

## REFEREE'S REVIEW

<b>Program:</b>	Master in Corporate Finance
<b>Student:</b>	Milana Bubyakina
<b>Title of thesis:</b>	Valuation of product line extension success: Airbus and Boeing case

<b>Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis.</b> 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.	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>
<b>Structure and logic of the text flow.</b> Logic of research; full scope of the thesis; alignment of thesis' structural parts, i.e. theoretical and empirical parts.	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>
<b>Quality of analytical approach and quality of offered solution to the research objectives.</b> 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.	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>
<b>Quality of data gathering and description.</b> 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.	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>
<b>Scientific aspect of the thesis.</b> 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.	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>
<b>Practical/applied nature of research.</b> 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.	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>
<b>Quality of thesis layout.</b> Layout fulfils the requirements of the Regulations for master thesis preparation and defense, correct layout of tables, figures, references.	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>

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 under review examines product line extension influence on company value for two major aircraft producers – Airbus and Boeing.*

*The first chapter covers theoretical basics and latest trends in brand management and marketing, however focuses on consumer industries, mostly FMCG and consumer electronics. With chosen practical implication to be connected to a completely different industry, this chapter is largely irrelevant to further analysis. Industrial marketing has its special features and has to be described from a different point of view. Same trends and business environment changes have different implications for Coca-Cola and Airbus, and this needs to be at least mentioned.*

*The second chapter contains an analysis of two chosen companies (Airbus and Boeing) which is based on all possible information one can get from open sources. It is however limited as both companies try to disclose as little as possible about their segment-specific operations or R&D details. This limitation is crucial for the third chapter, where certain assumptions and simplifications are made to obtain all inputs to cash flow estimation. Some of those assumptions (correlation between projects, demand projections) are discussed further and their potential biases are pointed out. But for some assumptions such discussion is missing: demand volatility and fixed cost estimates based on undefined historic period; fixed costs per aircraft produced vs revenues based on deliveries; valuation of 5 year cash flow (p.52) when production of a specific model may last longer and financial modelling is actually done for much longer period (based on the appendices).*

*Nevertheless, the research represents a viable and well-structured approach to valuing a specific project and has certain practical potential. Its immediate results using a specific set of assumptions and approximations might be biased and not directly valuable for company management, but proposed methodology combined with in-house data may be more than useful to any company in this specific market or any other with similar characteristics (B2B, which high R&D requirements, long-term operations etc.).*

*The layout meets the requirements of the Regulations for master thesis preparation and defense, text is well structured, reader-friendly and clear.*

Master thesis of Milana Bubyakina meets the requirements of master in Corporate Finance program, and according to the reviewer's opinion deserves a *good (C)* grade, thus the author can be given the desired degree.

Date 7<sup>th</sup> June 2017

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke at the bottom.

Referee:

*Anna Ossinskaya, Deputy head of Corporate restructure unit, Property department, Rosneft Oil Company*  
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