Report on Bachelor Thesis

*Topic:* Financial Analysis of Cathay Pacific Company

*Student:* Yue Wang

Bachelor thesis of the student Yue Wang concentrates on traditional topic of financial management – financial analysis of a company. One of the primary objectives is identification of major changes in trends, and relationships and the investigation of the reasons underlying those changes, and so the area of the financial management is very important for company management and its decision – making. The topic of the bachelor thesis fully corresponds with the topics of bachelor thesis at the Department of Finance.

The aim of bachelor thesis is the financial analysis of the company Cathay Pacific by applying selected methods.

Bachelor thesis is divided into five main chapters, where first chapter is introduction, last chapter is conclusion, second chapter is theoretical and methodological, third chapter is descriptive and the chapter fourth is the application part.

Second chapter is concentrated on description of the financial analysis methods. First, the author describes common-size analysis [vertical and horizontal], then attention is paid to selected profitability, liquidity, solvency and activity financial ratios and in the last part of the chapter are described analysis based on Pyramidal Decomposition. Third chapter is focused on the introduction and description of company Cathay Pacific.

The most important part of the bachelor thesis is the chapter fourth. Here, author made the financial analysis company Cathay Pacific over the period of 2007 - 2011. This chapter is divided into four parts, in the first and second part is company analysis by the common-size analysis of company statements, in the third and fourth part are calculated selected financial ratio and made Pyramidal Decomposition of return on equity (ROE). Results of methods and ratios are commented and presented in the tables and by graphs.

The bachelor thesis is on a very high level, it is necessary to appreciate the description and application of Pyramidal Decomposition of return on equity (ROE). However, it is necessary to say that author could formulate more recommendations or treats for Cathay Pacific.
Because the main aim of this thesis has been fulfilled and author also respects the formal guidelines, the bachelor thesis can be recommended to defense.

In Ostrava, 25th May 2013

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