

## **Abstract**

This bachelor thesis investigates the field of hostile takeovers predominantly from the perspective of the management of the target company. Particular emphasis is placed on review of the defense strategies against hostile takeovers and ways in which they might be abused by the management. This thesis attempts to formulate a game-theoretic model describing the process of a hostile takeover as an extensive-form game with perfect information. Payoff functions for the game further in the thesis computed as Nash equilibria of bargaining problem with the current state of the game as a base for the utility gains. We then briefly discuss the implied relationship among the raider, management and the shareholders.

## **JEL Classification**

*C7; C72; G34*

## **Keywords**

hostile takeover; game in extensive form; defense strategy