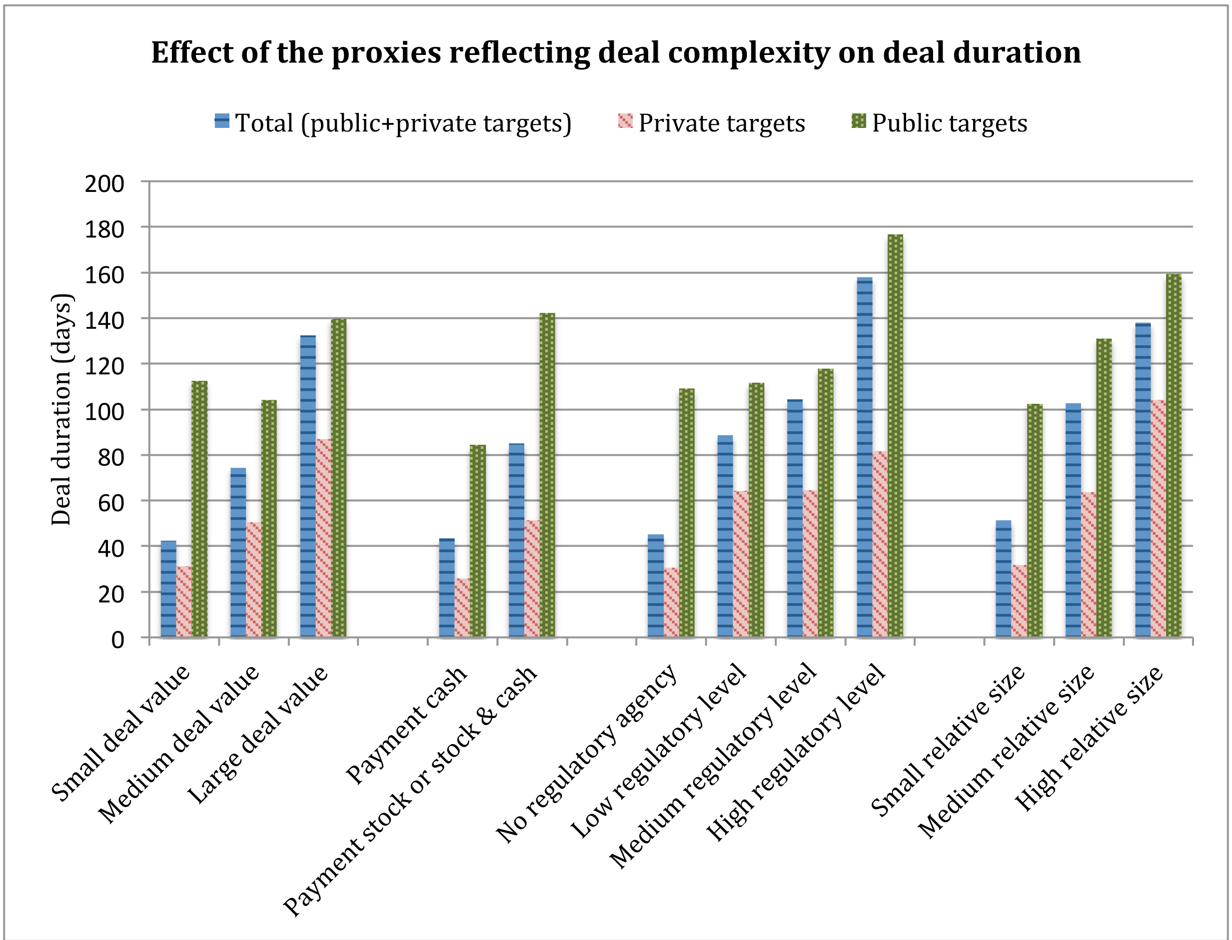
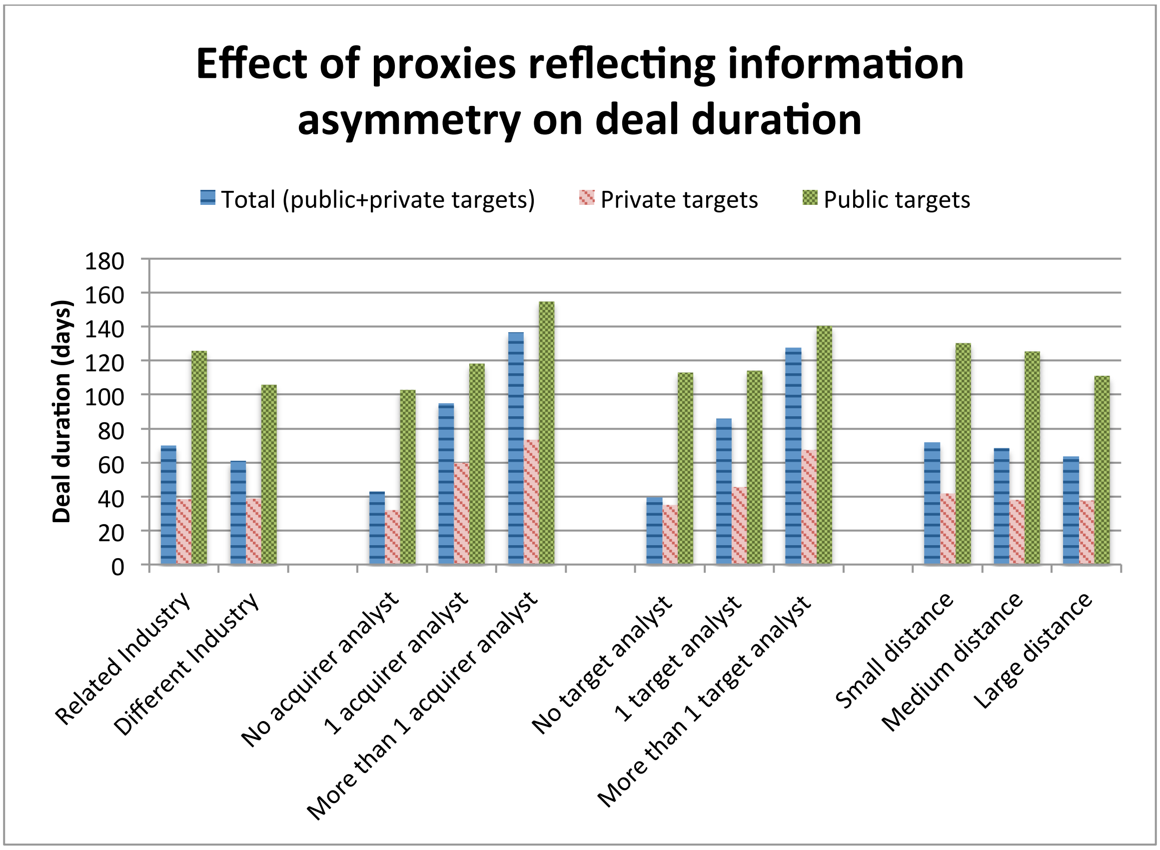
Appendices

Appendix 1 : Effect of the proxies reflecting deal complexity on deal duration



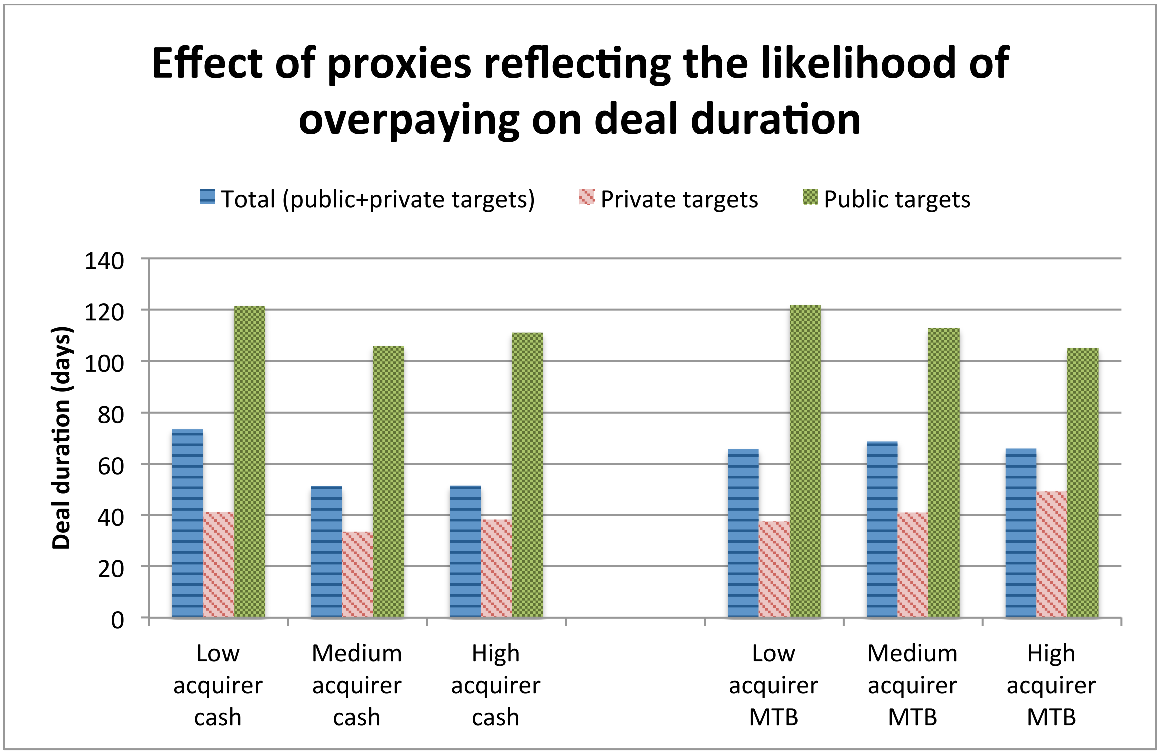
The graph shows the effect of the four proxies reflecting deal complexity on deal duration. The classification for deal value is 0-50$ mil. (small), 50-500$ mil., >500$ mil.. For the regulation the level distinction is made depending on the regulatory agencies scrutinizing the deal: 0 (no regulatory agency), 1-2 (low level), 3-4 (medium level) and >4 (high level). Lastly the relative size (calculated by dividing deal value by acquirer market value) is classified as the following : 0-0,3 (small), 0,3-0,7 (medium) and >0,7 (high).

Apppendix 2 : Effect of the proxies reflecting information asymmetry on deal duration



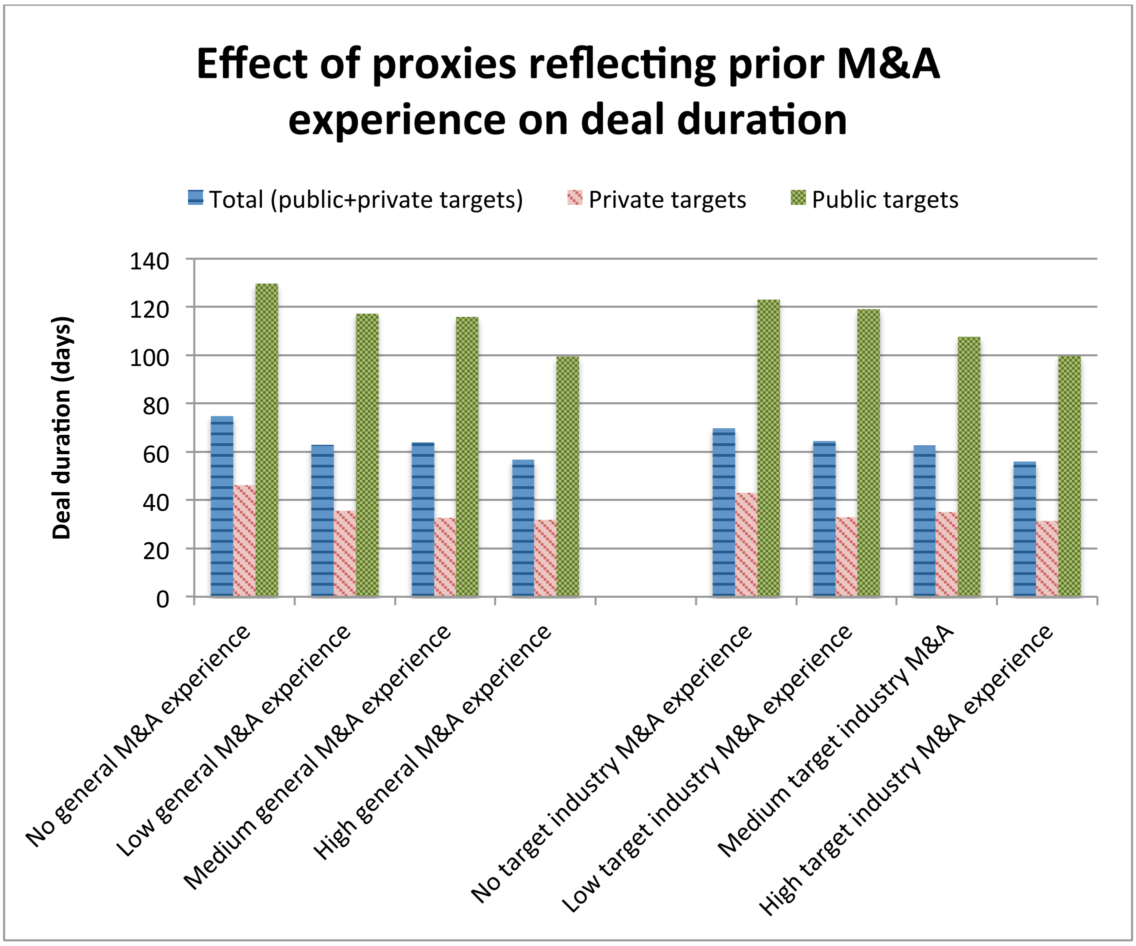
The graph shows the effect of the four proxies reflecting information asymmetry on deal duration. The classification for distance is 0-100 km. (small), 100-500 km. (medium) and >500$ km. (large).

Appendix 3 : Effect of the proxies reflecting the likelihood of overpaying on deal duration



The graph shows the effect of the two proxies reflecting the likelihood of overpaying on deal duration. The classification for acquirer cash is 0-0,3 (low), 0.3-0.7 (medium) and >0.7 (high). The acquirer market-to-book (MTB) ratio is classified as the following: 0-5 (low), 5-100 (medium) and >100 (high)

Appendix 4 : Effect of the proxies reflecting prior M&A experience on deal duration



The graph shows the effect of the two proxies reflecting prior M&A experience on deal duration. The classification for both proxies is the following: 0 (no experience), 1-2 (low experience), 3-4 (medium experience) and >0.7 (high experience).

Appendix 5 : Descriptive explanatory variables: sample of private and public targets

	Mean	Standard dev.	1	2	3	4	5	6	7	8	9	10	11	12	VIF*
1. Duration	66.64	84.76	1.00	0.05	0.37	0.24	-0.12	0.01	0.37	0.33	0.35	-0.04	0.01	-0.04	1.35
2. Related industry	0.62	0.49	0.05	1.00	0.06	0.06	0.07	-0.01	0.05	0.05	0.07	0.00	-0.02	-0.07	1.14
3. Deal value (log value)	17.82	2.14	0.37	0.06	1.00	0.03	-0.16	0.02	0.55	0.62	0.57	0.01	0.01	0.12	2.26
4. Payment method	0.55	0.50	0.24	0.06	0.03	1.00	0.11	0.03	-0.01	0.02	0.15	0.00	0.04	-0.13	1.13
5. Acquirer's cash	0.22	0.27	-0.12	0.07	-0.16	0.11	1.00	0.02	-0.14	-0.15	-0.05	0.05	0.00	-0.03	1.07
6. MTB	7.37	176.81	0.01	-0.01	0.02	0.03	0.02	1.00	0.00	0.01	0.01	0.00	0.00	0.00	1.00
7. Regulation	0.59	0.89	0.37	0.05	0.55	-0.01	-0.14	0.00	1.00	0.43	0.41	-0.02	-0.01	0.08	1.54
8. Target advisors	0.60	0.66	0.33	0.05	0.62	0.02	-0.15	0.01	0.43	1.00	0.48	0.02	0.01	0.02	1.74
9. Acquirer advisors	0.48	0.65	0.35	0.07	0.57	0.15	-0.05	0.01	0.41	0.48	1.00	-0.01	0.01	-0.04	1.70
10. Distance	1510.4	1396.80	-0.04	0.00	0.01	0.00	0.05	0.00	-0.02	0.02	-0.01	1.00	0.01	0.02	1.01
11. Relative size	0.60	10.78	0.01	-0.02	0.01	0.04	0.00	0.00	-0.01	0.01	0.01	0.01	1.00	-0.02	1.00
12. General M&A experience	2.64	6.14	-0.04	-0.07	0.12	-0.13	-0.03	0.00	0.08	0.02	-0.04	0.02	-0.02	1.00	4.89
13. Target industry M&A experience	66.64	84.76	-0.04	0.09	0.12	-0.13	-0.02	0.00	0.07	0.03	-0.03	0.03	-0.01	0.86	4.89

*VIF stands for the variance inflation factor.

Appendix 6 : Descriptive explanatory variables: sample of private targets

	Mean	Standard dev.	1	2	3	4	5	6	7	8	9	10	11	12	VIF*
1. Duration	38.73	67.03	1.00	0.00	0.15	0.19	-0.04	0.02	0.21	0.09	0.18	-0.01	0.01	-0.02	1.13
2. Related industry	0.61	0.49	0.00	1.00	0.04	0.02	0.09	-0.01	0.03	0.04	0.05	0.01	-0.03	-0.07	1.12
3. Deal value (log value)	16.99	1.75	0.15	0.04	1.00	-0.08	-0.04	0.02	0.41	0.47	0.40	0.06	0.00	0.16	2.03
4. Payment method	0.52	0.50	0.19	0.02	-0.08	1.00	0.14	0.04	-0.06	-0.07	0.10	0.01	0.03	-0.12	1.21
5. Acquirer's cash	0.27	0.25	-0.04	0.09	-0.04	0.14	1.00	0.02	-0.06	-0.03	0.07	0.05	0.01	-0.02	1.06
6. MTB	6.55	211.54	0.02	-0.01	0.02	0.04	0.02	1.00	0.00	0.01	0.02	-0.01	0.00	0.00	1.00
7. Regulation	0.30	0.61	0.21	0.03	0.41	-0.06	-0.06	0.00	1.00	0.27	0.25	0.00	-0.01	0.09	1.32
8. Target advisors	0.32	0.52	0.09	0.04	0.47	-0.07	-0.03	0.01	0.27	1.00	0.31	0.05	0.01	0.03	1.35
9. Acquirer advisors	0.25	0.48	0.18	0.05	0.40	0.10	0.07	0.02	0.25	0.31	1.00	0.03	-0.01	-0.05	1.31
10. Distance	1508.7	1406.62	-0.01	0.01	0.06	0.01	0.05	-0.01	0.00	0.05	0.03	1.00	0.01	0.00	1.01
11. Relative size	0.58	12.24	0.01	-0.03	0.00	0.03	0.01	0.00	-0.01	0.01	-0.01	0.01	1.00	-0.02	1.00
12. General M&A experience	2.67	6.68	-0.02	-0.07	0.16	-0.12	-0.02	0.00	0.09	0.03	-0.05	0.00	-0.02	1.00	5.31
13. Target industry M&A experience	1.42	3.64	-0.03	0.09	0.15	-0.13	-0.01	0.00	0.09	0.03	-0.04	0.02	-0.02	0.87	4.67

*VIF stands for the variance inflation factor.

Appendix 7 : Descriptive explanatory variables: sample of public targets

	Mean	Standard dev.	1	2	3	4	5	6	7	8	9	10	11	12	VIF*
1. Duration	118.59	89.70	1.00	0.11	0.20	0.31	-0.10	-0.01	0.21	0.11	0.17	-0.11	0.01	-0.10	1.25
2. Related industry	0.64	0.48	0.11	1.00	0.06	0.12	0.08	0.01	0.05	0.04	0.09	-0.04	0.01	-0.09	1.16
3. Deal value (log value)	19.38	1.93	0.20	0.06	1.00	0.10	-0.16	-0.01	0.43	0.41	0.48	-0.07	0.02	0.14	9.61
4. Payment method	0.61	0.49	0.31	0.12	0.10	1.00	0.10	0.03	-0.06	0.03	0.16	-0.03	0.04	-0.16	1.35
5. Acquirer's cash	0.18	0.20	-0.10	0.08	-0.16	0.10	1.00	0.03	-0.10	-0.13	-0.02	0.09	-0.02	0.03	1.12
6. MTB	8.91	78.50	-0.01	0.01	-0.01	0.03	0.03	1.00	-0.02	-0.01	0.00	0.05	-0.01	0.00	1.01
7. Regulation	1.12	1.06	0.21	0.05	0.43	-0.06	-0.10	-0.02	1.00	0.21	0.27	-0.05	0.00	0.11	1.36
8. Target advisors	1.12	0.58	0.11	0.04	0.41	0.03	-0.13	-0.01	0.21	1.00	0.28	-0.03	-0.01	0.05	1.24
9. Acquirer advisors	0.89	0.73	0.17	0.09	0.48	0.16	-0.02	0.00	0.27	0.28	1.00	-0.07	0.05	-0.04	1.49
10. Distance	1513.5	1378.67	-0.11	-0.04	-0.07	-0.03	0.09	0.05	-0.05	-0.03	-0.07	1.00	-0.02	0.07	1.04
11. Relative size	0.64	7.34	0.01	0.01	0.02	0.04	-0.02	-0.01	0.00	-0.01	0.05	-0.02	1.00	-0.01	1.05
12. General M&A experience	2.60	4.98	-0.10	-0.09	0.14	-0.16	0.03	0.00	0.11	0.05	-0.04	0.07	-0.01	1.00	3.64
13. Target industry M&A experience	1.42	2.81	-0.08	0.09	0.12	-0.15	0.04	0.00	0.09	0.04	-0.04	0.04	0.00	0.82	3.48

*VIF stands for the variance inflation factor.

Appendix 8 : Poisson Count and OLS Regression on sample of private targets with the definition of Muehlfeld et al. (2012) (model 2 and 3)

		MODEL 2		MODEL 3	
	Expected sign	Poisson Count	OLS	Poisson Count	OLS
Coefficient		2.665887***	40.88654*	2.660655***	41.34043***
Hypothesis 1: Deal complexity					
Stock, mix stock & cash	+	0.5561709***	20.43714***	0.5599577***	20.57423***
Regulation	+	0.3661328***	20.04552***	0.3699632***	20.16687***
Relative Size	+	0.0005618	0.0268503	0.0007337	0.035265
Deal Value	+	0.0748204***	2.668571***	0.0723294***	2.515253***
Hypothesis 2: Information asymmetry					
Related industry	-	-0.0590115	-1.826559	-0.0102178	0.139556
Distance	+	-0.0000189	-0.0007485	-0.0000191	-0.0007475
Acquirer’s advisors	-	0.2532019***	13.19285***	0.2541532***	13.2926***
Target’s advisors	-	-0.0236849	-0.0094261	-0.0280569	-0.1130913
Hypothesis 3: Likelihood of overpaying					
Acquirer’s cash	-	-0.3277253**	-14.535***	-0.284439**	-12.71203**
MTB	-	0.000104	0.0023464	0.0000882	0.0020497
Hypothesis 4: M&A Experience					
General M&A experience	-	-0.234557***	-9.711483***	N/A	N/A
Target industry M&A Experience	-	N/A	N/A	-0.191171***	-7.574704***
R-squared		0.11	0.13	0.11	0.13

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 9: Two-step Heckman test on sample of private targets with the definition of Muehlfeld et al. (2012) (model 2 and 3)

	Significant in regressions	MODEL 2		MODEL 3	
		1st step	2nd step	1st step	2nd step
Coefficient		2.956***	43.77**	3.012***	42.41***
Hypothesis 1: Deal complexity					
Stock, mix stock & cash	Yes	-0.6324***	14.77***	-0.6395***	18.66***
Regulation	Yes	0.01153	20.19***	0.006627	20.2***
Relative Size	No	-0.0005899	0.008912	-0.0007306	0.02854
Deal Value	Yes	-0.04805	2.238***	-0.04858	2.377***
Hypothesis 2: Information asymmetry					
Related industry	No	0.1385	-0.5093	0.09667	0.443
Distance	No	0.00001956	-0.000564	0.00001907	-0.0006868
Acquirer's advisors	Yes	0.1381	14.53***	0.1406	13.74***
Target's advisors	No	0.1899*	1.564	0.1987*	0.4266
Hypothesis 3: Likelihood of overpaying					
Acquirer's cash	Yes	0.2455	-12.12**	0.1922	-12.09***
MTB	No	0.00007071	0.00303	0.00007861	0.002306
Hypothesis 4: M&A Experience					
General M&A experience	Yes	0.2487***	-7.172**	N/A	N/A
Target industry M&A experience	Yes	N/A	N/A	0.2477**	-6.855**
Inverse Mills ratio			85.593		28.603

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 10: Poisson Count and OLS Regression on sample of public targets with the definition of Muehlfeld et al. (2012) (model 2 and 3)

		MODEL 2		MODEL 3	
	Expected sign	Poisson Count	OLS	Poisson Count	OLS
Coefficient		4.1603***	56.0259727	4.158***	55.4417123
Hypothesis 1: Deal complexity					
Stock, mix stock & cash	+	0.49269***	54.7545***	0.49345***	54.8375***
Regulation	+	0.12881***	17.3132***	0.12758***	17.1431***
Relative Size	+	-0.0008786	-0.1104927	-0.00080824	-0.1024981
Deal Value	+	0.017644	1.9741662	0.016402	1.8484713
Hypothesis 2: Information asymmetry					
Related industry	-	0.08944***	10.7555***	0.1135***	13.6222***
Distance	+	-0.00004***	-0.0043***	-0.000037***	-0.0043***
Acquirer's advisors	-	0.031248	3.8245787	0.031749	3.951005
Target's advisors	-	0.025245	3.1500679	0.026508	3.2522547
Hypothesis 3: Likelihood of overpaying					
Acquirer's cash	-	-0.34415***	-41.7020***	-0.33947***	-41.1445***
MTB	-	-0.0001962	-0.0192602	-0.00019762	-0.0197924
Hypothesis 4: M&A Experience					
General M&A experience	-	-0.12054***	-14.5572***	N/A	N/A
Target industry M&A experience	-	N/A	N/A	-0.089373***	-10.885***
R-squared		0.23	0.19	0.22	0.19

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 11: Two-step Heckman test on sample of public targets with the definition of Muehlfeld et al. (2012) (model 2 and 3)

	Significant in regressions	MODEL 2		MODEL 3	
		1st step	2nd step	1st step	2nd step
Coefficient		1.906***	34.239602	1.89***	32.08
Hypothesis 1: Deal complexity					
Stock, mix stock & cash	Yes	-0.09793	47.5537***	-0.1007	46.95***
Regulation	Yes	0.2551***	34.1533***	0.257***	35.1***
Relative Size	No	-0.001313	-0.305029	-0.001424	-0.3174
Deal Value	No	-0.1094***	-4.89734*	-0.1074***	-5.289*
Hypothesis 2: Information asymmetry					
Related industry	Yes	0.1283*	20.1812***	0.1138.	22.54***
Distance	Yes	0.00006421	0.004089	0.00006452	0.004347
Acquirer's advisors	No	0.1448***	12.743035**	0.1422**	13.2**
Target's advisors	No	0.4099***	29.698019***	0.4092***	31.23***
Hypothesis 3: Likelihood of overpaying					
Acquirer's cash	Yes	0.03684	-37.072763**	0.02876	-36.67**
MTB	No	0.002336*	0.00651	0.002321*	0.00879
Hypothesis 4: M&A Experience					
General M&A experience	Yes	0.1375**	-4.46511	N/A	N/A
Target industry M&A experience	Yes	N/A	N/A	0.0763	-5.161
Inverse Mills ratio			219.46***		232.21***

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 12: Poisson Count and OLS Regression on sample of public targets with the interaction of distance and target size

		MODEL 1		MODEL 2		MODEL 3	
	Expected sign	Poisson Count	OLS	Poisson Count	OLS	Poisson Count	OLS
Coefficient		3.7898***	2.9094616	3.8062***	6.023999	3.8211***	7.5010329
Hypothesis 1: Deal complexity							
Stock, mix stock & cash	+	0.47679***	53.1982***	0.47779***	53.4118***	0.4796***	53.4908***
Regulation	+	0.1257***	16.9445***	0.12565***	16.9241***	0.12509***	16.8764***
Relative Size	+	-0.000866	-0.107249	-0.000862	-0.105807	-0.000809	-0.101484
Deal Value	+	0.03681**	4.71858***	0.03585***	4.52878***	0.03436***	4.39634***
Hypothesis 2: Information asymmetry							
Related industry	-	0.08552***	10.473***	0.08497***	10.3027***	0.10183***	11.9126***
Distance small targets	+	0.00008***	0.010***	0.00008***	0.01008***	0.00008***	0.00996***
Acquirer's advisors	-	0.024322	2.9427859	0.025723	3.3460337	0.027782	3.4958074
Target's advisors	-	0.031656	4.0998186	0.031877	4.1962916	0.032255	4.1827407
Hypothesis 3: Likelihood of overpaying							
Acquirer's cash	-	-0.3201***	-39.649***	-0.3139***	-38.535***	-0.3136***	-38.584***
MTB	-	-0.000301	-0.03422**	-0.000312	-0.03544**	-0.000313*	-0.03546**
Hypothesis 4: M&A Experience							
General M&A experience	-	-0.016***	0.05579***	-0.011***	-0.9153***	N/A	N/A
Target industry M&A experience	-	-0.003902	-0.520416	N/A	N/A	-0.01478**	-1.40835**
Interaction experience	+	0.00048***	0.05578**				
R-squared		0.24	0.20	0.24	0.20	0.24	0.20

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 13: Two-step Heckman test on sample of public targets with the interaction of distance and target size

	Significant in regressions	MODEL 1		MODEL 2		MODEL 3	
		1st step	2nd step	1st step	2nd step	1st step	2nd step
Coefficient		2.073***	-2.729	2.079***	-2.066	1.98***	-3.936687
Hypothesis 1: Deal complexity							
Stock, mix stock & cash	Yes	-0.07862	48.23***	-0.08021	47.76***	-0.09095	46.772***
Regulation	Yes	0.2509***	29.59***	0.2504***	30.6***	0.2527***	32.565***
Relative Size	No	-0.001153	-0.2696	-0.001237	-0.2821	-0.001465	-0.314349
Deal Value	Yes	-0.1192***	-0.9916	-0.119***	-1.53	-0.1122***	-2.365743
Hypothesis 2: Information asymmetry							
Related industry	Yes	0.1481**	17.58***	0.1354**	18.43***	0.1058	19.8311**
Distance	Yes	0.00005521	N/A	0.00005574	N/A	0.00006147	N/A
Small-sized targets		N/A	0.0203***	N/A	0.0205***	N/A	0.0214***
Acquirer's advisors	No	0.1728***	10.71**	0.173***	11.47**	0.1587***	12.61498*
Target's advisors	No	0.4082***	23.3***	0.4074***	24.99***	0.4077***	28.2174**
Hypothesis 3: Likelihood of overpaying							
Acquirer's cash	Yes	0.03176	-36.85***	0.03214	-36.02***	0.02279	-35.1407*
MTB	No	0.00226	-0.008739	0.002223	-0.007151	0.002274*	-0.003652
Hypothesis 4: M&A Experience							
General M&A experience	Yes	0.05153***	0.03637	0.04291***	0.3984	N/A	N/A
Target industry M&A experience	Yes	-0.02471	-0.1886	N/A	N/A	0.04341**	0.810049
Interaction experience	Yes	0.0007294	0.01676				
Inverse Mills Ratio			164.79***		178.73***		204.2***

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 14: Poisson Count and OLS Regression on sample of private targets with the interaction of distance and target size

		MODEL 1		MODEL 2		MODEL 3	
	Expected sign	Poisson Count	OLS	Poisson Count	OLS	Poisson Count	OLS
Coefficient		2.7869***	44.194*	2.8924***	48.125**	2.8974***	48.05**
Hypothesis 1: Deal complexity							
Stock, mix stock & cash	+	0.56993***	20.977***	0.57311***	21.214***	0.57293***	21.19***
Regulation	+	0.37265***	20.219***	0.37657***	20.302***	0.3764***	20.294***
Relative Size	+	0.00076439	0.037007	0.00083924	0.040303	0.00084438	0.040497
Deal Value	+	0.065635**	2.3557**	0.059587**	2.1216**	0.059112**	2.1182**
Hypothesis 2: Information asymmetry							
Related industry	-	-0.043362	-1.1662	-0.065172	-2.2355	-0.06121	-2.0009
Distance Small Targets	+	-0.0000592	-0.001485	-0.0000634	-0.001643	-0.0000636	-0.001644
Acquirer’s advisors	-	0.25835***	13.315***	0.26616***	13.659***	0.26696***	13.668***
Target’s advisors	-	-0.024093	0.060387	-0.023789	-0.042912	-0.023445	-0.038054
Hypothesis 3: Likelihood of overpaying							
Acquirer’s cash	-	-0.29648**	-13.004***	-0.26838**	-11.941***	-0.26831**	-11.931***
MTB	-	0.00008646	0.0018846	0.00008304	0.001721	0.000083	0.001730
Hypothesis 4: M&A Experience							
General M&A experience	-	-0.011704	-0.39932*	-0.0021668	-0.10742	N/A	N/A
Target industry M&A experience	-	-0.020976	-0.8765*	N/A	N/A	-0.00343	-0.20787
Interaction experience	+	0.00064***	0.02389***				
R-squared		0.11	0.13	0.11	0.12	0.11	0.12

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 15: Two-step Heckman test on sample of private targets with the interaction of distance and target size

	Significant in regressions	MODEL 1		MODEL 2		MODEL 3	
		1st step	2nd step	1st step	2nd step	1st step	2nd step
Coefficient		3.186***	50.48**	3.209***	53.26**	3.13***	51.78***
Hypothesis 1: Deal complexity							
Stock, mix stock & cash	Yes	-0.6268***	11.95***	-0.6246***	10.19**	-0.6416***	13.69***
Regulation	Yes	0.008738	20.35***	0.007891	20.4***	0.006421	20.38***
Relative Size	No	-0.0004974	0.006684	-0.0004932	0.001679	-0.0007104	0.01354
Deal Value	Yes	-0.06093*	1.625*	-0.06237**	1.382	-0.05414*	1.617*
Hypothesis 2: Information asymmetry							
Related industry	No	0.1582*	0.7315	0.1422	0.7954	0.09929	-0.1805
Distance	No	0.00002151	N/A	0.00002084	N/A	0.00001883	N/A
Small-sized targets		N/A	-0.001118	N/A	-0.0011	N/A	-0.001314
Acquirer's advisors	Yes	0.1683	15.78***	0.169	16.41***	0.151	15.43***
Target's advisors	No	0.1808*	2.478	0.1834*	2.969	0.2027*	2.077
Hypothesis 3: Likelihood of overpaying							
Acquirer's cash	Yes	0.26	-9.743*	0.2584	-8.732	0.2001	-9.832**
MTB	No	0.00007224	0.003099	0.00007143	0.003292	0.00007847	0.002802
Hypothesis 4: M&A Experience							
General M&A experience	No	0.1092**	0.0686	0.09943***	0.1983	N/A	N/A
Target industry M&A experience	No	-0.04766	-0.5017	N/A	N/A	0.104***	0.1141
Interaction experience	Yes	0.004947	0.01065				
Inverse Mills Ratio			136.74***		164.95***		110.81**

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 16: Two-step Heckman test on total sample with the interaction of payment method and public targets

	MODEL 1		MODEL 2		MODEL 3	
	1st step	2nd step	1st step	2nd step	1st step	2nd step
Coefficient	3.196***	57***	3.197***	59.33***	3.113***	59.95***
Public targets	N/A	28.93***	N/A	29.01***	N/A	29***
Hypothesis 1: Deal complexity						
Stock, mix stock & cash	-0.2332***	13.21***	-0.2339***	12.76***	-0.2413***	12.21***
Public targets	N/A	25.48***	N/A	25.29***	N/A	25.51***
Regulation	0.1224***	24.23***	0.1219***	24.49***	0.1231***	24.69***
Relative Size	-0.001005	-0.07751	-0.001022	-0.08156	-0.001179	-0.08779
Deal Value	-0.1353***	-3.47*	-0.1351***	-3.789**	-0.1288***	-3.94.
Hypothesis 2: Information asymmetry						
Related industry	0.1131**	7.638**	0.1067**	7.647**	0.07126	7.566**
Distance	0.00003**	0.001125	0.00003**	0.001188	0.00003***	0.00128
Acquirer's advisors	0.04528	9.719***	0.04557	9.854***	0.03346	9.747***
Target's advisors	0.05446	4.186	0.05476	4.31	0.05641	4.422
Hypothesis 3: Likelihood of overpaying						
Acquirer's cash	0.3426***	-6.037	0.34***	-5.228	0.3192***	-4.677
MTB	0.00008271	0.005281	0.00008304	0.00548	0.00008759	0.005686
Hypothesis 4: M&A Experience						
General M&A experience	0.05692***	0.5585	0.04842***	0.5351	N/A	N/A
Target industry M&A experience	-0.007533	-0.3549	N/A	N/A	0.05105***	0.7901
Interaction experience	-0.0006755	0.003676				
Inverse Mills Ratio		201.85***		211.59***		217.23***

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 17: Two-step Heckman test on total sample with the interaction of deal value and public targets

	MODEL 1		MODEL 2		MODEL 3	
	1st step	2nd step	1st step	2nd step	1st step	2nd step
Coefficient	3.196***	42.3	3.197***	41.22.	3.113***	46.61944
Public targets	N/A	91.8***	N/A	91.25***	N/A	94.150***
Hypothesis 1: Deal complexity						
Stock, mix stock & cash	-0.2332***	19.08***	-0.2339***	19.34***	-0.2413***	16.91***
Regulation	0.1224***	25.78***	0.1219***	25.58***	0.1231***	26.838***
Relative Size	-0.001005	-0.107	-0.001022	-0.1054	-0.001179	-0.128227
Deal Value	-0.1353***	-4.075*	-0.1351***	-3.899**	-0.1288***	-4.9978**
Public targets	N/A	-2.656**	N/A	-2.624**	N/A	-2.7794**
Hypothesis 2: Information asymmetry						
Related industry	0.1131**	9.525**	0.1067**	9.346*	0.07126	9.84535**
Distance	0.00003**	0.001533	0.00003**	0.001501	0.00003***	0.001865.
Acquirer's advisors	0.04528	10.97***	0.04557	10.9***	0.03346	10.977***
Target's advisors	0.05446	4.801	0.05476	4.748	0.05641	5.307616
Hypothesis 3: Likelihood of overpaying						
Acquirer's cash	0.3426***	-2.793	0.34***	-3.315	0.3192***	-0.316339
MTB	0.00008271	0.00613	0.00008304	0.006017	0.00008759	0.007079
Hypothesis 4: M&A Experience						
General M&A experience	0.05692***	0.9399	0.04842***	0.7087*	N/A	N/A
Target industry M&A experience	-0.007533	-0.2087	N/A	N/A	0.05105***	1.269158
Interaction experience	-0.0006755	-0.00419				
Inverse Mills Ratio		264.77***		259.05***		299.54***

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 18: Two-step Heckman test on total sample with the interaction of regulation and public targets

	MODEL 1		MODEL 2		MODEL 3	
	1st step	2nd step	1st step	2nd step	1st step	2nd step
Coefficient	3.196***	54.51**	3.197***	55.05***	3.113***	59.083**
Public targets	N/A	45.36***	N/A	45.38***	N/A	45.467***
Hypothesis 1: Deal complexity						
Stock, mix stock & cash	-0.2332***	20.03***	-0.2339***	19.9***	-0.2413***	18.243***
Regulation	0.1224***	26.87***	0.1219***	26.91***	0.1231***	27.747***
Public targets	N/A	-3.406	N/A	-3.411	N/A	-3.444924
Relative Size	-0.001005	-0.09586	-0.001022	-0.0971	-0.001179	-0.113231
Deal Value	-0.1353***	-4.309**	-0.1351***	-4.376**	-0.1288***	-5.1248**
Hypothesis 2: Information asymmetry						
Related industry	0.1131**	8.972**	0.1067**	8.9**	0.07126	9.16574**
Distance	0.00003**	0.001342	0.00003**	0.001359	0.00003***	0.001613
Acquirer’s advisors	0.04528	10.36***	0.04557	10.4***	0.03346	10.388***
Target’s advisors	0.05446	4.546	0.05476	4.581	0.05641	4.967183
Hypothesis 3: Likelihood of overpaying						
Acquirer’s cash	0.3426***	-4.111	0.34***	-3.971	0.3192**	-1.943538
MTB	0.00008271	0.005758	0.00008304	0.005805	0.00008759	0.006527
Hypothesis 4: M&A Experience						
General M&A experience	0.05692***	0.7695	0.04842***	0.6408*	N/A	N/A
Target industry M&A experience	-0.007533	-0.2726	N/A	N/A	0.05105***	1.081122
Interaction experience	-0.0006755	-0.0004806				
Inverse Mills Ratio		239.3***		241.37***		267.76***

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 19: Two-step Heckman test on total sample with the interaction of acquirer cash and public targets

	MODEL 1		MODEL 2		MODEL 3	
	1st step	2nd step	1st step	2nd step	1st step	2nd step
Coefficient	3.196***	53.69**	3.197***	54.3**	3.113***	58.1649**
Public targets	N/A	44.79***	N/A	44.79***	N/A	44.949***
Hypothesis 1: Deal complexity						
Stock, mix stock & cash	-0.2332***	20.11***	-0.2339***	19.97***	-0.2413***	18.364***
Regulation	0.1224***	24.6***	0.1219***	24.65***	0.1231***	25.439***
Relative Size	-0.001005	-0.09724	-0.001022	-0.09858	-0.001179	-0.114383
Deal Value	-0.1353***	-4.219**	-0.1351***	-4.296**	-0.1288***	-5.0198**
Hypothesis 2: Information asymmetry						
Related industry	0.1131**	8.949**	0.1067**	8.886**	0.07126	9.12527**
Distance	0.00003**	0.001339	0.00003**	0.001358	0.00003***	0.001605
Acquirer's advisors	0.04528	10.27***	0.04557	10.31***	0.03346	10.292***
Target's advisors	0.05446	4.638	0.05476	4.677	0.05641	5.050322
Hypothesis 3: Likelihood of overpaying						
Acquirer's cash	0.3426***	-2.199	0.34***	-2.044	0.3192***	0.026686
Public targets	N/A	-7.698	N/A	-7.65	N/A	-8.056317
MTB	0.00008271	0.005702	0.00008304	0.005755	0.00008759	0.006455
Hypothesis 4: M&A Experience						
General M&A experience	0.05692***	0.7652	0.04842***	0.6431*	N/A	N/A
Target industry M&A experience	-0.007533	-0.2705	N/A	N/A	0.05105***	1.081222
Interaction experience	-0.0006755	-0.0003186				
Inverse Mills Ratio		237.89***		240.36***		265.78***

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively

Appendix 20: Two-step Heckman test on total sample with the interaction of acquirer market-to-book ratio and public targets

	MODEL 1		MODEL 2		MODEL 3	
	1st step	2nd step	1st step	2nd step	1st step	2nd step
Coefficient	3.196***	54.75**	3.197***	55.17**	3.113***	59.418**
Public targets	N/A	43.32***	N/A	43.34***	N/A	43.41***
Hypothesis 1: Deal complexity						
Stock, mix stock & cash	-0.2332***	19.91***	-0.2339***	19.8***	-0.2413***	18.075***
Regulation	0.1224***	24.74***	0.1219***	24.76***	0.1231***	25.616***
Relative Size	-0.001005	-0.09791	-0.001022	-0.09896	-0.001179	-0.115724
Deal Value	-0.1353***	-4.315**	-0.1351***	-4.366**	-0.1288***	-5.1507**
Hypothesis 2: Information asymmetry						
Related industry	0.1131**	9.036**	0.1067**	8.965**	0.07126	9.24097**
Distance	0.00003**	0.001371	0.00003**	0.001385	0.00003***	0.001649
Acquirer's advisors	0.04528	10.3***	0.04557	10.32***	0.03346	10.318***
Target's advisors	0.05446	4.732	0.05476	4.761	0.05641	5.165218
Hypothesis 3: Likelihood of overpaying						
Acquirer's cash	0.3426***	-3.878	0.34***	-3.78	0.3192***	-1.661341
MTB	0.00008271	0.007372	0.00008304	0.007413	0.00008759	0.008205
Public targets	N/A	-0.02301	N/A	-0.02307	N/A	-0.023622
Hypothesis 4: M&A Experience						
General M&A experience	0.05692***	0.7846	0.04842***	0.6526*	N/A	N/A
Target industry M&A experience	-0.007533	-0.2616	N/A	N/A	0.05105***	1.109123
Interaction experience	-0.0006755	-0.0007188				
Inverse Mills Ratio		241.61***		243.17***		270.83***

The symbols *, **, *** indicate significance of 10%, 5% and 1% respectively