



## UK's BBA Aviation to merge aircraft management business with Gama Aviation's U.S. unit

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(Reuters) - British aircraft services firm BBA Aviation Plc (BBA.L) will merge its aircraft management and charter business with London-listed Gama Aviation Plc's (GMAA.L) U.S. aircraft management unit, the companies said on Tuesday.

The combined entity will have around 200 aircraft under management, making it the largest aircraft management business in the United States, Gama Aviation said in a statement.

The merger is expected to be earnings-neutral to Gama Aviation in 2017 and 2018, and earnings-accretive thereafter.

Gama said the merger is expected to deliver cost synergies of not less than \$2 million over two years.

BBA Aviation and Gama Aviation each have a 24.5 percent shareholding of the enlarged entity while the remaining 51 percent is owned by a small number of individual U.S. shareholders, the company said.

BBA Aviation acquired its aircraft management and charter services business through the acquisition of Landmark Aviation for \$2.065 billion in September 2015.

Shares in BBA Aviation were up 0.5 percent at 285 pence at 0803 GMT.

Reporting by Rahul B in Bengaluru; Editing by Subhranshu Sahu and Sunil Nair

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