

OPERATING PERFORMANCE, BUSINESS RISK AND CORPORATE MERGERS: SOME GREEK EVIDENCE.

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Abstract

This paper examines empirically the impact of business risk on the operating performance of a sample of firms that involved in mergers and acquisitions (M&As). Business risk in this study is perceived as a firm's exposure to uncertainty, which can lead to changes in the operating performance of this firm. Developing or changing a firm its operating activities from a particular industry to another industry could affect its operating performance. As one of the main elements of contemporary corporate restructuring is the formation of new business entities via M&As, this study proceeds to an analysis of the operating performance from a sample of firms that involved in M&As transactions. Using financial ratios, the post-merger performance of a sample of Greek firms, listed on the Athens Stock Exchange (ASE) that executed at least one merger or acquisition in the period from 1998 to 2002 as acquirers, is investigated. For the purpose of the study, the sample of firms is sub-tracted in two different groups, which are: (i) firms that involved in M&As activities as acquirers with firms from their industry (horizontal or vertical mergers) and (ii) firms that involved in M&As activities as acquirers but with firms from a different industry and were exposed in extended business risk (conglomerate mergers). Then, the study, applying an explanatory set of financial ratios, compares the differences in firms' post-merger operating performance among the two sub-samples for four years after the M&A announcements, in order to measure the changes in operating performance from the extended business risk exposure. The results from the analysis of the ratios from the post-merger performance indicate the existence of special peculiarities to the underlying firms' operating performance.

Key words: operating performance, business risk, mergers, acquisitions

JEL Classification: G34, L25, M40

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1. Introduction

The strategy literature commonly argues that mergers and acquisitions (M&As) are one of the mechanisms by which firms gain access to new resources and, via resource redeployment, increase revenues and reduce cost. The main hypothesis in successful M&As activities is that potential economic benefits arising from them are changes that increase value

that would not have been made in the absence of a change in control. These changes in control are potentially most valuable when they lead to the re-deployment of assets, providing new operating plans or business strategies, as firms always seek for continuous increasing performance.

Hence, except of the “well-explored” cases of the US and the UK capital markets, there were only a few of researches on conglomerate and non-conglomerate M&As in the majority of other countries globally, diachronically. This proposition seems to be even more correct, if it is referred to the operating performance studies which employ financial ratios, than event studies based on stock returns (Sudarsanam, 2003). Regarding the Greek market, which recently has been upwarded from a developing to a developed economy, there have been a few studies on M&As, and there is a scarcity of operating performance studies with ratio analysis regarding firms involved in M&A activities, and especially, on conglomerate and non-conglomerate M&As examining business risk exposure.

Business risk in this study is perceived as a firm’s exposure to uncertainty, which can lead to changes in the operating performance of this firm. Developing or changing a firm its operating activities from a particular industry to another industry could affect its operating performance. As one of the main elements of contemporary corporate restructuring is the formation of new business entities via M&As, this study proceeds to an analysis of the operating performance from a sample of Greek firms that involved in M&As transactions. For the purpose of the study, the sample of firms is sub-tracted in two different groups, which are: (i) firms that involved in M&As activities as acquirers with firms from their industry (horizontal or vertical mergers) and (ii) firms that involved in M&As activities as acquirers but with firms from a different industry and were exposed in extended business risk (conglomerate mergers). Using an explanatory set of twenty-six essential financial ratios, the M&As effects on the operating performance of the selected sample is investigated.

The structure of this paper is as follows: the next section analyses and classifies M&As and Risk types, in general. Section III provides the analytical basis of the research design. Section IV presents and analyses the results, and section V concludes the paper.

2. Classification of M&As & Risk types

2.1. Categorization of M&As activities

The term of “merger” is perceived, in general, as the action of unity from two or more companies. In this study, the terms “merger” and “mergers and acquisitions (M&As)” are used in many cases at the text, providing similar meanings for the terms “merger” and “acquisition”, while in others, wherever it is necessary, there is a clear distinction among them and always exists a provision of the exact meaning. To make clear, the perception of each term, they are analysed separately below (Steiner, 1975; Mueller, 1989; Trautwein, 1990; Agorastos & Pazarskis, 2003; Soubeniotis et al., 2006; Pazarskis et al., 2006):

The type of M&As activity, or how a company can make an M&A and under which exact way can an M&A activity be formed, is possible in three ways:

- *merger by absorption*, where the acquiring firm retains its name and its identity, and it acquires all of the assets and liabilities of the acquired company; after the merger the acquired firm ceases to exist as a separate business entity,
- *merger by consolidation*, where an entirely new firm is created; both the acquiring firm and the acquired firm terminate their previous legal existence and become part of the new firm, and
- *merger by acquisition*, where one firm purchase another firm’s stock for cash, or shares of stock, or other securities.

Furthermore, according to the correlation of the activities of merged companies, the study makes a distinction for M&As activities of three types:

- *horizontal merger*, where a company takes over another from the same industry and at the same stage of the production process,
- *vertical merger*, where the target is in the same industry as the acquirer, but operating at a different stage of the production chain, either nearer the source of materials (backward integration) or nearer to the final customer (forward integration),
- *conglomerate merger*, where the acquiring firm and the acquired firm are apparently unrelated to each other (Gaughan, 1996, Weston et al., 1996).

2.2. Categorization of Risk types

The term of “business risk” in this study is perceived as a company’s exposure to uncertainty, in general, and includes many risk types. Every company faces different risks, based on its business, economic, social and political factors, the features of the industry it operates in – like the degree of competition, the strengths and weaknesses of its competitors, availability of raw material, factors internal to the company like the competence and outlook of the management, state of industry relations, dependence on foreign markets for inputs, sales, or finances, capabilities of its staff, and other innumerable factors. A list of the most important categories of risks in detail is stated below (Eleftheriadis, 2006; Olsson, 2002):

- *Credit risk* is the risk that a counterparty may not pay amounts owed when they fall due.
- *Sovereign risk*, the credit risk associated with lending to the government itself or a party guaranteed by the government.
- *Market risk* is the risk of loss due to changes in market prices. This includes
 - interest rate risk
 - foreign exchange risk
 - commodity price risk
 - share price risk
- *Liquidity risk*, the risk that amounts due for payment cannot be paid due to a lack of available funds.
- *Operational risk*, the risk of loss due to actions on or by people, processes, infrastructure or technology or similar, which has an operational impact including fraudulent activities.
- *Accounting risk*, the risk that financial records do not accurately reflect the financial position of an company.
- *Country risk* is the risk that a foreign currency will not be available to allow payments due to be paid, because of a lack of foreign currency or the government rationing what is available.
- *Political risk* is the risk that there will be a change in the political framework of the country.
- *Industry risk* is the risk associated with operating in a particular industry.
- *Environmental risk*, the risk that an company may suffer loss as a result of environmental damage caused by themselves or others which impacts on their business.
- *Legal/regulatory risk* is the risk of non-compliance with legal or regulatory requirements.
- *Systemic risk* is the risk that a small event will produce unexpected consequences in local, regional or global systems not obviously connected with the source of the disturbance.
- *Reputational risk* is the risk that the reputation of an company will be adversely affected.

3. Research Design

3.1. Selection of methodology and related past researches

Several past research papers on accounting and finance argue that stock price performance studies are unable to determine whether conglomerate or non-conglomerate M&As create real economic gains or losses and to provide evidence on the sources of any merger-related economic result, as it is difficult to distinguish between stock-market inefficiencies and improvements in economic performance resulting from the merger (for a comprehensive review on this argument, see: Healy, et al., 1992). The examined increases or decreases in equity values are typically attributed to some unmeasured source of real economic factors (such as synergy) or to a general and not well established idea (as management past decisions).

However, this kind of research, along with their explanations, could partially not be correct, as many other factors influence stock prices and their conclusions do not provide clear and conclusive results argumentation. In this context, the use of post-merger accounting data and, especially, financial ratios from financial statements that have been examined for their credibility is a better and safer path to test directly for changes in operating performance that result from mergers than stock price studies.

Furthermore, several studies on success of conglomerate M&As, that were conducted in the past, concluded on ambiguous results. Many of them supported a successful M&As action with a business risk reduction after a conglomerate mergers due to special gains as: risk reduction through diversification, reduced financing costs, increased administrative efficiencies, etc. (Mueller, 1977; Lewellen, 1971; and others), while others claimed that conglomerates are less likely to succeed because the business risk exposure of the managers in their “new” industry is too high (Jensen, 1986; and others).

3.2. Variable classification and ratio selection

Hence, there is not a commonly accepted concrete set of financial ratios as a successful operating performance measure (Curtis, 1978; Bayldon et al., 1984). Despite the fact that the above issue (finding a perfect model to measure operating performance before and after M&As action) remains unanswered, the determination of a set of financial ratios that could cover and examine the whole activities of a firm is the more appropriate solution to this problem, according to a suitable ratio classification. In this study, the financial ratios are organised into five general groups (for an analytical review classification, see: Niarhos, 2002):

- (i) Liquidity ratios: which measure the ability of a company to pay its debts in the short-term and to meet unexpected cash needs;
- (ii) Activity ratios: which indicate the degree of assets’ effective use;
- (iii) Profitability ratios: which gauge a company’s operating success over a given period of time;
- (iv) Financial structure and viability ratios: which indicate a company’s ability to meet long-term commitments on a continuing basis, and
- (v) Investment ratios: which provide several information among the share price of a company and net worth over a given period, dividends, or others assets.

Within this framework, twenty six essential financial ratios are selected and classified in to these five basic groups, as it is shown in the Table 1(see, Appendix).

In fact, there are many other approaches for business evaluation performance, different from the above. Return on investment (ROI) type of measures are considered as the most

popular and the most frequently used when accounting variables are utilised to determine performance. However, in considering Kaplan's (1983) arguments against excessive use of ROI types of measurements, the above referred ratio selection of this study is confirmed as better, as: "...any single measurement will have myopic properties that will enable managers to increase their score on this measure without necessarily contributing to the long-run profits of the firm" (Kaplan, 1983, p. 699).

Thus, an adoption of additional and combined measures is believed to be necessary in order to provide a holistic view of the long-term profitability and performance of a firm, in accordance with the short-term one.

3.3. Sample and data

The final uncontaminated sample consists of fifty acquiring firms, listed in the Athens Stock Exchange (ASE) that executed one M&As action as acquirers in Greece during the period from 1998 to 2002. Table 2 shows the percentage of listed firms involved in M&A activities by year and the Table 3 shows the percentage of our sample firms in each industry classification category, according to the ASE classification (see, Appendix). The M&As action of each company from the sample is considered as an investment that is evaluated by the NPV criterion (if $NPV \geq 0$, the investment is accepted). Based on this viewpoint, the study proceeds to its analysis and regards the impact of an M&A action similar to the impact of any other positive NPV investment of the firm to its ratios in the long-term (Healy et al., 1992).

For the purpose of the study, the sample of firms is sub-tracted in two different groups, which are: (i) firms that involved in one M&As activity as acquirers with firms from their industry (horizontal or vertical mergers), that consists 75% of the sample, and (ii) firms that involved in one M&As activity as acquirers, that consists 25% of the sample, but with firms from a different industry and were exposed in extended business risk (conglomerate mergers).

The data of this study (financial ratios) are computed from the financial statements of the M&As-involved companies. Some other data, relevant to the share prices of the firms, were received from the databank of the Department of Finance and Accounting of the University of Macedonia (Greece), that were later used for the computation of some specific financial ratios. However, since a few cases of the sample firms have been de-listed from the ASE for various reasons (bankruptcy, not meeting the standards of the market, etc.), they were excluded from the sample only for the years that there was no data for them.

3.4. Research Hypotheses

The evaluation of the relative change of each examined financial ratio of the sample (ratios from V01 to V26) is an empirical problem. Therefore, the general form of the hypothesis that is examined for each financial ratio separately is the following:

H_{0i} : There is **no** significant difference of the financial ratio i in post-merger operating performance between conglomerate and non-conglomerate mergers.

H_{1i} : There is significant difference of the financial ratio i in post-merger operating performance between conglomerate and non-conglomerate mergers.

where,

$i = \{V01, V02, \dots, V26\}$

The crucial research question that the research tries to investigate by examining the above mentioned ratios is the following: Corporate performance in the post-merger period of conglomerate M&As is greater or not than this of the non-conglomerates.

In this context, the study, compares the differences in firms' post-merger operating performance among the two sub-samples for four years after the M&A announcements, in order to measure the changes in operating performance from the extended business risk exposure (Sharma & Ho, 2002).

The selected financial ratios for each company of the sample over a four-year period before (year T-4, T-3, T-2, T-1) or after (year T+1, T+2, T+3, T+4) the M&As event are calculated, and the mean from the sum of each company ratio for the years T-4, T-3, T-2, and T-1 is compared with the equivalent mean from the years T+1, T+2, T+3, and T+4, respectively. The study applies a static determination of ratios, while the year of M&A event (Year 0) is omitted from the comparisons because it usually includes a number of events which influence firm results in this period (as one-time M&As transaction costs, necessary for the deal, etc.). To test these hypotheses we apply two independent sample mean-tests. The results are presented in the next section.

4. Analysis of Results

The results from the evaluation of the relative change of each financial ratio of the sample (ratios from V01 to V26), according to the above referred hypothesis are depicted in Table 4 (see, Appendix). From these results, it is obvious that the analysis of the ratios after the M&As actions indicates the existence of special peculiarities to the underlying firms' operating performance.

Regarding the first category (liquidity ratios: variables from V01 to V04, namely: current ratio, acid test ratio, cash ratio, working capital), the only variable that is affected by the M&As event is the variable V03 (cash ratio), since it is statistically significant at the 0.05 level (P-Value=0,026**). It is concluded that there is an improvement of the variable V03 (cash ratio) for conglomerate mergers than non-conglomerates based on the 95% Confidence Interval (1,81; 27,54), that are positive numbers. Regarding these liquidity ratios after the merger, it can be concluded that the targets from M&As transactions were mainly firms that have high liquidity levels and with a lot of their funds in cash, or nearly in cash, and for this reason it observed this real improvement in the acquirer firm's liquidity even four years after the examined conglomerate merger.

The second category of ratios (activity ratios: variables from V05 to V11, namely: average receivables conversion period, average payables deferral period, average inventory conversion period, working capital turnover ratio, asset turnover ratio, fixed asset turnover ratio, owner's equity turnover ratio), present no significant change of any examined variable after the M&As transactions between conglomerate and non-conglomerate mergers.

Regarding the category of the profitability ratios (variables from V12 to V16, namely: gross profit margin, net profit margin (before taxes), net profit margin (after taxes), return on total assets - ROA (after taxes), return to owner's equity - ROE (after taxes)), there is an increase after the M&As transactions for conglomerate mergers than non-conglomerates significant for two variables: (a) Variable V13 (net profit margin (before taxes)), that it is statistically significant at the 0.05 level (P-Value=0,046**), with 95% Confidence Interval (0,3; 43,5), (b) Variable V14 (net profit margin (after taxes)), that it is statistically significant at the 0.1 level (P-Value=0,089*), with 95% Confidence Interval (-2,8; 39,1), and an increase after the M&As transactions for non-conglomerate mergers than conglomerates significant for one variable: Variable V15 (return on total assets - ROA (after taxes)), that it is statistically significant at the 0.01 level (P-Value=0,001***), with 95%

Confidence Interval (-5,22; -1,377). These results are consistent merely with the results of some other past studies on success of conglomerate M&As as for the Variables 13 and 14 concluded that conglomerate mergers were more successful M&As action than non-conglomerates with a business risk reduction after a conglomerate mergers due to special gains as: risk reduction through diversification, reduced financing costs, etc. (Mueller, 1977; Lewellen, 1971; and others). Also, these results are consistent merely with some other studies that claimed that non-conglomerates are more successful than conglomerates which are less likely to succeed because the business risk exposure of the managers in their “new” industry is too high (Jensen, 1986; and others) as for indeed from the Variable 15. Furthermore, our results for the Greek market, since there is improvement at ratios: net profit margin (before taxes) and net profit margin (after taxes) for conglomerate mergers than non-conglomerates, support from this point of view the hypotheses of market power for conglomerate mergers (Lubatkin, 1983; 1987). According to this approach, market power that gained by the acquirer after the merger or the acquisition should increase the new firm’s profit margins and therefore, its profitability.

The fourth category of ratios (financial structure and viability ratios: variables from V17 to V20, namely: ratio of owner’s equity to total assets, ratio of owner’s equity to total liabilities, ratio of owner’s equity to fixed assets,) present one change, since the only ratio affected from the M&As event, is the variable V20 (ratio of net liabilities, which is equivalent: “total liabilities” minus “cash & equivalents”), that it is statistically significant at the 0.01 level (P-Value=0,001***). From the 95% Confidence Interval (-110,61; -30,73), that are both negative numbers, it is concluded that there is a worsening of the variable V20 (ratio of net liabilities) for non-conglomerate mergers than conglomerates.

Last, the fifth category of ratios (investment ratios: variables from V21 to V26, namely: earnings per share (EPS), dividends per share (DPS), dividend yield on equity capital, book value per share, price to book value (P/BV), price earnings ratio (P/E)) shows a decrease for conglomerate mergers than non-conglomerates after the M&As transactions of the relative value of three variables: (a) Variable V21 (earnings per share), that it is statistically significant at the 0.01 level (P-Value=0,001***), with 95% Confidence Interval (-0,3194; -0,0821), (b) Variable V23 (dividend yield on equity capital), that it is statistically significant at the 0.1 level (P-Value=0,055*), with 95% Confidence Interval (-1,316; 0,014), and (c) Variable V24 (book value per share), that it is statistically significant at the 0.01 level (P-Value=0,002***), with 95% Confidence Interval (-1,738; -0,399). From the 95% Confidence Interval, with all negatives prices, it is concluded that the above variables are reduced for conglomerate mergers than non-conglomerates. Also, there is a decrease for non-conglomerate mergers than conglomerates after the M&As transactions of the relative value of two variables: (a) Variable V22 (dividends per share (DPS)), that it is statistically significant at the 0.1 level (P-Value=0,100*), with 95% Confidence Interval (-0,93; 10,34), and (b) Variable V26 (price earnings ratio (P/E)), that it is statistically significant at the 0.1 level (P-Value=0,058*), with 95% Confidence Interval (-2,1; 121,2). From the 95% Confidence Interval, with all positive prices, it is concluded that the above variables are reduced for non-conglomerate mergers than conglomerates.

5. Summary and conclusions

One of the main elements of contemporary corporate restructuring is the formation of new business entities via M&As. This paper examines empirically the impact of business risk on the operating performance of a sample of firms that involved in mergers and acquisitions (M&As). Business risk in this study is perceived as a firm’s exposure to uncertainty, which can lead to changes in the operating performance of this firm. Developing or changing a firm

its operating activities from a particular industry to another industry could affect its operating performance. As one of the main elements of contemporary corporate restructuring is the formation of new business entities via M&As, this study proceeds to an analysis of the operating performance from a sample of firms that involved in M&As transactions.

In order to evaluate this trend, using financial ratios, the post-merger performance of a sample of Greek firms, listed on the Athens Stock Exchange (ASE) that executed at least one merger or acquisition in the period from 1998 to 2002 as acquirers, is investigated. For the purpose of the study, the sample of firms is sub-tracted in two different groups, which are: (i) firms that involved in M&As activities as acquirers with firms from their industry (horizontal or vertical mergers) and (ii) firms that involved in M&As activities as acquirers but with firms from a different industry and were exposed in extended business risk (conglomerate mergers).

Then, the study, applying an explanatory set of twenty-six financial ratios, compares the differences in firms' post-merger operating performance among the two sub-samples for four years after the M&A announcements, in order to measure the changes in operating performance from the extended business risk exposure. The financial ratios in this study are organised into five main groups: (i) liquidity ratios, (ii) activity ratios, (iii) profitability ratios, (iv) financial structure and viability ratios, and (v) investment ratios.

The results revealed that conglomerate mergers are more successful than non-conglomerates concerning the category of liquidity ratios (in one variable: V03) and the category of financial structure and viability ratios (in one variable: V20).

Also, concerning the categories of profitability ratios and investment ratios, there is no clear evidence if conglomerate mergers are more successful or not than non-conglomerates, as it is observed ambiguous results.

Last, at the category of activity ratios, there is no relative change of any examined variable and that do not support partially neither conglomerate nor non-conglomerates mergers.

From the above results, it can be concluded that the targets at conglomerate mergers were mainly firms that have high liquidity levels and with a lot of their funds in cash, or nearly in cash, and for this reason it observed this real improvement in the acquirer firm's liquidity even four years after the examined conglomerate merger.

Furthermore, the research results for the Greek market, since there is improvement at ratios: net profit margin (before taxes) and net profit margin (after taxes) for conglomerate mergers than non-conglomerates, support from this point of view the hypotheses of market power for conglomerate mergers (Lubatkin, 1983; 1987). According to this approach, market power that gained by the acquirer after the merger or the acquisition should increase the new firm's profit margins and therefore, its profitability.

All-in-all, it is clear that the results from the analysis of the ratios from the post-merger performance indicate the existence of special peculiarities to the underlying firms' operating performance.

Future extensions of this study could examine the effects of the type of the M&As transaction (conglomerate mergers and non-conglomerates) not only with ratios, but also with stock returns. Also, this study could be applied to a larger sample that could include not only M&As-involved Greek firms listed in the ASE, but also non-listed firms and within other time frame periods.

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Appendix

Table 1. Classification of financial ratios

<i>Class</i>	<i>Code</i>	<i>Variable Name</i>
<i>Liquidity ratios</i>	V01	Current ratio
	V02	Acid test ratio
	V03	Cash ratio
	V04	Working capital
<i>Activity ratios</i>	V05	Average receivables conversion period
	V06	Average payables deferral period
	V07	Average inventory conversion period
	V08	Working capital turnover ratio
	V09	Asset turnover ratio
	V10	Fixed asset turnover ratio
	V11	Owner's equity turnover ratio
<i>Profitability ratios</i>	V12	Gross profit margin
	V13	Net profit margin (before taxes)
	V14	Net profit margin (after taxes)
	V15	Return On total Assets - ROA (after taxes)
	V16	Return to Owner's Equity - ROE (after taxes)
<i>Financial structure and viability ratios</i>	V17	Ratio of owner's equity to total assets
	V18	Ratio of owner's equity to total liabilities
	V19	Ratio of owner's equity to fixed assets
	V20	Net liabilities (=Total liabilities-Cash & Equivalents)
<i>Investment ratios</i>	V21	Earnings per share - EPS
	V22	Dividends per share - DPS
	V23	Dividend yield on equity capital
	V24	Book value per share
	V25	Price to book value - P/BV
	V26	Price earnings ratio - P/E

Table 2. Percentage of sample's M&A event by year

Year	Percentage
2002	40,32%
2001	25,81%
2000	16,13%
1999	9,68%
1998	8,06%
Total	100,00%

Table 3. Percentage of the firms according to the A.S.E. category classification

<i>Category</i>	<i>Percentage</i>
<i>Primary Sector</i>	2,00%
<i>Manufacturing</i>	42,00%
<i>Utilities</i>	0,00%
<i>Commerce</i>	14,00%
<i>Hotel - Restaurant Services</i>	0,00%
<i>Transport - Communication Services</i>	6,00%
<i>Financial Services</i>	6,00%
<i>I.T. - Real Estate - Rental - Commerce Services</i>	14,00%
<i>Health - Public Care Services</i>	2,00%
<i>General Services</i>	0,00%
<i>Constructions</i>	12,00%
<i>Transitory Category</i>	2,00%
<i>Total</i>	100,00%

Table 4. Results of sample firms for a four-year-period

<i>Variable</i>	<i>Conglomerate or Non-Conglom. post-merger performance</i>	<i>Mean</i>	<i>T-statistic (Two-tail)</i>	<i>P-Value</i>	<i>Confidence Interval 95%</i>
V01	<i>Congl. merger</i>	1,69	-0,59	0,557	(-0,781; 0,422)
	<i>Non-congl.-merger</i>	1,87			
V02	<i>Congl. merger</i>	1,42	-0,26	0,793	(-0,674; 0,516)
	<i>Non-congl.-merger</i>	1,50			
V03	<i>Congl. merger</i>	20,40	2,26	0,026**	(1,81; 27,54)
	<i>Non-congl.-merger</i>	5,70			
V04	<i>Congl. merger</i>	10,18	-1,45	0,150	(-46,72; 7,22)
	<i>Non-congl.-merger</i>	29,93			
V05	<i>Congl. merger</i>	537	0,47	0,642	(-281; 456)
	<i>Non-congl.-merger</i>	450			
V06	<i>Congl. merger</i>	350	0,48	0,633	(-102,3; 167,8)
	<i>Non-congl.-merger</i>	317			
V07	<i>Congl. merger</i>	39,60	-0,95	0,344	(-21,65; 7,59)
	<i>Non-congl.-merger</i>	46,60			
V08	<i>Congl. merger</i>	6,40	1,23	0,220	(-2,58; 11,15)
	<i>Non-congl.-merger</i>	2,10			
V09	<i>Congl. merger</i>	0,64	1,32	0,188	(-0,048; 0,247)
	<i>Non-congl.-merger</i>	0,541			
V10	<i>Congl. merger</i>	-0,60	-1,35	0,180	(-21,93; 4,16)
	<i>Non-congl.-merger</i>	8,30			

V11	<i>Congl. merger</i>	1,66	1,51	0,133	(-0,123; 0,928)
	<i>Non-congl.-merger</i>	1,26			
V12	<i>Congl. merger</i>	19,10	-1,58	0,116	(-12,27; 1,36)
	<i>Non-congl.-merger</i>	24,60			
V13	<i>Congl. merger</i>	24,00	2,01	0,046**	(0,3; 43,5)
	<i>Non-congl.-merger</i>	1,70			
V14	<i>Congl. merger</i>	22,00	1,71	0,089*	(-2,8; 39,1)
	<i>Non-congl.-merger</i>	3,80			
V15	<i>Congl. merger</i>	1,22	-3,38	0,001***	(-5,22; -1,377)
	<i>Non-congl.-merger</i>	4,52			
V16	<i>Congl. merger</i>	-0,80	-1,58	0,115	(-21,01; 2,30)
	<i>Non-congl.-merger</i>	8,50			
V17	<i>Congl. merger</i>	34,80	0,75	0,451	(-5,06; 11,35)
	<i>Non-congl.-merger</i>	31,70			
V18	<i>Congl. merger</i>	1,54	-1,12	0,264	(-0,958; 0,264)
	<i>Non-congl.-merger</i>	1,89			
V19	<i>Congl. merger</i>	1,97	-1,56	0,121	(-3,70; 0,43)
	<i>Non-congl.-merger</i>	3,61			
V20	<i>Congl. merger</i>	57,15	-3,49	0,001***	(-110,61; -30,73)
	<i>Non-congl.-merger</i>	127,83			
V21	<i>Congl. merger</i>	0,121	-3,35	0,001***	(-0,3194; -0,0821)
	<i>Non-congl.-merger</i>	0,322			
V22	<i>Congl. merger</i>	5,40	1,67	0,100*	(-0,93; 10,34)
	<i>Non-congl.-merger</i>	0,66			
V23	<i>Congl. merger</i>	0,54	-1,93	0,055*	(-1,316; 0,014)
	<i>Non-congl.-merger</i>	1,19			
V24	<i>Congl. merger</i>	2,35	-3,15	0,002***	(-1,738; -0,399)
	<i>Non-congl.-merger</i>	3,42			
V25	<i>Congl. merger</i>	16,70	0,25	0,804	(-23,8; 30,6)
	<i>Non-congl.-merger</i>	13,00			
V26	<i>Congl. merger</i>	91	1,92	0,058*	(-2,1; 121,2)
	<i>Non-congl.-merger</i>	31,8			

Notes:

1. At variable V04 and V20, the amounts are in millions euro.
2. *** : statistically significant at the 0.01 level, ** : statistically significant at the 0.05 level, * : statistically significant at the 0.1 level.