Assessing the Performance of Banking M&As in Europe: A New Conceptual Approach
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This book examines the performance of mergers and acquisitions in the banking industry in Europe and introduces a new approach for assessing the phenomenon by considering the various strategies underlying consolidation activity—namely, the initial activities of the banks involved and the geographical dimension of their transactions. The results show that the economic and financial performance of a banking M&A depends on its underlying strategy, which is defined on the basis of the bank’s initial activities and its geographical reach. The optimal combination of these two factors defines the European banking sector consolidated at a rapid pace throughout the 1990s. It was pushed along by several concurrent factors: the deregulation of banking activities, the further integration of the European financial market, financial globalization, technological and financial innovations, the imperative of value creation, and the introduction of the euro. Far from slowing down, this consolidation process is expected to accelerate over the coming years. This book examines the performance of mergers and acquisitions (M&As) in the banking industry in Europe and introduces a new conceptual approach.

The European banking sector has experienced a rapid process of mergers and acquisitions (M&A) during the 1990s. The deregulation of banking activities, the progress made towards the completion of an...