

**Date of the event:**

On Wednesday 4<sup>th</sup> November 2009  
From 1:00pm to 2:00pm

**Location:**

Luxembourg School of Finance  
University of Luxembourg  
4 Rue Albert Borschette  
2<sup>nd</sup> Floor  
Modigliani Miller Auditorium (E02-003)  
L-1246 Luxembourg

**Registrations:**

- Free seminar (with lunch included)
- Registrations by email before November 2<sup>nd</sup> 2009
- At the following address :  
[caroline.herfroy@uni.lu](mailto:caroline.herfroy@uni.lu) (first name, last name, Institution)

**Information:**

Ms Caroline Herfroy  
Tel : +352 46 66 44 6335



The LSF Research is pleased to invite you to the  
**Lunch Seminar:**

# Dividend Announcements, Market Expectation and Corporate Governance

*By Mr Erik Theissen*  
*Professor – Finance Area*  
*University of Mannheim*

**Wednesday 4<sup>th</sup> November 2009**  
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# Dividend Announcements, Market Expectation and Corporate Governance

*By Erik Theissen*

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and its Team in Research

are pleased to invite you to the

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This paper examines wealth effects of dividend announcements in Germany, a country with a corporate governance system different from the US and the UK. Our study improves on earlier research by using a more advanced econometric technique, I/B/E/S forecasts as proxy for market expectations and specific hypotheses in the context of the particular Continental European institutional setting. Our results indicate that abnormal returns are significantly related to the information content of dividend announcements, with higher announcement returns in cases in which prior market expectations were less optimistic. In addition, ownership characteristics and conflicts between controlling and minority shareholders are shown to have a significant influence on announcement returns.

