



## Master Thesis Evaluation

### Supervisor form

**Student name:** *Christoph Schüller*

**Title of the thesis:** *Valuation of Tesla, Inc.*

**Year of the defence:** *2018*

**Supervisor name  
and affiliation:** *Tomáš Krabec, VŠE*

**Reviewer name  
and affiliation:** *Silvie Jeřábková, VŠE*

#### **THESIS CONTENT SUMMARY:**

The thesis investigates the factors influencing the share price of Tesla and puts these results into an appropriate valuation framework to arrive at a reasonable share price for Tesla. Valuation methods including those of start-up and growth companies have been investigated whereas especially the research papers provided by Damodaran represent the technical fundament. The valuation analysis deals with Tesla's business model and investigates competitive advantage in conjunction with extensive market and competitors research and analysis. The thesis identifies different valuation models suitable for valuation of companies and give an explanation for the choice of the valuation technique. The results of this valuation model are supposed to be of interest for any analyst or person, thinking about investments into Tesla.

#### **OBJECTIONS AND REMARKS:**

The topic of the thesis is quite common, nevertheless fully suitable for the study program. What is far beyond any benchmark for such a diploma thesis is the fine level of detail the author goes into. The analysis of the company under valuation, its products and of the market environment can be considered absolutely exceptional. Also, the literature review and the survey of the valuation methodologies are very well done and later applied in the text. The author demonstrates mastering not only the field of valuation but at the same time also strategy, financial analysis and the related areas.

**QUESTIONS FOR THE DEFENCE:**

1. What are the key sources of competitive advantage of Tesla? Are they sustainable? Why do you consider it a competitive advantage if Tesla has only been creating losses?
2. What are the main obstacles preventing Tesla of being a going concern entity?
3. What is the value of Elon Musk contribution to Tesla's market capitalisation? What is the financial and accounting nature of this source of value?

**ASSESSMENT:**

Criterion	Excellent	Very good	Good	Insufficient
Aim formulation and fulfilment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Work with literature	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Methods and data used	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results and their discussion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Formal aspects	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Suggested overall grading: 1 - Excellent</b>				

Prague, May 30 2018

  
Signature