamentos de las operaciones de concentración empresarial, los motivos que las impulsan, los procesos para llevar a cabo esas operaciones y los factores que pueden hacerlas fracasar.

THEMATIC BLOCKS AND CONTENTS

Contents - Thematic Blocks

1. INTRODUCTION

1.1. Main objective: value creation

1.2. Synergies: definition and types

1.3. Risks: definition and types

1.4. Rationale for M&A

1.5. Type of deals

1.6. Financing of deals

1.7. Other important issues

2. HOW TO CREATE FINANCIAL MODELS IN EXCELS

2.1. How to build financial models in Excel using the accounting statements.

2.2. How to analyse in Excel the financial track record of companies deconstructing the P&L account and transforming the Balance Sheet.

2.3. How to project financial statements in Excel using the actual accounting information and assuming future scenarios.

2.4. How to create financial statements in Excel of the NEWCO resulting from a M&A process: comparative M&A statements of plain vanilla addition of companies, M&A statements with at least two scenarios of synergies and M&A statements if the deal has been financed by share exchange, cash or a combination of both.

3. CORPORATE VALUATION TAILORED TO M&A DEALS

3.1. Introduction to corporate valuation

3.2. Valuation methods

3.3. Free Cash Flow discount valuation (Net Present Value and Internal Rate of Return):

a) Key valuation items

b) Valuation models

c) Sensitivity analysis

3.4. Peer valuation using ratios:

i) Comparable listed companies

ii) Comparable transactions

iii) Leveraged Buy Out (LBO) deals and other private equity transactions

iv) Some ideas on alternative valuation methods (real option valuation). Impact on deal structuring

4. M&A OF LISTED COMPANIES

4.1. Introduction

4.2. Preparing the deal

4.3. Steps and phases of the deal

4.4. Negotiating and closing the deal

4.5. Business case study

5. M&A OF NON-LISTED COMPANIES (PRIVATE EQUITY)

5.1. Introduction

5.2. Preparing the deal

5.3. Steps and phases of the deal

5.4. Negotiating and closing the deal

5.5. Business case study.

TEACHING METHODOLOGY

General methodological aspects of the subject

The course requires students should prepare the class beforehand.

Activities during the class

The theoretical content is around 25% of the course load. These contents are aimed to provide the student with the require knowledge to be able to solve the business cases required during the course.
Most of the lectures will have a practical approach. Students will be asked to prepare business cases. During the lecture, main aspects of the business case will be discussed including the main topics and the potential solutions to the case. These lectures seek active student participationand commitment. The business cases will be closely related to valuation both in public (listed) and private (non-listed) companies.

Other activities

The students are required to study all contents displayed in lectures and to solve some cases before each lectrure. Business cases should

be solved also before the specific lecture that addresses the case.

Use of AI

Students are authorized to use AI creatively to solve tasks and practical cases in the course, and may design new approaches jointly with the instructor. This corresponds to the use described in **Level 5 of the AI Assessment Scale** created by Mike Perkins, Leon Furze, Jasper Roe, and Jason MacVaugh.

SUMMARY STUDENT WORKING HOURS

CLASSROOM HOURS		
Lectures of an expository nature	Seminars and workshops	Analysis and resolution of cases and exercises, individually or collectively
10.00	13.00	7.00
NON-PRESENTIAL HOURS		
Analysis and resolution of cases and exercises, individually or collectively	Individual study and organized reading	Collaborative learning
29.00	11.00	5.00
		ECTS CREDITS: 3,0 (75,00 hours)

EVALUATION AND CRITERIA

The use of AI to produce full assignments or substantial parts thereof, without proper citation of the source or tool used, or without explicit permission in the assignment instructions, will be considered plagiarism and therefore subject to the University's General Regulations.

Evaluation activities	Evaluation criteria	Weight
Final test	At least a level of 4/10 is required. If final test or final grade falls below 4/10, the student will be offered a second final test in the extraordinary period in which he/she will have to obtain a 5/10. Same procedure will be used if a school waiver is needed following the standards of the business school.	50
Two case studies	Both rationale and results would be considered in the final grade. Likewise, the use of AI will be assessed according to **Level 5 of the AI Assessment Scale**, as previously described in the teaching methodology.	30

Class participation	Active class participation	10
Reading a Book on Mergers and Acquisitions or, alternatively, on Investments in Financial Markets	Each student will read a book and prepare a written report on it, which they will later present orally to the rest of the class.	10

Ratings

Students will have two opportunities to pass the course. One during the teaching period and another during the extraordinary exam period in July. In order to pass the course you need to have at least a 4/10 in the final test.

Those students that have not passed the course in the first instance will have to repeat the test and pass it with a grade of 5 or more over 10. They will keep the grades in the rest of activities obtained in the regular teaching period (if retake is succesfull).

Students with a waiver for class attendance will be graded based on the final test.

WORK PLAN AND SCHEDULE

Activities	Date of realization	Delivery date
I. Introduction Value creation and synergies Types of transactions II. Valuation Introduction Discounted cash flow models Trading multiples LBOs III. Regulation: Introduction IV. Mergers and acquisition private companies: Introduction and Case study IV. Mergers and acquisition public companies: Introduction and Case study Final test		

BIBLIOGRAPHY AND RESOURCES

Basic Bibliography

GAUGHAN , Patrick (2011): *Mergers, Acquisitions and Corporate Restructurings*. John Wiley. Nueva York. (7th ed)

MASCAREÑAS PÉREZ-ÍÑIGO, Juan (2005): *Fusiones y Adquisiciones de Empresas*. Ed. McGraw-Hill (4ª edición)

ROSENBAUM, J. & PEARL, J. (2022): *Investment Banking: Valuation, LBOs, M&A, and IPOs.* Wiley (3rd ed.)

Complementary Bibliography

ACADEMIC BOOKS:

BREALEY, R.; MYERS, S.; ALLEN, F.: *Principles of Corporate Finance*. 10th edition. Mc Graw Hill International Edition.

BRUNER, ROBERT (2004): *Applied Mergers & Acquisitions*. John Wiley. Nueva York

DAMODARAN, A. (2006). *Damodaran on Valuation: Security Analysis for Investment and Corporate Finance*. 2nd edition. Ed. John Willey & Sons.

FERNÁNDEZ, PABLO. (2004) *Valoración de empresas. Cómo medir y gestionar la creación de valor*. Ed. Gestión 2000. (3ª edición)

KOLLER, T., GOEDHART, M. Y WESSELS, D. (2005). *Valuation: Measuring and Managing the Value of Companies*. 4th Edition. Ed. John Willey & Sons.

INVESTING BOOKS:

Bernstein, William: “The four pillars of investing”. Ed: McGraw-Hill

Bogle, John: “Common sense on mutual funds”. Ed: John Wiley & Sons

Bolton, Anthony: “Investing against the tide”. Ed: FT Prentice Hall

Buffet, Mary: “Buffettology”, Ed: Simon & Schuster

Cunningham, L.; Eide, T. & Hargreaves, P.: “Quality investing” Ed. Harriman House

Dorsey, Pat: “The little books that builds wealth”. Ed: John Wiley & Sons

Dreman, David: “Contrarian Investment Strategies. The classic edition”. Ed: Free Press

Fisher, Philip A.: “Common Stocks and uncommon profits”. Ed: John Wiley & Sons

García Paramés, Francisco: “Investing for the long term”, Ed: Wiley Finance

Goodwin, Nathan: “Merger & Acquisitions Bible”

Graham, Benjamin: “The intelligent investor”, Ed: HarperCollins

Greenblatt, Joel: “The Little book that beats the market”. Ed: John Wiley & Sons

Griffin, Tren: “Charlie Munger. The complete investor”. Ed: Columbia University Press

Hagstrom, Robert: “The Warren Buffet way” Ed. John Wiley & Sons

Lacalle, Daniel: “Nosotros los mercados". Ed: Booket

Lynch, Peter: “One Up on Wall Street”. Ed: Simon & Schuster

Lowenstein, R. :”When genius failed”. Ed: Random House y Ed: Fourth Estate

Marks, Howard: “The most important thing: uncommon sense for the thoughtful investor” Ed. Columbia University Press

Nayani, Umran: “Mergers & Acquisitions made simple”

Seilern, Peter: “Only the best will do it”. Ed.: Harriman House Publishing

Templeton, L. & Philips, S.: “Investing the Templeton Way” Ed: McGraw-Hill