SCIENTIFIC ADVISOR'S REFERENCE

Program: Master in Management (MCF)

Student: **Gavrilova Alena**

Title of thesis: Analysis of Factors of Premium for Company Specific Risks in Russian Steel and Mining Industry

Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis.

Many analysts and appraisers are convinced that the specific risk factors affect the value of the business, although this idea is not recognized by theorists of corporate finance. Therefore, empirical studies on this issue are relevant and have critical practical importance.

Structure and logic of the text flow.

The structure of the thesis corresponds to the objectives of the work; theoretical and empirical parts of the thesis are quite balanced.

Quality of analytical approach and quality of offered solution to the research objectives.

The author has analyzed different approaches and examined various specific factors, which are usually taken into account in business valuation. As a research tool she used multi–regression analysis.

Quality of data gathering and description.

The literature review is reasonably complete. For the numerical analysis the author used data from 47 Russian companies and time interval of 10 years. The data is reliable.

Scientific aspect of the thesis.

The distinctive feature of this work is that the risk is associated with volatility of cash flows of the company. The author examined how the financial characteristics of companies are related to volatility of earning. This method gives the most direct way to identify risk factors; and it is not often used in previous research.

Practical/applied nature of research.

The work has a nature of empirical research. The obtained results are very interesting and can be useful in practice of business valuation.

Quality of thesis layout.

Thesis layout meets the requirements. Tables, figures, and references designed basically in accordance with accepted rules. However, there are grammatical errors in the text.

Originality of the text.

The paper does not contain any elements of plagiarism.

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

Scientific Advisor

Okulov V. L., Associate Professor

08.06.2017