Bachelor thesis appraisal

Name of the student: Feiyang Xiang
Name of the supervisor: Ing. Aleš Kresta, Ph.D.
Title of the thesis: Financial Analysis of a Selected Company

The topic of the thesis is financial analysis. The goal of the thesis is to perform the financial analysis of Wuhan Department Store Group Co Ltd. (henceforth Wu Group). The stated goal is in line with the assignment and the topic of the thesis. As can be seen from the elaboration of the thesis, the goal was fulfilled.

Excluding the introduction and conclusion chapters, the thesis is structured into three main chapters. The first chapter is theoretical and student describes the financial analysis methodology within this chapter. In the second chapter the Wu Group is characterized (particularly its history, strategy and structure). The third chapter is the most important part of the thesis as student performs financial analysis of Wu Group within this chapter. He analyses the company by means of vertical and horizontal common-size analysis, financial ratio analysis and DuPont decomposition of ROE along with the influence quantification. The structure of the thesis is logical and in line with the stated goal.

However, the performed analysis of the company is only a description of the development of computed financial ratios, i.e. student is not analyzing the cause of the particular trends but just describing them. Also the particular ratios are analyzed separately instead of providing a comprehensive view.

The thesis is written in line with the Principles for Elaboration of Final Theses and student has proved that he is able to elaborate the scientific work focused on a given topic. The goal of the thesis was fulfilled. Thus, I recommend this thesis for defense at the final exam.

Ostrava, May 9, 2014

[Signature]

Ing. Aleš Kresta, Ph.D.