

REFEREE'S REVIEW

Program:	Master in Corporate Finance
Student:	Levitanus Valeriia
Title of thesis:	The relationship between the board composition and IPO underpricing in Russian companies

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.	5			
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.	5			
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.	5			
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.	5			
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.	5			
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.	5			
Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defense, correct layout of tables, figures, references.	5			

Each item above is evaluated on the following scale, as applicable: 5 = the thesis meets all the requirements, 4 = the thesis meets almost all the requirements, 3 = a lot of the requirements are not met in the thesis, 2 = the thesis does not meet the requirements.

Additional comments:

The thesis is dedicated to the connection between internal corporate governance and IPO underpricing in Russia. The analyzed topic is relevant, the empirical study was completed and relationships between characteristics of board structure and IPO underpricing were determined.

The research paper is clearly structured and contains all the necessary elements. The research starts with literature analysis, continues with the board compositions in Russian companies and empirical analysis.

The empirical part is clear and to-the-point. The impressive intensity and workload of the research is clear. To obtain the necessary sample, the author determined the type of each director in the board for 56 Russian IPO companies. Additionally, the author analyzed the work history and affiliation history for 5 years before the IPO of each director. The author uses the statistical analytical methods to make conclusion about the factors that influence the IPO underpricing on the Russian financial markets. The arguments used and the methods applied are convincing, structured and logical, thus making the research conclusions reliable. The results of the study are consistent with the specified goals and objectives.

There are several critical remarks:

- 1. The author did not exploit the broader set of IPOs of Russian companies. The companies listed on foreign stock exchanges were not mentioned in the research.*
- 2. Sometimes, the author uses overly complex terminology, where less overwhelming wording could have better expressed the logic. This could make it more difficult to comprehend the research.*

Master thesis of Levitanus Valeriia meets the requirements of the MCF program, and according to the reviewer's opinion deserves an "excellent (A)" grade, thus the author can be granted the desired degree.

Date: 30.05.2016

Referee:

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