

INTRODUCTION AND KEY THEMES**1****INTRODUCTION AND EXECUTIVE SUMMARY**

- "How Can My Team Do Better Than the Averages?"
- A Framework for M&A Success.
- Seven New Big Ideas Worthy of the Best Practitioners.

2**ETHICS IN M&A**

- Why Should One Care?
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- What Is Good?—Consequences, Duties, Virtues.
- Promoting Ethical Behavior.
- Greenmail Case: Walt Disney, 1984.

3**DOES M&A PAY?**

- The Measurement of M&A Profitability: Better Than What?
- Findings Based on the Analysis of Returns to Shareholders.
- Findings Based on the Analysis of Reported Financial Performance.
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- Explanations of M&A Activity.
- "Creative Destruction" as the Driver of M&A Activity.
- The Many Forms of Economic Turbulence, and Where to Look for It.
- Turbulence Drives M&A Activities and Opportunities.

5**CROSS-BORDER M&A**

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- Strategic Analysis of Countries: Getting a "View."

6**STRATEGY AND THE USES OF M&A TO GROW OR RESTRUCTURE THE FIRM**

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- Restructuring, Redeployment, and Sale.
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- Does It Pay to Diversify or Focus the Firm?

7**ACQUISITION SEARCH AND DEAL ORIGINATION: SOME GUIDING PRINCIPLES**

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- Case Study: Kestrel Ventures LLC.

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- Focus on Knowledge.
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9**VALUING FIRMS**

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- Rule #2: Intrinsic Value Is Unobservable; We Can Only Estimate It.
- Rule #3: An Opportunity to Create Value Exists Where Price and Intrinsic Value Differ.
- Rule #4: So Many Estimators, So Little Time—It Helps to "Have a View."
- Rule #5: Exercise Estimators of Intrinsic Value to Find Key Value Drivers and Bets.
- Rule #6: Think Critically; Triangulate Carefully.
- Rule #7: Focus on Process, Not Product.
- Rule #8: When in Doubt, see Rule #1.
- Valuation Case: Chrysler Corporation, March 1998.

10**VALUING OPTIONS**

- Option Basics.
- Option Theory.
- Option Applications.
- Guide to Financial Option Valuation, with Some Important Caveats.

11**VALUING SYNERGIES**

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- Synergy Estimates Must Be a Central Focus of M&A Analysis.
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- Estimating Synergy Value, with Examples.
- Synergies in the Daimler/Chrysler Merger.
- Rules of Thumb.

12**VALUING THE FIRM ACROSS BORDERS**

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- Valuation Cases across Borders.

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- The Effect of Leverage on Firm Value.
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