

SCIENTIFIC ADVISOR'S REFERENCE

Program:	Master in Corporate Finance
Student:	Solovev Anton
Title of thesis:	Model of identification of optimal debt structure in corporations

<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 topic of capital structure of the companies is the field of close academic and practical interest in last decades, with a specific interest in the question of optimal capital structure (debt structure). A number of research was done in an attempt to propose a model for identification of optimal capital structure (it is worth to mention here the seminal Leland's paper). This thesis seeks to contribute into this field.</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 representation in the text is logical. The parts of the Thesis (i.e. conceptual, methodology/model description and model implementation) generally fit each other.</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 specific model (that stems from Leland's paper) of optimal capital structure identification supports the goal & objectives of the Thesis. The specifics of this model is the interpretation of the equity of the company as a real option. On the base of conceptual reasoning, the author proposes his algorithm to apply the model to real companies.</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 author uses the reliable sources of data needed to reach the goal of the research, f.e. to test the proposed model on real companies</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 paper embraces some conceptual modifications of the model proposed by Leland (1994) as well as the creation of the algorithm of its implementation for the real companies. A several cases of big Russian companies operating under different market conditions are analyzed to assess the quality of the suggested modification of the model.</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 analysed cases of the Russian companies give the scope and ground for the discussion of the possible gap between the real observed level of leverage in the studied companies and the level of leverage suggested on the base of developed algorithm. The author proposes the necessary attempt of interpretation.</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>
<p>Originality of the text. The absence of plagiarism</p>
<p>The master thesis is original and does not contain elements of plagiarism</p>

The Master thesis of Solovev Anton meets the requirements for master thesis of Master in Corporate Finance program thus the author of the thesis can be awarded the required degree.

Date: 07.06.2016

Scientific Advisor: Professor Alexander V. Bukhvalov