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TITLE OF DIPLOMA THESIS:

The motives and outcomes of M&As – the case of Aegean Airlines and Olympic Air

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ABSTRACT

Our world is characterized by intense financial liberalization with expanded and globalized markets, fierce competition, new major currencies (Euro), liberalized banking system and also huge private investment funds, which are able to determine the fate of the global economy and entire countries. It is an age dominated by rapid technological developments in the field of information technology and communications, where the dissemination of knowledge and information is an essential element for survival and competitiveness. In such an environment, the Mergers and Acquisitions (M&A) as a tool of Business Strategy are identified as a necessity rather than an option. The growth observed in both the number and the size of the companies involved in modern M&A, reflects their effort to optimize their portfolio, increase profits, reduce costs, create strong economic bases, develop technology and expertise and ultimately survive. Thus, this paper attempts to analyze the theoretical background of M&A in the corporate sector. There are analyzed and classified the types of M&A, the benefits and incentives of the firms as well as the synergies which are achieved. Particular emphasis is given to the role and influence of corporate culture in M&A. It is then studied the subject of M&A in the aviation industry and it is examined in the form of a Case Study the recent acquisition of Olympic Airlines by Aegean Airlines. It analyzes the conditions which were created in the period 2010-2014 and conclusions are drawn regarding the effect of the acquisition on the level of service of Aegean. Furthermore, there is the assessment of the success of the acquisition with the methodology of analysis of business events.

KEYWORDS

Acquisitions, Mergers, Corporate Culture, Aviation Industry, Aegean, Olympic Air, Monopoly, Level of Service