

SCIENTIFIC ADVISOR'S REFERENCE

Program:	Master in Corporate Finance
Student:	Kirill Kushnir
Title of thesis:	Fundamental valuation of a company and IPO timing: The case of SUEK

<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>Topic of IPO timing is important and many-sided issue. The author primarily uses fundamental valuation approach but do not forget about corporate governance issues.</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>Thesis presentation is logical. First two chapters are devoted to uncertainty and fundamental valuation. The third one is the SUEK case study.</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>All objectives are achieved. Analysis of SUEK case is original and instructive not only for that company. The most recent literature on fundamental valuation is used.</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>Two types of data were collected and analysed. For fundamental analysis it is IFRS (MSFO) data on Russian traded companies. For SUEK case it is energy coal prices index.</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>There are two contributions. First, previously fundamental valuation of Russian companies was based on RAS data to have larger panel data. Since SUEK is a holding then consolidated reports are needed. Estimation of fundamental values on the base of MSFO data was done. Second, SUEK lost IPO opportunities were analysed as an integral phenomenon.</p>
<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.</p>
<p>Both estimates of fundamental values and IPO timing methodology are of high importance.</p>
<p>Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defence, correct layout of tables, figures, references.</p>
<p>Layout is good.</p>

The Master thesis of Kirill Kushnir meets the requirements for master thesis of MCF program thus the author of the thesis can be awarded the required degree.

Date: June 13, 2015

Scientific Advisor: Professor Alexander Bukhvalov

