



2,853 79

Views | CrossRef citations to date | Altmetric

0

Original Articles

The performance of UK firms acquiring large cross-border and domestic takeover targets

M. S. B. Aw & R. A. Chatterjee

Pages 337-349 | Published online: 02 Feb 2007

📖 Cite this article 🔗 <https://doi.org/10.1080/0960310042000211605>

Sample our
Economics, Finance,
Business & Industry Journals
>> [Sign in here](#) to start your access
to the latest two volumes for 14 days

📄 Full Article

📊 Figures & data

📖 References

📖 Citations

📊 Metrics

📄 Reprints & Permissions

📖 Read this article

📖 Share

We Care About Your Privacy

We and our 907 partners store and access personal data, like browsing data or unique identifiers, on your device. Selecting "I Accept" enables tracking technologies to support the purposes shown under "we and our partners process data to provide," whereas selecting "Reject All" or withdrawing your consent will disable them. If trackers are disabled, some content and ads you see may not be as relevant to you. You can resurface this menu to change your choices or withdraw consent at any time by clicking the ["privacy preferences"] link on the bottom of the webpage [or the floating icon on the bottom-left of the webpage, if applicable]. Your choices will have effect within our Website. For more details, refer to our Privacy Policy. [Here](#)

We and our partners process data to provide:

...

I Accept

Reject All

Show Purpose

underperforming. And the particularly poor performance of UK companies acquiring in Europe suggests that this anomaly may become even more significant as European cross-border activity gathers pace.

Notes

- ¹ The Rosters are extracted quarterly from the Securities Data Company Merger & Corporate Transactions Database, a computer-accessible data bank of M&A activity from 1981 to present (from Rosters, Mergers & Acquisitions).
- ² The 50% figure was selected so as to eliminate companies that were only acquiring an interest in the target company.
- ³ It is acknowledged that the threshold set is somewhat arbitrary, but it is considered that this would filter the large acquisitions desired for this study.
- ⁴ See Appendix A for final sample list.
- ⁵ See Appendix B for a list of company's that have changed names.
- ⁶ The estimated model is $y = \alpha + \beta_1x_1 + \beta_2x_2 + \dots + \beta_nx_n + \epsilon$, where y is the dependent variable, x_1, x_2, \dots, x_n are the independent variables, α and β are the parameters to be estimated, and ϵ is the error term.
- ⁷ Conn a... use pre-
event es
- ⁸ Conn a
- ⁹ t — the
acquir
- ¹⁰ Conn
- ¹¹ Logari...buted
(compar...ptions of
standard



¹² Arithmetic averaging implies rebalancing to equal weights each period (Blume and Stambaugh, [1983](#)).

¹³ See Brown and Warner ([1980](#)).

¹⁴ See [tables 4](#) and [5](#) for significance level.

¹⁵ Firth ([1979](#)), using the MM, found significant abnormal losses of around -8.2% in the 12 month post-bid period on a UK sample.

¹⁶ However, their base date is the date at which the bidder has enough shares to guarantee control of the target.

¹⁷ The results are consistent with Conn and Connell ([1990](#)), when comparing their results calculated using parameters estimated on a similar pre-announcement period. However, Conn and Connell ([1990](#)) also used different estimation periods for the calculation of the parameters, which led to different results.

¹⁸ Where t is the announcement month of the bid.

¹⁹ Although they too experienced negative CARs.

²⁰ Although a possible explanation may be that their sample period of 1975–1990, focusing

²¹ See O

²² The fa mental
European ment feels
more op vironment in
the US c ringent
guide



Relat

Post-t

Sourc

Foreig

acquiring firms

Source: Journal of Banking & Finance

The financial performance of companies acquiring very large takeover targets

Source: Applied Financial Economics

INTERNATIONAL MERGERS: RETURNS TO U.S. AND BRITISH FIRMS

Source: Journal of Business Finance & Accounting

Biases in computed returns

Source: Journal of Financial Economics

SENSITIVITY OF ACQUIRING FIRMS' RETURNS TO ALTERNATIVE MODEL SPECIFICATIONS AND DISAGGREGATION

Source: Journal of Business Finance & Accounting

The Effect of Corporate Multinationalism on Shareholders' Wealth: Evidence from International Acquisitions

Source: The Journal of Finance

An Examination of the Long Run Performance of UK Acquiring Firms

Source: Journal of Business Finance & Accounting

The wealth effect of merger activity and the objective functions of merging firms

Source: Journal of Financial Economics

The market for corporate control

Source: Journal of Financial Economics

The Hubris Hypothesis of Corporate Takeovers

Source: The Journal of Business

Merger bids, uncertainty, and stockholder returns

Source

Detect

test s

Source

Return

Source

Takeo

Source

S

So

A CO

Source

Meas

Source

Intern

Source

Econ

Source: Unknown Repository



The Role of Acquisitions in Foreign Direct Investment: Evidence from the U.S. Stock Market

Source: The Journal of Finance

Corporate Mergers and Shareholder Wealth Effects: 1977-1986

Source: Accounting and Business Research

Using daily stock returns

Source: Journal of Financial Economics

The Foreign Acquirer Bonanza: Myth Or Reality?

Source: Journal of Business Finance & Accounting

TAKEOVER ACTIVITY, CEO TURNOVER, AND THE MARKET FOR CORPORATE CONTROL

Source: Journal of Business Finance & Accounting

International acquisitions in the united states: Evidence from returns to foreign bidders

Source: Managerial and Decision Economics

MODELLING ABNORMAL RETURNS: A REVIEW ARTICLE


Source: Journal of Business Finance & Accounting

The Profitability of Takeovers and Mergers

Source: The Economic Journal

The Effect of a Merger on the Share Price of the Attacker, Revisited

Source: Accounting and Business Research

Linking provided by  ScholeSplorer

Related



Information for

- Authors
- R&D professionals
- Editors
- Librarians
- Societies

Opportunities

- Reprints and e-prints
- Advertising solutions
- Accelerated publication
- Corporate access solutions

Open access

- Overview
- Open journals
- Open Select
- Dove Medical Press
- F1000Research

Help and information

- Help and contact
- Newsroom
- All journals
- Books

Keep up to date

Register to receive personalised research and resources by email

 Sign me up



Copyright © 2024

Accessibility

Registered in England
5 Howick Place

John Wiley & Francis Group
a John Wiley & Francis business

