

Table of content

Preface.....	vii
Acknowledgement	ix
Abstract.....	xi
Index of tables.....	xvi
List of abbreviations & symbols	xviii
1. Introduction.....	1
1.1 Research background and motivation	1
1.2 Research aim and objectives	6
1.3 Research questions	7
1.4 Research structure and thesis layout	7
2. Basics of aircraft sourcing and financing	11
2.1 Overview on air capacity alternatives and basic financial structures	11
2.2 Players in the air capacity market	17
2.2.1 Aircraft manufacturers	17
2.2.2 Aircraft operating and holding companies	19
2.3 Fleet Planning	32
3. Development of the air capacity market	37
3.1 Air traffic growth	37
3.2 Air capacity development 1993 to 2000	39
3.3 The aftermath of 9/11 – Crisis and recovery until Q3 2008	40
3.4 Financial Crisis Q4 2008 to Q1 2010.....	41
3.5 Forecast and industry expert expectations – The need for change in behavior	42
4. Financial performance of airlines and airline holdings.....	45
4.1 Stock market performance	45
4.2 Key operating figures from the financial statements	50
5. Summary of current situation and link to research topic	55
6. Research hypotheses and scope	57
6.1 Key research hypothesis.....	57
6.2 Definition of fleet variables and financial performance measures	58
6.2.1 Basic aircraft financing and sourcing characteristics in focus	58
6.2.2 Taking the right perspective – Choosing the right measures & methodology.....	58
6.3 Testable hypotheses	61

6.4	Sample – Aircraft operating and holding companies in scope.....	70
6.5	Summary of analysis scope.....	74
7.	Analysis of fleet planning decisions and financial success.....	77
7.1	Empirical methodology.....	77
7.1.1	Multivariate regression model (MVRM) and test statistics	77
7.1.1.1	MVRM with abnormal returns in stock prices.....	78
7.1.1.2	MVRM with long term avg. revenue growth, EBITDA and EBIT margins	87
7.1.2	Definition of explanatory and control variables.....	91
7.1.3	Analysis process – Flow of multivariate regressions	101
7.2	Stock performance in times of crises – Analysis of shocks	102
7.2.1	Terrorist attack on September 11, 2001.....	103
7.2.1.1	September 11, 2001 – Observation periods and course of events.....	103
7.2.1.2	September 11, 2001 – Alpha, beta, and the shift in risk	108
7.2.1.3	September 11, 2001 – Analysis results: Stock market's reaction.....	112
7.2.2	Financial crisis 2008.....	132
7.2.2.1	Financial Crisis – Observation periods and course of events.....	132
7.2.2.2	Financial Crisis – Alpha, beta, and the shift in risk	137
7.2.2.3	Financial Crisis – Analysis results: Stock market's reaction	141
7.2.3	Summary of stock market's reaction to shocks & crises	153
7.3	Special events – Company specific positive and negative event days.....	156
7.3.1	Special events – Observation periods.....	157
7.3.2	Special events – Alpha, beta, and the shift in risk.....	167
7.3.3	Special events – Analysis results: Stock market's reaction.....	175
7.4	Business cycle – Analysis of long term financial performance	184
7.4.1	Business cycle – Observation period and company sample	185
7.4.2	Business cycle – Analysis results: companies' long term performance	186
7.5	Summary of success factors for aircraft operating and holding companies	190
8.	Discussion of results against hypotheses and literature	195
9.	Conclusion and recommendation	203
	Literature references	205
	Interview references.....	215
	Appendices.....	217