

SCIENTIFIC ADVISOR'S REFERENCE

Program:	Master in Corporate Finance
Student:	Victor Grigoriev
Title of thesis:	Earnings management by companies around stock issuances

<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>Master thesis of Victor Grigoriev is devoted to the topic of a company's earnings management. The concept of earnings management stipulates that managers can use discretion that is to given to them by accounting standards in order to extract some private benefits. Traditionally in scientific literature this problem is considered in relation to particular situations. There are different motives for earnings management, for example, to inflate stock price in times of stock issuance; to meet debt covenants, etc. The current paper focuses on IPO as an earnings management motive. Although this topic is well investigated, there is a lack of studies on Russia and the other emerging markets. The thesis strives to bridge this gap. Hence, the research topic is justified. Topics, goal and objectives are aligned.</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 research is logical. Its theoretical and empirical parts are balanced. Chapter 1 is devoted to theoretical underpinnings of research, like the definition and methods of earnings management. Chapter 1 also provides a review of prior studies and formulates research hypotheses. Chapter 2 contains the description of research methodology and also presents and analyses research findings.</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 research methodology is based on the existing studies and is justified well enough.</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>The data is collected and presented in an appropriate way. The data is adequate for the research method used.</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>The thesis makes a contribution to the existing literature by considering the issue of earnings management around IPO in emerging markets.</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>The thesis is primarily addressed to external users of accounting information, like investors, regulatory bodies, etc.</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 fulfils the requirements of the Regulations for master thesis.</p>
<p>Originality of the text. All sources of match identified by the Safe Assign system follow the allowed cases, the paper does not contain any elements of plagiarism.</p>
<p>All sources of match identified by the Safe Assign system follow the allowed cases. The master thesis is original and does not contain elements of plagiarism.</p>

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

Date: 12.06.2020

Scientific Advisor:

Associate Professor

Finance and Accounting Department

Graduate School of Management

St. Petersburg University

Egor D. Nikulin