

IAN ANTHONY COOPER

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Citizenship: United Kingdom

CURRICULUM VITAE

JANUARY 2024

EMPLOYMENT

London Business School:

1995-present: Professor of Finance

1984-1994: Associate Professor (equivalent)

1978-1984: Assistant Professor (equivalent)

Australian Graduate School of Management (1988-89) Visiting Fellow

University of Chicago (1982-83) Visiting Assistant Professor

EDUCATION

University of North Carolina at Chapel Hill:

PhD Finance (1977)

MBA (1974)

Cambridge University:

MA (1975) Economics

BA (1972) Part I Natural Sciences (First Class) Part II Economics (First Class)

HONOURS

Best paper prize, 29th Global Finance Conference 2022, Foreign bias in international equity portfolios: Informational advantage or familiarity bias?
London Business School EMBA Best Teacher, 2020-21 Runner up
London Business School EMBA Best Teacher, 2019-20
London Business School EMBA Best Teacher, 2018-19
London Business School EMBA Best Teacher, 2017-18
London Business School EMBA Best Teacher, 2016-17
Most popular course at London Business School: *Business Week*, 2002
London Business School Masters in Finance teaching prize, 1999
London Business School Senior Executive Program Inaugural Teaching Prize, 1988
Gilbart Lectures on Banking, 1986
Board Member, European Finance Association, 1984-87
London Business School MBA Teaching Prize, 1982
Beta Gamma Sigma, UNC-Chapel Hill, 1974
Dean's List, UNC-Chapel Hill MBA, 1974
Morehead Scholar, UNC-Chapel Hill, 1972-74
Double First, Natural Sciences and Economics, Cambridge University, 1972
Open Scholarship, Churchill College Cambridge University, 1969-72

PUBLICATIONS

CURRENT WORKING PAPERS:

Martijn Boermans, Ian Cooper, Piet Sercu, Rosanne Vanpee, Foreign bias in equity portfolios: Informational advantage or familiarity bias?

Ian Cooper, Neophytos Lambertides, and Arkodipta Sarkar, Which measure of aggregate implied cost of capital predicts equity market returns?

Ian Cooper and Neophytos Lambertides, Multiples-based valuation errors, convergence trading, and market efficiency

Ian Cooper, Using Hotelling depreciation to diagnose excess returns earned by R&D-intensive firms.

Ian Cooper, Valuing real options with estimation error: DCF versus no-arbitrage.

Ian Cooper and Andrey Kuzmenko, Optimal passive currency holdings: Equilibrium currency hedging revisited.

PUBLICATIONS:

Ian Cooper and Kjell Nyborg, 2023, LBO valuation using flows-to-equity, *The Palgrave Encyclopedia of Private Equity*, Benjamin Hammer and Douglas Cumming (eds.), Palgrave.

Ian Cooper and Neophytos Lambertides, 2022, Optimal Equity Valuation Using Multiples: The Number of Comparable Firms, *European Financial Management*, forthcoming

Carol Austin, Ian Cooper, Pat Duigan, Geoff Frankish, and Tony Smith, 2022, *AER draft rate of return instrument: Independent panel report*, Australian Energy Regulator.

Martijn Boermans, Ian Cooper, Piet Sercu, and Rosanne Vanpee, Country biases in equity portfolios are less pronounced and less irrational than one might think, *SUERF Policy Brief*, The European Money and Finance Forum, September 2022.

Ian Cooper, 2021, Using the constant growth formula to set the horizon value in corporate valuation, SSRN.

Richard A. Brealey, Ian A. Cooper, and Michel A. Habib, 2020, Valuation in the Public and Private Sectors: Tax, Risk, Debt Capacity, and the Cost of Capital, *Journal of Business Finance and Accounting*, 47 (1-2), 163-187.

Richard Brealey, Ian Cooper, and Evi Kaplanis, 2019, The effect of mergers on US bank risk in the short run and in the long run, *Journal of Banking and Finance* 108, 105660.

Ian Cooper and Antonio Mello, 2019, The Default Risk of Swaps, reprinted in: Michel Crouhy, Dan Galai and Zvi Wiener (eds): *Contingency Approaches to Corporate Finance and Banking : A World Scientific Reference* World Scientific Publishing Co.

Ian Cooper, 2018, Setting the horizon value using DCF-based methods, SSRN.

Ian Cooper, Piet Sercu, and Rosanne Vanpée, 2018, A measure of pure home bias, *Review of Finance* 22:4, 1469-1514.

Ian Cooper and Neophytos Lambertides, 2018, Large dividend changes and leverage, *Journal of Corporate Finance* 48, 17-33.

Ian Cooper and Kjell Nyborg, 2018, Consistent valuation of project finance and LBO's using the flows-to-equity method, *European Financial Management* 24:1 p 34-52.

Panayiotis C. Andreou, Ian Cooper, Christodoulos Louca, and Dennis Philip, 2017, Bank loan loss accounting treatments, credit cycles and crash risk, *The British Accounting Review* Vol 49:5 p 474-492.

Ian Cooper, 2016, Estimating sustainable normalized operating free cash flow, SSRN.

Richard Brealey, Ian Cooper, and Evi Kaplanis, 2016, The behaviour of sentiment-induced share returns: Measurement when fundamentals are observable, in *Portfolio construction, measurement, and efficiency: Essays in Honour of Jack Treynor*, ed. John B Guerard Jr. Springer.

Ian Cooper, Piet Sercu, and Rosanne Vanpee, 2013, The equity home bias: Survey and synthesis, *Foundations and Trends in Finance* 7.4, 289-416.

Richard Brealey, Ian Cooper, and Evi Kaplanis, 2012, International propagation of the credit crisis: Implications for bank regulation, *Journal of Applied Corporate Finance* 24.4, 36-45.

Comment on the split cost of capital, 2012, Civil Aviation Authority.

Adjusting Heathrow's cost of capital for skewness: Methodological and qualitative issues, 2012, Civil Aviation Authority.

Richard Brealey, Ian Cooper, and Evi Kaplanis, 2010, Excess comovement in international equity markets: A test using cross-border mergers, *Review of Financial Studies* 23.4, 1718-1740.

Comment on responses to the report: The effect of defined benefit pension plans on measurement of the cost of capital for UK regulated companies, 2010, Ofcom.

The effect of defined benefit pension plans on measurement of the cost of capital for UK regulated companies, 2009, Ofcom.

Ian Cooper, On tests of the conditional relationship between beta and returns, 2009, *Applied Financial Economics* 19.6, 427-432.

Ian Cooper and Kjell Nyborg, Tax-adjusted discount rates with investor taxes and risky debt, *Financial Management*, Summer 2008, 365-379.

Ian Cooper and Sergei Davydenko, Estimating the cost of risky debt, *Journal of Applied Corporate Finance* 19.3, Summer 2007, 81-86.

Ian Cooper, 2008, Optimal equity valuation using multiples: The number of comparable firms, working paper.

Ian Cooper and Kjell Nyborg, 2007, Valuing the debt tax shield, *Journal of Applied Corporate Finance* 19.2, 50-59.

Ian Cooper and Kjell Nyborg, 2006, The value of tax shields IS equal to the present value of tax shields, *Journal of Financial Economics* 81, 215-225.

Consistent methods of valuing companies by DCF: Methods and assumptions, with K Nyborg, report for Norwegian Future Generations Fund, 2006.

Comments on the Brattle document: Beta analysis of British Telecommunications: Update, Annex 1 to *BT's response to the Ofcom consultation document Ofcom's approach to risk in the assessment of the cost of capital, Second consultation in relation to BT's equity beta*, 22 July 2005.

Comments on the PwC document: Disaggregating BT's beta, Annex 1 to *BT's response to the Ofcom consultation document Ofcom's approach to risk in the assessment of the cost of capital, Second consultation in relation to BT's equity beta*, 22 July 2005.

The risk of the copper access network, Annex 2 to *BT's response to Ofcom's consultation document: Ofcom's approach to risk in the assessment of the cost of capital*, 5 April 2005.

The equity market risk premium, Annex 1 to *BT's response to Ofcom's consultation document: Ofcom's approach to risk in the assessment of the cost of capital*, 5 April 2005.

Ian Cooper and Sergei Davydenko, 2004, Using yield spreads to estimate expected returns on debt and equity, working paper.

Ian Cooper and Kjell Nyborg, 2004, Discount Rates and Tax, working paper.

Should companies hold surplus cash? *Institute of Chartered Financial Analysts of India Reader*, 2003, reprinted in *The Analyst*, 2003.

Ian Cooper and Sergei Davydenko, 2001, The cost of debt, working paper.

The case for global investing, in *Mastering Investment*, *The Financial Times*, 2001.

Estimation of beta for UK mobile telecommunications, in *BT's response to Oftel's review of the mobile sector*, British Telecommunications, 2001.

Ian Cooper and Evi Kaplanis, 2000, Home Bias in Equity Portfolios: Causes and Consequences for Investment Policy, in *The Advisor's Guide to Financial Research*, ed. D J S Brean and J Hull, Rogers Publishing, Toronto.

Ian Cooper and Evi Kaplanis, Partially Segmented International Capital Markets and International Capital Budgeting, *Journal of International Money and Finance* 19, June 2000, 309-329.

Financing Large Scale Engineering Projects, (with R A Brealey and M Habib) in *High Risk, Uncertain Returns: The Game of Project Venturing*, ed G. Bickerstaffe, MIT Press, 2000.

Ian Cooper, Discussion of Models of Securities versus Banks, *Economic Notes*, No. 3, November 2000, 75-78.

Ian Cooper, Discussion of: Control of Credit Risk Collateralization using Quasi-variational Inequalities, *Chicago Board of Trade Research Symposium Proceedings*, 1999, CBOT.

The Cost of Capital of the UK Water Sector (with D Currie) London Business School Regulation Initiative Working Paper 28, 1999.

Richard Brealey, Ian Cooper, and Evi Kaplanis, What is the International Dimension of International Finance? *European Finance Review* 3, 1999, 103-119.

Ian Cooper and Antonio Mello, Corporate Hedging: The Relevance of Contract Specifications and Banking Relationships, *European Finance Review*, 2.2, 1999, 1-29.

Riccardo Rebonato and Ian Cooper, Coupling Backward Induction with Monte Carlo Simulations: A Fast Fourier Transform (FFT) Approach, *Applied Mathematical Finance*, 5, 1998, 1-11.

Richard Brealey, Ian Cooper, and Michel Habib, Investment Appraisal in the Public Sector, *Oxford Review of Economic Policy*, 13.4, 1997, 12-18. Reprinted in *Management Accounting – Financial Strategy*, CIMA publishing, 2000.

Ian Cooper and Marcel Martin, Default Risk and Derivative Products, *Applied Mathematical Finance*, March 1996, Vol 3:1, 53-74.

Ian Cooper and Riccardo Rebonato, The Limitations of Simple Two-Factor Interest Rate Models, *Journal of Financial Engineering*, March 1996, Vol 5:1, 1-16, Reprinted in *Treasury Management International*, April 1996.

Ian Cooper, Arithmetic versus Geometric Mean Estimators: Setting Discount Rates for Capital Budgeting, *European Financial Management*, July 1996, Vol 2:2, 157-167.

Richard Brealey, Ian Cooper, and Michel Habib, Using Project Finance to Fund Infrastructure Investments, *Journal of Applied Corporate Finance*, Fall 1996, Vol 9:3, pp 25-38. Reprinted in *The New Corporate Finance* edited D H Chew, McGraw-Hill, 2001(3rd Ed). Reprinted in *The Revolution in Corporate Finance* edited J M Stern and D H Chew, Blackwell, 2003 (4th Ed).

Buddy Can You Swap a Dime? *Financial Times*, 9th February 1996. Reprinted in *Mastering Management*, ed T Dickson, Pitman, 1997.

Estimation of the Market Risk Premium, in *Pricing of Telecommunications Services from 1997*, British Telecommunications plc, 1996.

Consistent treatment of imputation tax in the weighted average cost of capital, in *Pricing of Telecommunications Services from 1997*, British Telecommunications plc, 1996.

Alternative Estimates of BT's Beta and a Comparison with the Estimate used by Oftel, in *Pricing of Telecommunications Services from 1997*, British Telecommunications plc, 1996.

Futures and Swaps: The World's Fastest Growing Markets, *Financial Times*, 30 July 1997. Reprinted in *Mastering Finance*, Pitman Publishing, 1997.

The Impact of Global Orientation on the Cost of Capital, in *Network Charges from 1997*, British Telecommunications plc, 1997.

The Inflation Risk Adjustment to the Gilt Rate used by Oftel, in *Pricing of Telecommunications Services from 1997*, British Telecommunications plc, 1996.

Ian Cooper and Evi Kaplanis, Home Bias in Equity Portfolios and the Cost of Capital for Multinational Firms, *Journal of Applied Corporate Finance*, Fall 1995, Vol 8.3, 95-102.

Ian Cooper and Antonio Mello, 1995, Netting and the Design of Financial Contracts with Default Risk (with A S Mello), working paper.

Ian Cooper and Evi Kaplanis, Home Bias in Equity Portfolios, Inflation Hedging and International Capital Market Equilibrium, *Review of Financial Studies*, 1994, Vol 7 No 1, pp 45-60. Reprinted in *International Capital Markets*, ed. R Stulz and GA Karolyi, Edward Elgar, 2002.

Ian Cooper and Evi Kaplanis, The Implications of the Home Bias in Equity Portfolios, *Business Strategy Review*, Summer 1994, Vol 5, Issue 2, pp 41-53. Reprinted in *International Financial Management*, edited M. Glover, CGA, Canada, 1997.

The Cost of Capital in the Electricity Industry, (with P. Grout), working paper, London Business School, 1993.

Ian Cooper and Antonio Mello, The Default Risk of Swaps, *Journal of Finance*, June 1991, 46.2, pp 597-620, reprinted in *Advanced Topics in Risk Management* edited by R Schwartz and C Smith, Prentice Hall, 1993.

Ian Cooper, Determinant of Successful Instruments, in *Options, Recent Advances in Theory and Practice*, edited by S Hodges, Manchester University Press, 1990, pp 33-46

Ian Cooper and Antonio Mello, Stock Index Futures: The Case for Markets in Baskets of Securities, *Advances in Futures and Options Research*, 1989, Vol 4, pp 23-38.

The Financial Revolution, in *The Handbook of International Financial Management*, edited by R Aliber, Dow-Jones Irwin, 1989, pp 661-690.

Corporate Liabilities and Options, *The Australian Corporate Treasurer*, August 1989.

Ian Cooper and Antonio Mello, Default Spreads in the Fixed and Floating Interest Rate Markets: A Contingent Claims Approach, *Advances in Futures and Options Research*, 1988, Vol 3, pp 269-289.

Ian Cooper and Julian Franks, Treasury Performance Measurement, *Midland Corporate Finance Journal*, Vol 4, No 4, Winter 1987, pp 29-43. Reprinted in *New Developments in International Finance*, edited by J Stern and D Chew, Blackwell, 1988, pp 147-161. Reprinted in *The Treasurer*, February 1988 and March 1988.

Ian Cooper, Repackaging Perpetual FRN's, *Journal of International Securities Markets*, Spring 1988, pp 55-60.

Ian Cooper, Innovations: New Market Instruments, *Oxford Review of Economic Policy*, November 1986, Vol 2 No 4, pp 1-17. Reprinted in *Innovations in Corporate Finance and Financial Markets*, Oxford University Press, 1988.

The Relationship Between Two Methods of Valuing Convertible Bonds in *Optimum Users Manual*, London Business School Financial Services, 1988.

The Mechanics of Interest Rate Options, in *Management of Interest Rate Risk*, edited by B. Antl, Euromoney, 1988, pp 179-188.

New Financial Instruments: An Overview, in *New Financial Instruments*, ed. I Cooper, The Chartered Institute of Bankers, 1987 (The Gilbert Lectures on Banking), pp 1-29.

New Financial Instruments, The Chartered Institute of Bankers, 1987, (The Gilbert Lectures on Banking).

Ian Cooper and Evi Kaplanis, Costs to Crossborder Investment and International Equity Market Equilibrium, *Recent developments in corporate finance*, edited by J Edwards, J Franks, C Mayer and S Schaefer, Cambridge University Press, 1986, pp 209-240.

Option Hedging (with C Kaplanis, A Neuberger and S Schaefer) working paper, London Business School, 1986.

Relative Price Changes and Financial Decisions, in *Gower Financial Management Handbook* 3rd Edition ed. P. Vale, Gower Press, 1986, pp 67-78.

Currency Option Prices, *The Treasurer*, May 1985, pp 9-14.

Ian Cooper and Julian Franks, The Interaction of Financing and Investment Decisions when the Firm has Unused Tax Credits, *Journal of Finance*, May 1983, 38.2, pp 571-583.

Inflation and Financial Decisions, in *Financial Management Handbook*, Gower Press, 1983, Part III, pp 49-65.

Capital Project Planning (with T Runton and J Broyles) in *Financial Management Handbook*, Gower Press, 1983, Part II, pp 21-47.

Financial Management Handbook (2nd Ed) (with J Broyles and S Archer), J Broyles and I Cooper principal editors, Gower Press, 1983.

New Ideas in Investment Philosophy: The Asset Mix Decision (with R.A. Brealey), in *Pension Funds and their Advisors*, A P Financial Registers, 1982, pp 85-92.

Asset Mix and Future Performance, *ISIS Bulletin*, Laurie Millbank and Co, April 1982, pp 55-57.

Venture Capital Investment (with W.T. Carleton), *Readings in Strategy for Corporate Investment*, edited by F Derkindern and R Crum, 1981, Pitman Publishing, Marshfield, Mass.

Venture Capital Investment, *LBS Journal*, 1979. Reprinted in *La Revue de Financier*, 1981, pp 32-34.

Growth Opportunities and Real Investment Decisions (with J Broyles), *Risk, Capital Costs and Project Financing Decisions*, edited by F Derkindern and R Crum, Martinus Nijhoff, 1980, pp 107-118.

Willard Carleton and Ian Cooper, Dynamics of Borrower Lender Interaction: Partitioning the Payoff in Venture Capital Investment, *Journal of Finance*, May 1979, 34.2, pp 517-529.

Steadman Realty Company (with R. Levin) in *Business Policy* edited by A. Strickland, 1978, pp 240-256.

Ian Cooper, Asset Values, Interest Rate Changes and Duration, *Journal of Financial and Quantitative Analysis*, December 1977, pp 701-723.

A Model of Venture Capital Investment (PhD Thesis) University of North Carolina at Chapel Hill, University Microfilms International, 1977.

Willard Carleton and Ian Cooper, Estimation and Uses of the Term Structure of Interest Rates, *Journal of Finance*, September 1976, 31.4, pp 1067-1083.

TEACHING

Courses taught (*indicates new course development):

MBA/EMBA: Corporate Valuation*, Core Corporate Finance, Advanced Corporate Finance*, Options and Futures*, International Finance*, Finance 3*, Investments
Executive: Valuation*, Derivatives*, Various company-specific programs
PhD: Continuous time finance*

PHD THESES SUPERVISED

Essays in Risky Debt (S Davydenko) 2005
Dynamic Models in Finance (A Sbuelz) 1999
Default Risk and Derivative Products (M Martin) 1997
Options Hedging with Transactions Costs (H Neuhaus) 1990
Contingent Claims Pricing and Stochastic Processes for EMS Exchange Rates (A Roma) 1990
Causes and Effects of Innovation of Financial Instruments (A S Mello) 1987

SELECTED OTHER ACTIVITIES

London Business School major administrative positions:

2005-2014: Course Director, Corporate Finance: Valuation
1999-2002: Chairman, Finance Faculty
1999-2002: Director, Institute of Finance and Accounting
1990-94: Director, PhD Programme
1986-89: Director, Finance PhD Programme
1980-88: Director, Corporate Finance Evening Programme

Editorial Boards (current):

Advisory Editor: Review of Development Finance
Editorial Board: European Financial Management, Finance India
Associate Editor: Journal of Economics and Business, Journal of Multinational Financial Management

Assessor:

2022, Independent Panel to review rate of return regulation: Australian Energy Regulator
London School of Economics: Departmental Assessor senior positions, Department of Finance (2003-2016)
External Evaluation Committee of the Department of Public and Business Administration, University of Cyprus (2012)

Ad hoc assessor for research grants: University of Cyprus, Swiss National Science Foundation, Research Council of Norway, UK Higher Education Funding Council, UK ESRC, Israel Science Foundation

Ad Hoc Referee: *Journal of Finance, Journal of Financial Economics, Review of Financial Studies, Review of Finance, Management Science, Journal of Financial and Quantitative Analysis, Journal of Corporate Finance, Journal of Banking and Finance, Financial Analysts Journal, Financial Management, European Financial Management, Journal of Money Credit and Banking, Journal of International Money and Finance, National Tax Journal, Journal of Empirical Finance, Journal of International Economics, Journal of Economics and Business.*

Corporate Boards:

2007-2015, *Leo Capital Growth SPC*, Director

1998-2002, *Mutant Technology*, Director

CONSULTING

Extensive international experience over 40 years consulting on valuation, cost of capital, and financial regulation for private firms, government agencies, and financial institutions. Experience of written expert evidence and expert witness court appearances, including High Courts and International Tribunals.