Applied Financial Economics ›

Volume 5, 1995 - Issue 4

24 Views | 2 CrossRef citations to date | 0 Altmetric

Original Articles

Management buyout announcements and securities returns in the UK: further evidence for the period 1981-91

B. Saadouni, C. A. Mallin & R. J. Briston

Pages 243-250 | Published online: 02 Nov 2006

Cite this article https://doi.org/10.1080/758536874

Sample our Economics, Finance, Business & Industry Journals

>> Sign in here to start your access to the latest two volumes for 14 days

References Citations Metrics Reprints & Permissions

Read this article Share

Abstract

The response of security prices to management buyout (MBO) announcements for the period 1981-91 is examined. Investigations for any size effect in relation to the MBOs, and analyses of the impact of management buyout announcements both before and after the 1987 stock market break are also made. MBO divestments in the UK over the period 1981-91 are generally associated with negative abnormal returns, most of this abnormal return arising on the announcement date. It is found that there is a negative relationship between the size of the divested unit and the excess returns experienced by existing shareholders, and that, on average, the 1987 stock market break had a positive effect on shareholders' wealth with respect to MBO divestments

Related research

People also read | Recommended articles | Cited by 2

Security price reaction to divestments by healthy and financially distressed firms: the case of MBOs

B. Saadouni et al.
Applied Financial Economics
Published online: 6 Oct 2010

Information for

Authors
R&D professionals
Editors
Librarians
Societies

Open access

Overview
Open journals
Open Select
Dove Medical Press
F1000Research

Opportunities

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

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 © 2026 Informa UK Limited Privacy policy
Cookies Terms & conditions Accessibility

Taylor & Francis by informa

Registered in England & Wales No. 01072954
5 Howick Place | London | SW1P 1WG