
Contents

Introduction	ix
Part 1. Corporate Takeovers: Theoretical Justifications and Empirical Contributions	1
Introduction to Part 1	3
Chapter 1. Economic and Legal Framework of Takeover Bids in Europe	5
1.1. Corporate takeover: general description.	6
1.1.1. The control.	6
1.1.2. The takeover concept.	8
1.1.3. Techniques and classification of M&A	9
1.1.4. Conclusion.	14
1.2. The economic impact of takeover bids.	15
1.2.1. Global development over the period 1990-2000.	16
1.2.2. Characteristics of the recent M&A wave: 2001–2007.	26
1.3. Regulation and control of takeover bids in Europe	34
1.3.1. Merger and acquisition control in Europe	35
1.3.2. The role of public authorities	38
1.3.3. Harmonization of regulations on takeover bids within the European Union	42
1.4. Conclusion	46

Chapter 2. Motivations and Economic Role of Takeover Bids: a Theoretical and Empirical Characterization	49
2.1. Economic interpretation of takeover bids and plurality of their theoretical references	50
2.1.1. Economic justifications for takeover bids	50
2.1.2. Plurality of theoretical references on the potential effectiveness of takeover bids	60
2.1.3. Conclusion	67
2.2. Performance and effectiveness of takeover bids: results of empirical research	68
2.2.1. Short term performance of companies: around the event date	70
2.2.2. Long-term acquisition performance: abnormal post acquisition return	77
2.2.3. Conclusion	81
2.3. Motivations of takeover bids: results of empirical research	82
2.3.1. Empirical studies on targets profile	84
2.3.2. Empirical studies of acquiring companies' profiles	98
2.3.3. Joint empirical studies of the profiles of acquirers and targets	100
Part 2. Exploration of Predictive Variables for Takeover Bids and Forecast of European Targets	105
Introduction to Part 2	107
Chapter 3. Detection of Predictive Variables for Corporate Takeover: an Exploratory Study	109
3.1. Conceptual and empirical framework: theoretical positioning, survey characteristics and choice of data analysis method	109
3.1.1. The theoretical positioning of the exploratory study	110
3.1.2. The questionnaire characteristics	111
3.1.3. Statistical analysis of responses	113
3.2. Results of empirical tests: exploratory factor analysis in principal components	114
3.2.1. Reliability and validity of the measurement scale	114

3.2.2. Qualitative analysis of responses	116
3.2.3. Results of the exploratory factor analysis of variables	122
3.2.4. Conclusion	132
Chapter 4. Developing a Takeover Prediction Model: The European Case	135
4.1. Empirical analysis: hypotheses, sample selection and statistical methodology	136
4.1.1. Formulation of hypotheses and measurement variables	136
4.1.2. Selection of samples and data collection	150
4.1.3. Methodological choices and statistical processing	156
4.1.4. Conclusion	161
4.2. Modeling takeover bids in Europe: predicting takeover targets.	162
4.2.1. Univariate analysis results.	163
4.2.2. Results of the multivariate analysis	176
4.2.3. Performance and predictive ability of the developed models.	193
4.2.4. Conclusion.	201
Conclusion	203
Bibliography	209
Index	221