



**FACULTY OF BUSINESS**

**FINAL EXAMINATION**

Student ID (in Figures) : 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Student ID (in Words) : \_\_\_\_\_  
\_\_\_\_\_

Course Code & Name : **FIN3123 MERGERS, ACQUISITION and CORPORATE RESTRUCTURING**  
Semester & Year : SEPTEMBER – DECEMBER 2021  
Lecturer/Examiner : MR. RAVINDRAN RAMAN  
Duration : 3 Hours

---

**INSTRUCTIONS TO CANDIDATES**

1. This question paper consists of 2 parts:  
PART A (25 marks) : Answer all THREE (3) short answer questions. Answers are to be written in the Answer Booklet provided.  
PART B (75 marks) : Answer all THREE (3) structured type answer questions. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

**WARNING:** The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students’ Handbook, up to and including expulsion from BERJAYA University College.

**Total Number of pages = 3 (Including the cover page)**

**PART A : SHORT ANSWER QUESTIONS (25 MARKS)**

**INSTRUCTION (S)** : Answer **ALL THREE (3)** questions in this section. Write your answers in the answer booklet(s) provided.

---

**Question 1**

Explain the following terms:

(a) Takeover (3 marks)

(b) A Merger (3 marks)

(c) Acquisitions (3 marks)

**(Total 9 marks)**

**Question 2**

Distinguish **TWO (2)** differences between a friendly merger and a hostile merger.

**(8 marks)**

**Question 3**

Explain **FOUR (4)** financial motives by a firm during a mergers and acquisition exercise.

**(8 marks)**

**END OF PART A**

**PART B : STRUCTURED QUESTIONS (75 MARKS)**

**INSTRUCTION (S)** : Answer **ALL THREE (3)** questions. Write your answers in the answer booklet(s) provided.

---

**Question 1**

One of the techniques which are used widely to make an acquisition is through a leverage buyout (LBO), which consumes large amount of debt to purchase a firm. Discuss **FIVE (5)** various considerations of the leverage buyout.

(25 marks)

**Question 2**

Suppose a firm is going through a difficult financial period which may lead to collapse of the firm, hence they would decide to go for a merger with an objective to save the firm. Describe **FIVE (5)** objectives which would fulfill to save the firm.

(25 marks)

**Question 3**

Explain **FIVE (5)** key activities which moves along the life cycle of a merger and acquisition exercise.

(25 marks)

**END OF QUESTION PAPER**