Supervisor's Review of Bachelor Thesis

Title: Financial Analysis of Bayerische Motoren Werke AG

Author: Min Wang

Assessing of financial health is necessary and permanently repetitious task within financial management, especially when it is focused on seeking further reasons of non-desirable conditions and when suitable recommendations are formulated. For that reason, the theme of the thesis may be considered as actual and well chosen. However, the aim of the thesis is not formulated in the introduction part at all.

The text suffers some imperfections. First and foremost, the text does not comply with the formal requirements in Guidelines No. EkF_SME_07_004. Margins are too wide (thanks to that the text seems to be longer); the theme on title page is different from “Defining of a bachelor thesis”. In theoretical part, influence quantification is not explained and described sufficiently. Other quantification methods are omitted, logarithmic method is not formulated mathematically at all and the formula (2.29) is written inappropriate.

In terms of application part, there are also some imperfections. In chapter 3, the comparison with other main rivals is missing at all and it is not paid any attention to company’s market share. Some comments are too simplifying, for instance the most is explained by the financial crisis, but further reasons are not searched. Some important issues are omitted, i.e. or why the net working capital is negative. Some comments are missing and the main causes remain unrevealed, for instance the spreads of liquidity ratios. Argumentation should be also better, low profit is explained due to the higher prices of raw materials, but it is not said which material. Moreover, the author could present a figure of development of these price material used in automotive industry.

A lot of comments are reduced on the describing the input data and further analysis with seeking further causes is mostly missing. Not only results, but also input data are influenced by the same event and therefore author should not concentrate on them only and seek the reasons in events and decision made by the company or authorities. Author also could formulate more recommendations or threats for the company. Figures and tables are described sufficiently.

General speaking, the thesis does not analyse sufficiently and the comments are not supported with relevant arguments every time. Thus, the author demonstrated analytical skills partially only, but we can say that the aim of the thesis was complied with. Moreover, it seems that the author works with method correctly and applies them properly therefore I recommend the thesis to the defence.

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