

SCIENTIFIC ADVISOR'S REFERENCE

Program:	MIB
Student:	Ilya M. Lyubimov
Title of thesis:	Impact of Joint Venture, Merger and Acquisition Deals in Russia on Shareholders' Wealth in Foreign Companies

<p>Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis. Justification of the topic choice; accuracy in defining the aim and tasks of the thesis; originality of the topic and the extent to which it was covered; alignment of the thesis' topic, aim and objectives.</p> <p>The main pre-requisite of the selection of the Master thesis topic appears is still continuing discussions on how do announcements about cross-border joint venture, merger and acquisition deals affect parent shareholder wealth? He actuality of the selected topic may be confirmed by the fact that the area of JV and M&A deals in Russia is enough turbulent, so investment into Russia may be perceived as risky requiring special extra incentives for shareholders to agree on a deal. Thus, the goal of the Master thesis prepared by Ilya Lyubimov to assess the short term impact of JV and M&A deals with Russian companies on the shareholder wealth of foreign companies in terms of its strength and positive or negative direction looks rather relevant.</p> <p>To reach the main aim of the study, several objectives have been assigned, namely (1) to set up hypotheses about the level of the effect of JV and M&A deals on Russian companies; (2) to review studies on how shareholder wealth may be influences by announcement of JV and M&A deals; (3) to gather data describing the effect of JV, M&A deals on shareholder wealth; (4) to process the data in order to find out the effect; and (5) to make conclusions about the impact of JV and M&A deals on shareholder wealth.</p> <p>The topic of the thesis, its main aim and objectives are aligned properly.</p>
<p>Structure and logic of the text flow. Logic of research; full scope of the thesis; alignment of thesis' structural parts, i.e. theoretical and empirical parts.</p> <p>The formulation of research question as 'how do announcements of JV and M&A deals with Russian companies affect shareholder wealth for foreign companies' looks logical, grounded properly on the literature review. The structure of the thesis follows current academic traditions and provides an effective opportunity to show how the research question was elaborated and what were the main conclusions and implications.</p>
<p>Quality of analytical approach and quality of offered solution to the research objectives. Adequacy of objectives coverage; ability to formulate and convey the research problem; ability to offer options for its solution; application of the latest trends in relevant research are for the set objectives.</p> <p>The theoretical framework and event study methodology used by the author look rather well argued by the literature overview and open a room for an empirical research undertaken in the thesis.</p>
<p>Quality of data gathering and description. Quality of selecting research tools and methods; data validity adequacy; adequacy of used data for chosen research tools and methods; completeness and relevance of the list of references.</p> <p>Secondary source (Zephyr database) has been used to collect the necessary data on 30 companies and appropriate JV and M&D deals. Based on these data, a quantitative study was undertaken by the author to evaluate the impact of JV and M&A deals on abnormal returns for shareholders according to the theoretical framework selected by the author.</p>
<p>Scientific aspect of the thesis. Independent scientific thinking in solving the set problem/objectives; the extent to which the student contributed to selecting and justifying the research model (conceptual and/or quantitative), developing methodology/approach to set objectives.</p> <p>Three hypotheses formulated by the author on the base of research overview have been tested in the thesis based on the data collected earlier in order to make conclusions on how JV and M&D deals influence the abnormal shareholders' return.</p> <p>The contents of the study and appropriate findings and conclusions are presented in both analytical and descriptive forms accompanied with a set of tables.</p>

Practical/applied nature of research. Extent to which the theoretical background is related to the international or Russian managerial practice; development of applied recommendations; justification and interpretation of the empirical/applied results.

Managerial implications made in the thesis have been confirmed by the research results. It has been elaborated that significant abnormality exists, as the post-announcement period boosts both significant abnormal returns and compound abnormal returns. At the same time, the impact of rumors is low. Thus, based on the empirical study results, the author has proposed an approach to solve some aspects of agency problem by managers in appropriate situations.

Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defence, correct layout of tables, figures, references.

The quality of layout is appropriate.

The quality of data collection and analysis undertaken by Ilya Lyubimov shows his analytical skills and appropriate qualification to make interpretations of research findings in the selected area. The Master thesis of Ilya Lyubimov meets the requirements for master thesis of MIB Programme, thus the author of the thesis can be awarded the required degree.

Date  September 24, 2012

Scientific Advisor: Professor Andrey Medvedev