

## SCIENTIFIC ADVISOR'S REFERENCE

<b>Program:</b>	MCF
<b>Student:</b>	Ekaterina Yakovleva
<b>Title of thesis:</b>	SUPPLY CHAIN RELATED HIDDEN COSTS AS THE FACTOR OF THE M&A DEALS OVERVALUATION

**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.

The paper of Ekaterina Yakovleva is devoted to the nature of supply chain related hidden costs that can damage the companies' profitability both in the short run and in the long run. These costs are often neglected when M&A deals are made, that's why these deals are often overvalued. This issue is not covered extensively in the financial literature, that's why the aim and objectives of the master thesis prove to be original and up-to-date. The aim and objectives are formulated accurately. The empirical part of the thesis is written on the grounds of international aviation industry data. The cases of real companies are considered, that's why the practical orientation of the thesis is significant.

**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.

The thesis is structured quite logically. In the first chapter the author describes basic aspects of M&A deals overvaluation; outlines the nature of supply chain hidden costs and their impact on M&A deals valuation and, finally, describes the nature and role of these costs in aviation industry. The second chapter contains the description of research design and sources of data used. In the third chapter of the thesis the empirical results are presented and analysed. The theoretical and empirical parts of the paper are aligned.

**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.

The objectives of the thesis are covered. The student showed the abilities to convey the research problem and offer options for its solution. The solutions proposed by the author are in line with the latest research trends.

**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.

The choice of research tools and methods is justified. The data validity and adequacy raises no doubts. The list of references is broad and covers relevant papers including the most recent ones.

**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.

The author showed independent scientific thinking in solving the set of objectives; the approaches she used (case study method and regression analysis) are aligned with goals of the research. It should be noted that it took the author a lot of work to collect data on companies she used in her research.

**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.

The conclusions of the thesis are backed up by the empirical evidence on US and European airlines. The findings of the paper can be used by companies when evaluating the potential consequences of M&A deals.

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

Layout fulfils the general requirements of the Regulations for master thesis preparation and defence.

The Master thesis of Ekaterina Yakovleva **meets** the requirements for master thesis of MCF program thus the author of the thesis can be awarded the required degree.

Date 13.06.2012

Scientific Advisor:  
Associate Professor  
Anna E. Loukianova

A handwritten signature in black ink, appearing to be 'A. Loukianova', written in a cursive style.