Deutsches Rechnungslegungs Standards Committee e.V.
Accounting Standards Committee of Germany
Die Präsidentin

DRSC e. V. • Zimmerstr. 30 • 10969 Berlin

Telefon +49 (0)30 206412-11
Telefax +49 (0)30 206412-15
E-Mail knorr@drsc.de

Ms. Florence E. Harmon
Acting Secretary
U.S. Securities and Exchange Commission
100 F Street
N.E. Washington, DC 20549-1090, USA

Berlin, 2. Juli 2008

Dear Ms. Harmon,

File Number 4-560
SEC Roundtable on Fair Value Accounting Standards, July 9th, 2008

We appreciate the opportunity to provide the U.S. Securities and Exchange Commission ("SEC") and other observers of the Roundtable on Fair Value Accounting Standards with input regarding the usefulness of fair value accounting.

We would like to submit the results of a joint research project of the Accounting Standards Committee of Germany (ASCG), the Humboldt-University at Berlin and the European Federation of Financial Analysts Societies (EFFAS) which addresses the question which financial accounting measurement concept provides the most decision-useful information to professional investors and their advisors as one of the most important user groups. The detailed findings of the online survey can be found in the attached document.

One of the main findings is that, when asked to give a general opinion on financial accounting measurement concepts, the respondents, regardless of their background, favour the consistent application of fair value accounting for all assets and liabilities. But this general opinion, however, does not hold for more specific questions. When asked to rank explicitly measurement concepts for different asset and liability groups, the responses are much more diverse:

- For liquid and non-operating assets, mark-to-market fair value is considered to be the most decision-useful measurement concept.
- For non-liquid and operating assets, historical cost and market-based fair value are not regarded as being significantly different in respect to decision-usefulness.
- Mark-to-model fair values are regarded as significantly less decision-useful than both market-based fair values and historical cost measures for practically all asset and liability classes except for financial assets; for these respondents view mark-to-model measures as more decision-useful than historical cost values.

We hope that the results of this survey will be useful for the discussion at the SEC Roundtable. If you would like to further discuss the results of the survey, please do not hesitate to contact me.

Yours sincerely,

Liesel Knorr
President of the German Accounting Standards Board (GASB)

Joachim Gassen Kristina Schwedler

SURVEY: The View of European Professional Investors and their Advisors

Attitudes towards Fair Value and Other Measurement Concepts: An Evaluation of their Decision-usefulness

DRSC
HUMBOLDT-UNIVERSITÄT ZU BERLIN
EFFAS

Authors: Professor Dr. Joachim Gassen, Humboldt-Universität zu Berlin
Kristina Schwedler, Accounting Standards Committee of Germany

Editors: Accounting Standards Committee of Germany (ASCG)
Humboldt-Universität zu Berlin
The European Federation of Financial Analysts Societies (EFFAS)

Berlin, April 2008

Contents

Figures

1 Executive abstract

1.1 Motivation

The increasing demand for world-wide harmonized principle-based financial accounting standards is driving the current development of a remodeled conceptual framework by the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB). One central objective in the development process of this modified conceptual framework is *to identify the measurement concepts which provide the most decision-useful information to the recipients of financial accounting information*. Thus, identifying the measurement concept or concepts suitable for financial accounting is of general interest to practitioners, standard setters and academics alike. While it is important to explore the different economic attributes of the competing measurement concepts, the question as to which measurement concept provides the most decision-useful information is predominantly an empirical question: Different users have different information needs and thus, favor and require different measurement concepts. Balancing the potentially conflicting user needs requires judgment. In order to provide this judgment, the standard setters need *information about the information needs and opinions* of different user groups. One of the central and most influential user groups is the group *of professional investors and their advisors*.

1.2 Study design and main findings

This *joint research project of the Accounting Standards Committee of Germany (ASCG), the Humboldt-Universität zu Berlin and the European Federation of Financial Analysts Societies (EFFAS)* addresses this research question. Using an online survey, professional investors and their advisors were questioned about their opinions in respect to competing financial accounting measurement concepts. Based on a *sample of 242 valid observations* from financial analysts, fund managers, institutional investors and rating experts this study finds that

- Respondents *rank financial accounting information as the most important data source* when providing investment advice or making investment decisions. Direct contact to management is of equal relevance but is consistently viewed as less reliable. Debt investors seem to use more detailed data from the notes of the annual statements while financial analysts tend to focus on quantitative financial statement data and apply a "one-size-fits-all approach" when analyzing companies.
- Investors *are familiar with historical cost accounting and mark-to-market fair value accounting*. Other measurement concepts, such as lower of cost or market, value in use, or mark-to-model accounting are significantly less well known.

- If *asked to give a general opinion* on financial accounting measurement concepts, the respondents, regardless of their background, *favor the consistent application of fair value accounting for all assets and liabilities*.
- This general opinion, however, does not hold for more specific questions. When *asked to rank explicit measurement concepts for different asset and liability groups*, the responses are much more diverse.
    - *For liquid and non-operating assets, mark-to-market fair value is considered to be the most decision-useful measurement concept.*
    - *For non-liquid and operating assets, historical cost and market-based fair value are not regarded as being significantly different in respect to decision-usefulness.*
    - *Mark-to-model fair values are regarded as significantly less decision-useful than both market-based fair values and historical cost measures for practically all asset and liability classes. Only for financial assets do respondents view mark-to-model measures as more decision-useful than historical cost values.*

These findings are tested for robustness by a set of extensive tests and should be *representative for European professional investors and their advisors who have an interest in financial accounting matters*. They clearly suggest that professional investors do not view fair value measurement as a measurement concept with a homogenous impact on decision usefulness. While they generally see market-based fair values as being (very) decision-useful, they rank mark-to-model based fair values as the least decision-useful measurement concept. Also, respondents differentiate between different groups of assets and liabilities when assessing the decision-usefulness of measurement concepts. Only for liquid and non-operating assets and liabilities do they clearly see market-based fair values as the most decision-useful measurement concept. These *findings put earlier results about the preferences of professional investors towards different measurement concepts into perspective*: While the general opinions given in this survey confirm the results from earlier studies, the detailed opinions for explicit measurement concepts and separate classes of assets and liabilities show a more diverse picture.

1.3 Implications for standard setting

Based on these findings, this study cautiously suggests that the *Boards should consider differentiating between mark-to-model and mark-to-market approaches in fair value accounting* when assessing the decision-usefulness of competing measurement concepts. Although this distinction is not easy to draw, especially with respect to financial assets, for most non-financial assets it is obvious whether a fair value was determined on a sufficiently liquid market or whether it is based on assumptions which are at least in part subject to management's expectations. *Also, the decision-usefulness of different measurement concepts should be evaluated separately for different asset and liability groups*.

2 Study design and response

2.1 Research method choice

Identifying suitable measurement concepts for financial accounting is one of the central tasks of standard setting. The attributes of prominent measurement concepts such as historical cost and fair value have been indentified and categorized in the academic and practitioner literature for decades. Without reciting all this extensive earlier work,[1] two prominent attributes and their ranking of historical cost and fair value seem to be fairly persistent throughout the literature: Relevance, where fair value ranks first and historical cost metrics rank second, and reliability where the ranking is the opposite. As the two prototypic measurement concepts do not rank consistently across the two prototype decision-usefulness attributes, choosing the most decision-useful measurement is non-trivial. This task is also made more complex as users of financial accounting cannot be assumed to be sufficiently homogeneous. For example, some users might invest in companies or markets where corporate governance issues are substantial and thus, incentives between reporting management and stakeholders are misaligned. This might fuel demand for more reliable reporting measures by these investors, while other investors, who invest in well governed companies only, do not have these additional concerns about the reliability of financial accounting information as they do not expect systematic misreporting by management.

Summing up, *in a world with heterogeneous users and governance infrastructures there is no undogmatic normative solution to the financial accounting measurement problem.* Thus, setting rules requires balancing the different interests and needs of all subjects in the accounting arena: preparers, auditors, and users (at least). Setting financial accounting standards is ultimately a political process. Positive accounting research is aimed at understanding and predicting the accounting-related preferences and behavior of market participants. Thus, positive accounting research can help standard setters to understand and anticipate the interests of accounting users and, finally, to develop standards which help to arrive at a political consensus and achieve the desired goal of financial accounting. This research project addresses a *descriptive positive research question: What are the preferences of professional investors and their advisors in respect to different financial accounting measurement concepts?*

Investigating the preferences of professional investors and their advisors (referred to as professional investors or just investors from now on) towards different financial accounting measurement concepts could be accomplished in several ways. First, researchers could *study the way investors use and evaluate financial accounting data* in their decision process and whether they make better-informed and less costly decisions using data resulting from one measurement concept rather than from another. This behavioral approach would require observing the real-life decision-making processes of investors, which is rarely possible.

[1] As an entry point into this literature, refer to *Choy* (2006) or *Hitz* (2007).

Another behavioral research design would be to set up *laboratory experiments*, where investors are asked to make decisions based on artificial financial accounting data stemming from different measurement concepts in a controlled environment. While this research design has its advantages and has been applied to similar research questions, researchers conducting such experiments regularly face problems motivating subjects with adequate backgrounds as professional investors to participate in such experiments. Also, as a controlled experiment is fairly different from real life, external validity concerns threaten the generalizability of results from such studies.

Turning to empirical archival research methodology, it is possible to infer the actual use and the effectiveness of different measurement concepts by investors by *observing the outcome of investors' decisions*. These outcomes could, for example, be analyst recommendations or reports, rating or capital market investment decisions. While observing these outcomes is possible, linking them to competing measurement concepts is very complex: If the recommendations of a financial analyst yield higher abnormal returns for financial institutions applying IAS 39 compared to recommendations for financial institutions which apply a more historical cost-oriented accounting model, it appears problematic to link this result to the usage of fair value measurement. Thus, empirical archival research designs face internal validity concerns.

This is why this study uses *survey methodology* to address its research question.[2] Balancing the strength and weaknesses of the research designs outlined above, survey studies allow direct investigation of subjects' attitudes, thus avoiding the internal validity concerns of empirical archival studies. In addition, it is not necessary to directly observe the action of subjects, which increases the feasibility of the research design. Also, subjects are questioned about real life behavior, which removes some of the external validity concerns which threaten laboratory experiments. Nevertheless, survey studies have some severe *drawbacks*, which have to be taken into account when evaluating the results of this study. First of all, survey studies only observe the *self-assessment* of subjects, which is different from the assessment of an independent observer. Second, respondents tend to systematically bias their response behavior, both knowingly and unknowingly, towards what they feel is the response behavior preferred both by public in general and the interviewer in particular. This behavior has been characterized as "*interviewer bias*". Third, the survey instrument can be *misunderstood by the subjects*, inducing noise or, if the misconception is not happening randomly across subjects, bias in the response data. All these points threaten the internal validity of survey research designs. The external validity crucially depends on the *representativeness* of the response data for the population under study. If the number of respondents is large enough and the respondents are sufficiently randomly drawn from the population, external validity is

[2] For an influential study which also relies on survey methodology, refer to *Graham et al.* (2005). General discussions of the usefulness of survey designs in the area of finance can be found in *Neuhauser* (2007) and *Baker/Mukherjee* (2007).

not too much of a concern. Unfortunately, in most survey studies the response samples are, at least compared to the complete population, relatively small. Also, as subjects have the option of not participating in the survey and can be assumed not to make this decision at random, the resulting response bias makes the response sample a non-random sub-sample of the underlying population.

2.2 Study design

The valid population of this study comprises all professional investors and their advisors who use financial accounting information for their decision-making. This population is unknown and even its size is hard to predict. Also, defining the group of professional investors and their advisors is not straightforward. This study takes a pragmatic approach in identifying its research sample. As some earlier work on the view of professional investors from the U.S. already exists and as existing literature highlights the problem of motivating professional investors to participate in survey studies,[3] we focus on European investors and rely on the network of the European Federation of Financial Analysts Societies (EFFAS) for providing the contact opportunities to a sample of professional investors. In addition, other investor organizations (German CFA Society, GCFAS; Bundesverband Investment und Asset Management e.V.; BVI; Corporate Reporting User Forum, CRUF) were also addressed in order to produce a sufficiently large response sample. This yields a *research sample of about 20,000 investors*.

As the existing literature documents a very limited motivation of professional investors to participate in survey studies,[4] it was decided to survey the complete sample. For an European survey study of this magnitude, a *structured online instrument* seemed to be the only feasible choice. In order to increase response, the survey was limited in length so that the total time needed to complete the survey should not exceed 20 minutes.

Before developing the actual instrument, *structured interviews* with financial analysts and fund investors were conducted in order to better understand the way these investors process financial accounting data and how they approach different measurement concepts. One major result of these interviews was the focus on the inherent heterogeneity of the term "fair value" and the focus on different classes of assets and liabilities. More general "attitude" questions were also included to enhance comparability with earlier studies. One other result of the interviews was that most participants stated that most of their colleagues were neither very interested nor very experienced in different accounting measurement concepts. This caused two concerns. First, whenever a survey study is conducted in a "special interest" area, subjects who have this "special interest" tend to respond more

[3] For prior studies investigating the attitudes of professional investors towards financial accounting measurement concepts refer to e.g. *PwC* (2005); *CFO* (2007). For the problems of motivating investors to participate in behavioral studies see *Elliot et al.* (2007).

[4] See, for example the comparably low response rates of *Barker* (1999); *Hodge* (2003); *Ernst et al.* (2005); and *Gohlke et al.* (2007).

frequently than subjects who do not share this "special interest", giving rise to substantial response bias. Second, subjects who are unfamiliar with the topics addressed in the survey instrument could induce noise into the response data. To address the second concern, control questions were included surveying the method of analysis, the information usage and the familiarity with different accounting measurement concepts. The first concern is hard to address, as there is no way to control for response bias without instrumental data describing the underlying population. Thus, this study cannot be expected to be representative of the complete population of professional investors and their advisors. It can only be expected to be representative of professional investors and their advisors who regularly use financial accounting information within their decision-making process.

The online survey instrument resulting from these considerations included 12 questions, most of which had multiple answer options. In most questions, subjects were asked to give an opinion based on a five point Likert scale. In addition, all questions could be answered as "impossible to say" and subjects had the option of leaving questions unanswered. A free-form feedback field was placed under each of the 12 questions. Each question was displayed on a different screen, a progress bar was visible on each screen and the subjects had the opportunity to navigate back to previously answered questions and to interrupt their answer process and to come back at a later time. Screenshots of the online survey instrument are presented in Appendix B.

The survey instrument was *pre-tested* on about twenty subjects. These subjects all had a background in investing and accounting. Some of them were themselves professional investors or advisors. After the feedback of the pre-testing group the online survey was slightly modified to address the concerns of the pre-testers. Also, the response time of the pre-testers was used to set the expected response time for the surveyed investors (20 minutes).

The links to the online instruments were distributed to the surveyed investors by email, accompanied by a note from the relevant participating organizations explaining the purpose and the importance of the study. The response deadline was extended twice and two reminders were distributed over the participating organizations' networks in order to improve the response rate. All responses were directly recorded in a database. The IP-number of respondents was tracked (one-way encrypted) along with a cookie code in order to ensure proper assignment of responses and to avoid double participating subjects.

2.3 Response rate and representativeness

The survey period started on 15 May 2007. Most organizations sent out their invitation email to their members at a later date of their own discretion. By the final response deadline (30 Oct 2007) *383 responses* had been received. This indicates an *estimated response rate of roughly 1.9 %*. This is a very low response rate, but seems to be comparable to similar

surveys and can be explained by the surveying procedure (anonymous email, no incentivization) and the surveyed population (high opportunity costs).[5]

The *low response rate poses a threat to internal and external validity*. First, if the absolute number of responses is low, this reduces the power of statistical tests, increasing the possibility of falsely non-rejecting the null hypothesis of no difference between responses. Thus, small response samples bias against finding a result. If the results show significant differences between measurement concepts, this is not because of but despite the low absolute number of responses. Second, a low response rate threatens the external validity of the results. It appears questionable whether they can be regarded as being representative of the underlying population. This point is crucial for the research project at hand because the underlying population is unknown. In order to assess the level of representativeness, it seems important to investigate the reasons for the low response rate. Therefore, some non-participating subjects were questioned for their reasons of non-responding. The indicated reasons are primarily in line with the existing literature (time constraints, too many surveys sent to them, lack of interest).[6] The last point seems of particular importance, as the interest in accounting matters can be expected to be systematically related to the survey responses. Building on these arguments, it can be expected that the low response rate induced a response bias, as subjects with a high level of interest in financial accounting matters can be expected to be over-represented in the sample.

Another problem of the sampling procedure lies in the *low quality of the surveyed sample*. As the member organizations of EFFAS have differing regulations for determining whom they accept as a member of their organization, it appears unclear whether all respondents actually belong to the population of professional investors and their advisors. As the overall number of responses is comparatively low, even a small number of out-of-population responses can threaten the external validity of the results. Also, as professional investors are generally assumed to face higher opportunity costs than average market participants, it seems probable that out-of-population responses are over-represented in the response sample. To avoid out-of-population responses polluting the sample, only respondents who can be assigned to one of the following groups are treated as valid respondents: financial analysts, fund managers, institutional investors, credit or corporate rating experts. These are the work categories mentioned in question 1 of the online survey. 186 respondents selected themselves into one of these categories. All respondents who failed to assign themselves to one of these work areas were asked to give some information about their area of work. Based on these statements, 64 respondents were assigned to one of the four work areas. Of these 250 respondents 8 observations were discarded because the respondents did not answer the questions about their cultural background (questions nos. 5 and 6). The remaining 133 observations were discarded.

---

5 For an overview of response rates in online surveys refer to *Sills/Song* (2002).

6 Refer to *Sills/Song* (2002); for a more general overview refer to *Groves et al.* (2004), pp. 169 ff.

The *"full sample"*, which is to be evaluated in the next section, consists of *242 observations*.[7] Although, technically, the underlying population is unknown and because of that, statistically valid statements about representativeness are not possible, based on the reasoning presented in this section, the full sample should be fairly representative of European professional investors and their advisors who take an interest in financial accounting issues.

3 Findings

3.1 Professional investors' characteristics

Based on the full sample of 242 valid responses, Figure 1 shows the main field of work of the responding professional investors. These results are based on the response to question 1 of the online survey. *The majority of 43.3 % work as financial analysts, 30.6 % work as a fund managers, 16.5 % label themselves as institutional investors, and 9.5 % work in credit or corporate rating.* As explained in the previous section, respondents who did not fall into one of these occupational groups were excluded from the full sample. Of the financial analysts, about two-third (29.3 % of the full sample) are working as sell-side analysts, whereas one-third (14.0 % of the full sample) are working as buy-side analysts. Sell-side analysts generally work for brokerage firms and provide investment advice to the clients of their employer, whereas buy-side analysts normally work for investing firms, such as investment, mutual, or pension funds. The tables in Appendix A report sub-sample results for the full sample (denoted FULL), for the sub-sample of financial analysts (FINAN), and for the sub-sample of sell-side financial analysts (SELLSIDE). The test statistics in the FINAN column test for significant response differences between financial analysts and the full sample, while the test statistics in the SELLSIDE column test for significant differences between sell-side and buy-side financial analysts.

[7] This response sample is, compared to similar surveys, relatively large. See e.g. *Barker* (1999) (survey and interviews of 70 professional investors); *Schulz* (1999) (survey of 70 professional investors); *AIMR* (2000) (survey of 343 general investors); *Marten et al.* (2002) (survey of 153 DVFA members); *Hodge* (2003) (414 nonprofessional investors); *PwC* (2005) (interviews with 50+ financial analysts); *Ernst et al.* (2005) (survey of 140 institutional investors); *Gohlke et al.* (2006) (survey of 124 professional investors); *CFO* (2007) (no formal survey).

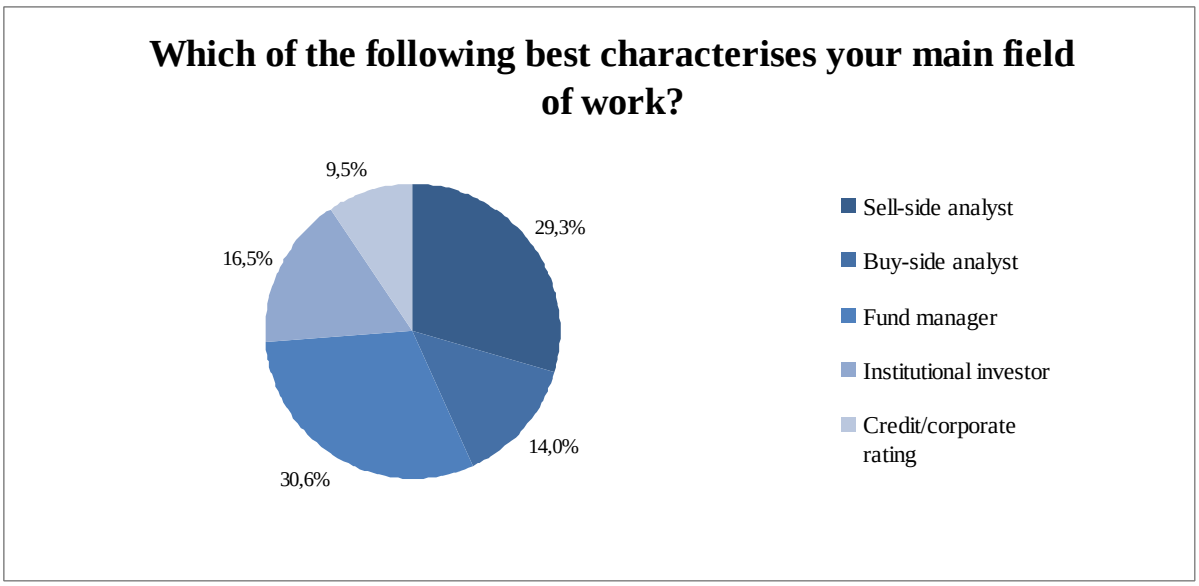


Figure 1: Investors' main field of work

Question 2 of the online survey asked whether the respondents' investment analyses and expertise focus on specific asset classes. The results can be seen in Figure 2. *56.4 % of the respondents stated that their work focuses on equity investments, 14.5 % viewed debt investments as the asset class most relevant to them while 1.2 % focus on derivative instruments. 27.8 % state that their work focus lies in a mix of asset classes.* As can be seen in Panel C of Table A1, and not surprisingly so, financial analysts focus significantly more often on equity investments than other respondents (79.4 %). This is even more the case for sell-side analysts (85.5 %). All respondents stating that their work focuses on debt investments are assigned to the sub-sample DEBT. In Appendix A, test statistics in the DEBT column test for significant differences between the respondents which state that their work focuses on debt investments and the rest of the full sample.

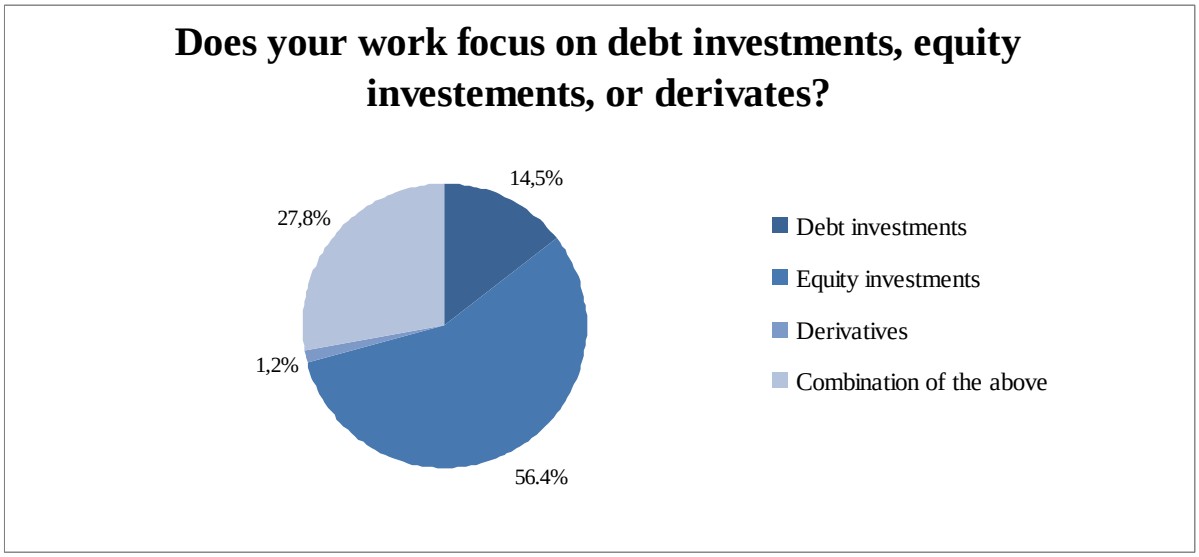


Figure 2: Investors' work focus

The cultural background of the respondents is fairly diverse: The following countries have more than 10 respondents, listed by number of respondents: Sweden (58 respondents), Germany (43), Switzerland (41), Italy (20), Norway (12), the U.K. (12), and Spain (11). All respondents who either got their financial training in or predominantly work in the U.K., the U.S., Canada, Hong Kong, or Singapore are assigned to the common law sub-sample (COMMON). In Appendix A, test statistics in the COMMON column test for significant differences between the respondents from the common law sub-sample and the rest of the full sample. It seems important to note that only 25 respondents are assigned to the common law sub-sample. Thus, there exists a risk that this study fails to find significant differences between common-law and code-law oriented professional investors due to low statistical power caused by a lack of observations.

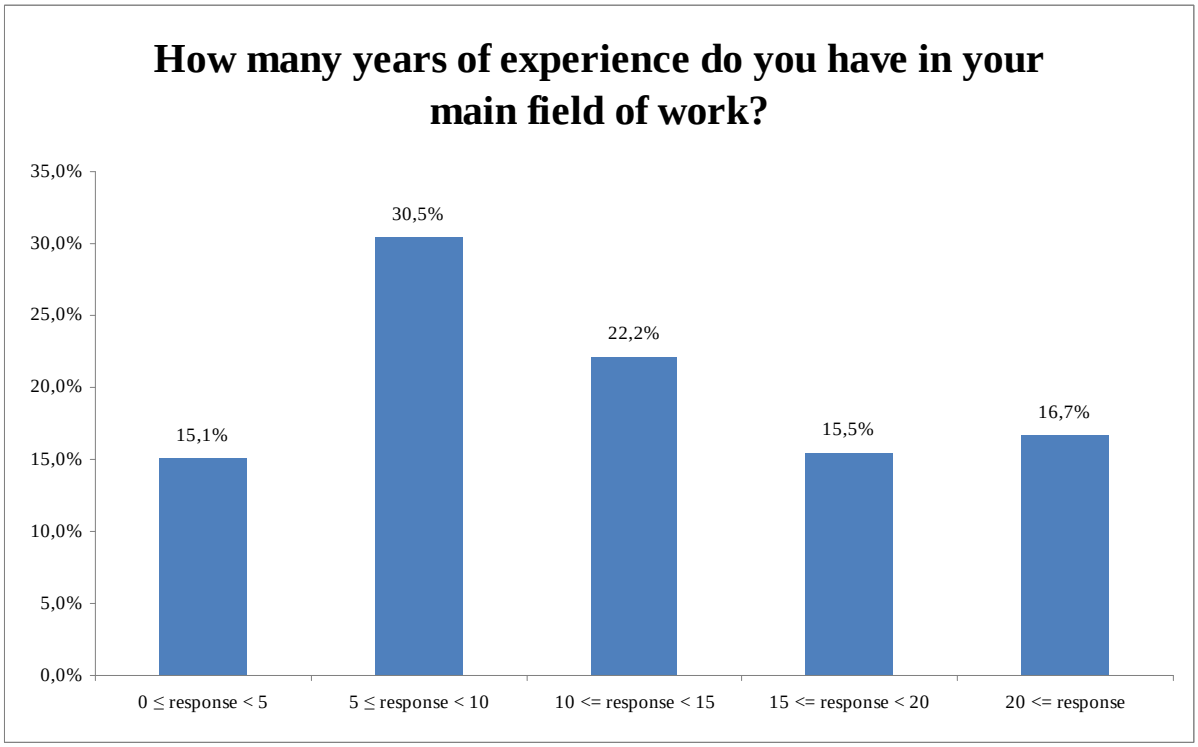


Figure 3: Investors' work experience in years

Panel D of Table A1 and Figure 3 report the respondents' years of work experience. *Mean and median years of work experience lie around 10 years*, with financial analysts having somewhat shorter and investors with a common law country background having longer experience.

Taken together the results regarding the respondents' characteristics indicate that, in terms of research design and sample clean-up steps, 242 members of the full sample qualify as the targeted respondent group: They all work as professional investors or their advisors, come from different countries and investing backgrounds and have reasonably long work experience. Thus, the full sample provides sufficient data to investigate the attitude of European professional investors towards financial accounting in general and different measurement concepts in particular.

3.2 Professional investors' information usage

In order to get insights into the information process used by professional investors, question 7 asks whether a set of statements correctly describes the analysis method of the respondents. The assessments of these statements by the respondents are displayed in Table A2 and Figure 4. Overall, the rate of agreement is highest for the statement "My advice or decision is based on accounting data of the company and its industry (fundamental analysis)" to which 89.9 % of the respondents agree. The rate of agreement is significantly higher for financial analysts and debt investors. The statement with the second highest agreement rate is "My advice or decision is based on first-hand information and impression of management quality" (73.5 %

of respondents agree), followed by "My method of analysis differs according to the respective company or its industry" (46.0 % of respondents agree) and "My advice or decision is based on non-accounting market data (quantative/technical analysis)" (30.6 % of respondents agree). Financial analysts show significantly higher agreement rates for the first-hand information statement and significantly lower agreement for the "non-accounting" and "it depends" statements.

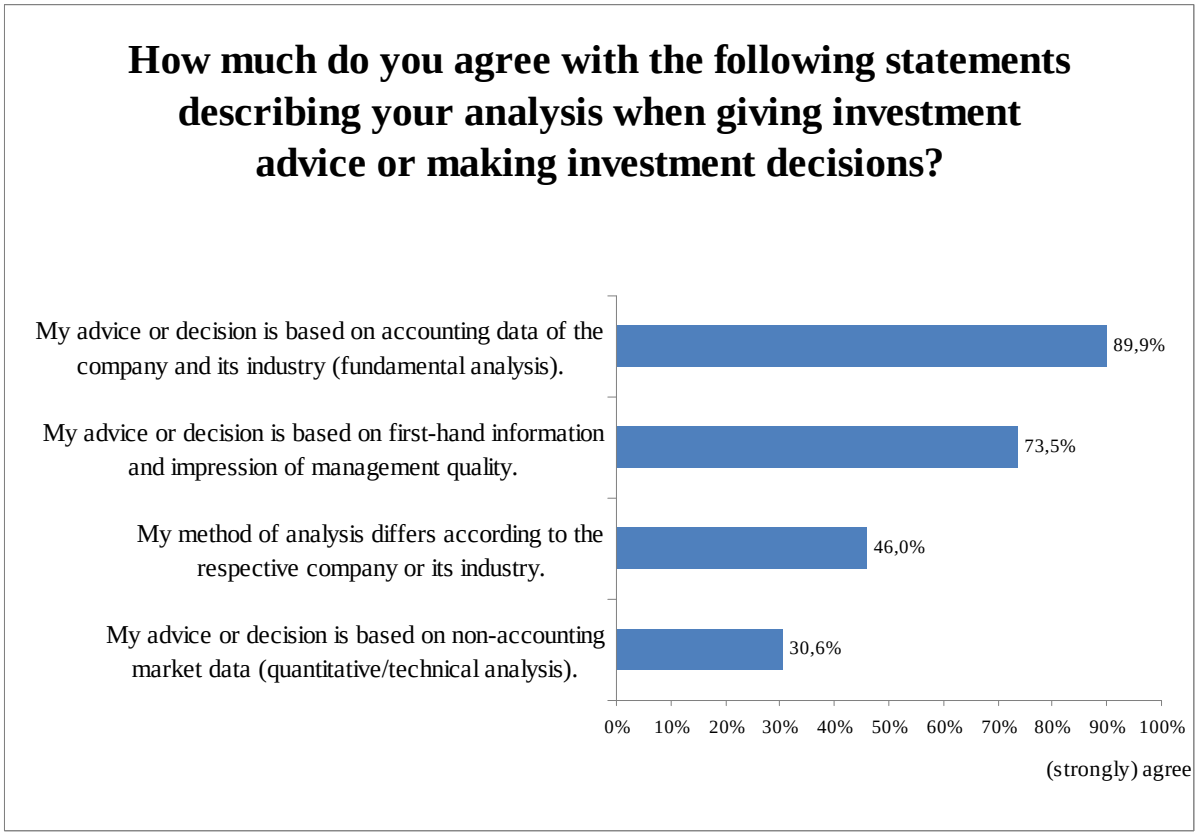


Figure 4: Statements characterizing investors' applied method of analysis

While these *results show that the vast majority of respondents use fundamental accounting and first-hand data as the predominant source for their analyses* and that this trend is more pronounced for financial analysts, it seems important to note that these results *should not be generalized to the population of professional investors*. As discussed in the previous section, the research design can be expected to cause a significant response bias, as investors who are less likely to rely on financial accounting data for their analyses can also be expected to be less likely to participate in the survey. Thus, these results indicate that the full sample consists of respondents who actively use financial accounting data for investment analyses but is not indicative of the importance of financial accounting information for the complete population of professional investors. Nevertheless, as stated in the last section, the full sample can be regarded as being *fairly representative of fundamentally-oriented European professional investors*.

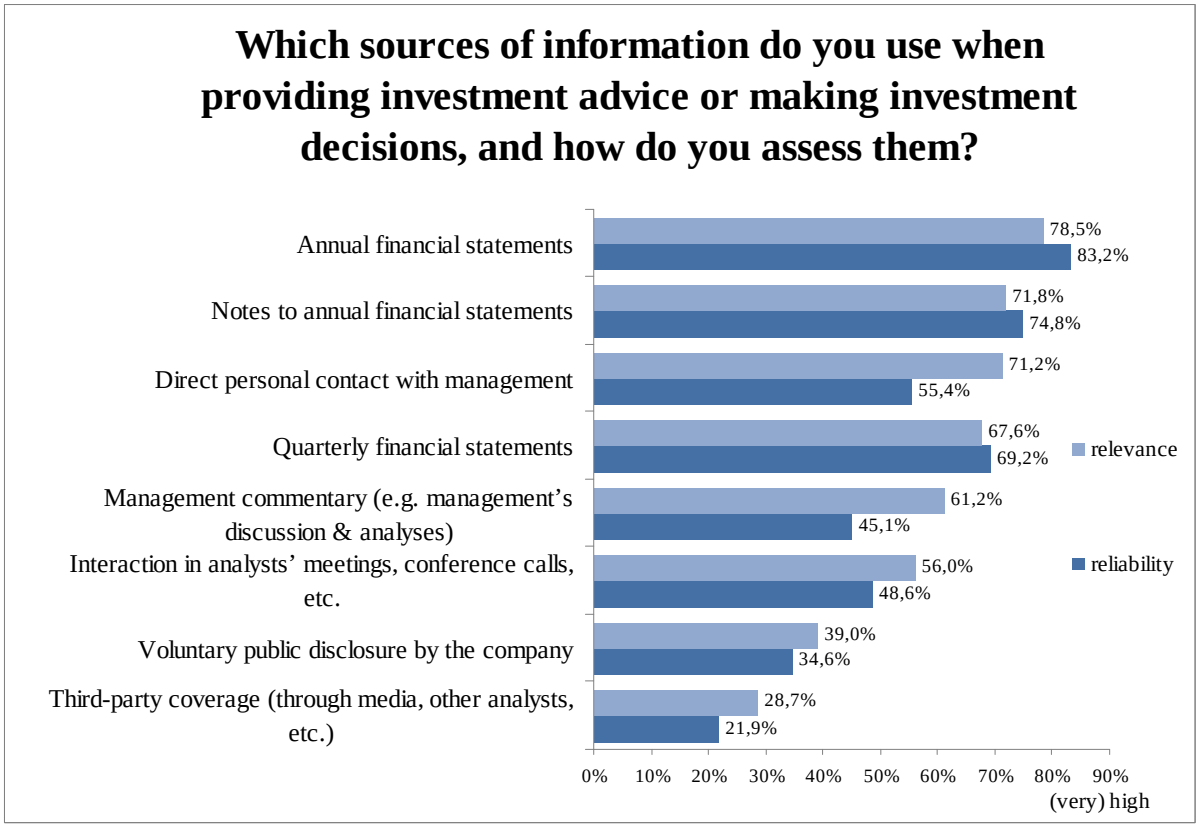


Figure 5: Relevance and reliability of different information sources

Question 8 investigates the usage of different information sources. Respondents are asked to evaluate these sources in respect of relevance and reliability. Results from the question are shown in Figure 5 and Table A3. Overall, *respondents view annual financial statements as the most relevant information source, followed by direct personal contact with management*, notes to the financial statements, quarterly financial statements, management commentary (e.g. management's discussion & analyses), interaction on analysts meetings (conference calls etc.), voluntary public disclosure by the company, and third-party coverage. As with the last question, it becomes obvious that the outcome of the financial accounting process is the predominant information source. Comparing the relevance of different information sources with their respective reliability, it becomes obvious that the respondents clearly differentiate between relevance and reliability. *When ranked by reliability, the audited information sources of annual financial statements and the notes of the financial statements come in first and second*, and the quarterly financial statements, which are not audited at the same level of scrutiny in most jurisdictions, are the third-highest ranked information source. Direct personal contact with management, the second-most relevant information source close to par with notes to annual financial statements is ranked fourth and is thus regarded as much less reliable compared to the financial accounting information-related sources.

When different respondent sub-samples are compared it becomes obvious that financial analysts rank direct contact with management and interaction at analyst meetings

and conference calls as significantly more relevant. They also see annual quarterly financial statement information as more relevant, while they do not assess the notes to the annual financial statements as being more relevant. Not surprisingly, financial analysts in general and sell-side analysts in particular view third-party information as less relevant. Another interesting result emerges when debt investors are compared to the full sample: They view notes disclosures as more relevant and reliable. They also assess voluntary information by the management as being more relevant.

When comparing these results, it appears that while generally consistently ranking financial accounting and direct contact information as most important, there are *substantial differences in the information usage across different investor groups*: While financial analysts tend to rely on direct contact and easily accessible accounting information, debt investors, on average, seem to be digging deeper into the data: They view the notes to the financial statements as significantly more important than the other investor groups. In addition, there is weak evidence that they tend to apply more firm-specific methods of analysis than do financial analysts, who tend to follow a "one-size-fits-all" approach. Debt investors also seem to view voluntary disclosures as more important, maybe because management can be expected to be more forthcoming with additional information in order to receive a better rating.

3.3 Professional investors' attitudes towards different measurement concepts

The next question (no. 9) of the online survey focuses on the experience of the respondents with the most prominent financial accounting measurement concepts. The results are detailed in Table A4 and Figure 6. *Ranked by overall familiarity, the mark-to-market fair value measurement concept seems to be the most well known, followed by historical cost, lower of cost or market, the mark-to-model fair value concept and the notion of value in use*. The results for the sub-sample groups are similar, with the respondents with a common law country background being more familiar with historical cost and lower of cost or market than the other respondents, probably due to language skill differences. *It is interesting to note that historical cost and mark-to-market are the only measurement concepts which more than 80 % of the respondents feel familiar or very familiar with*.

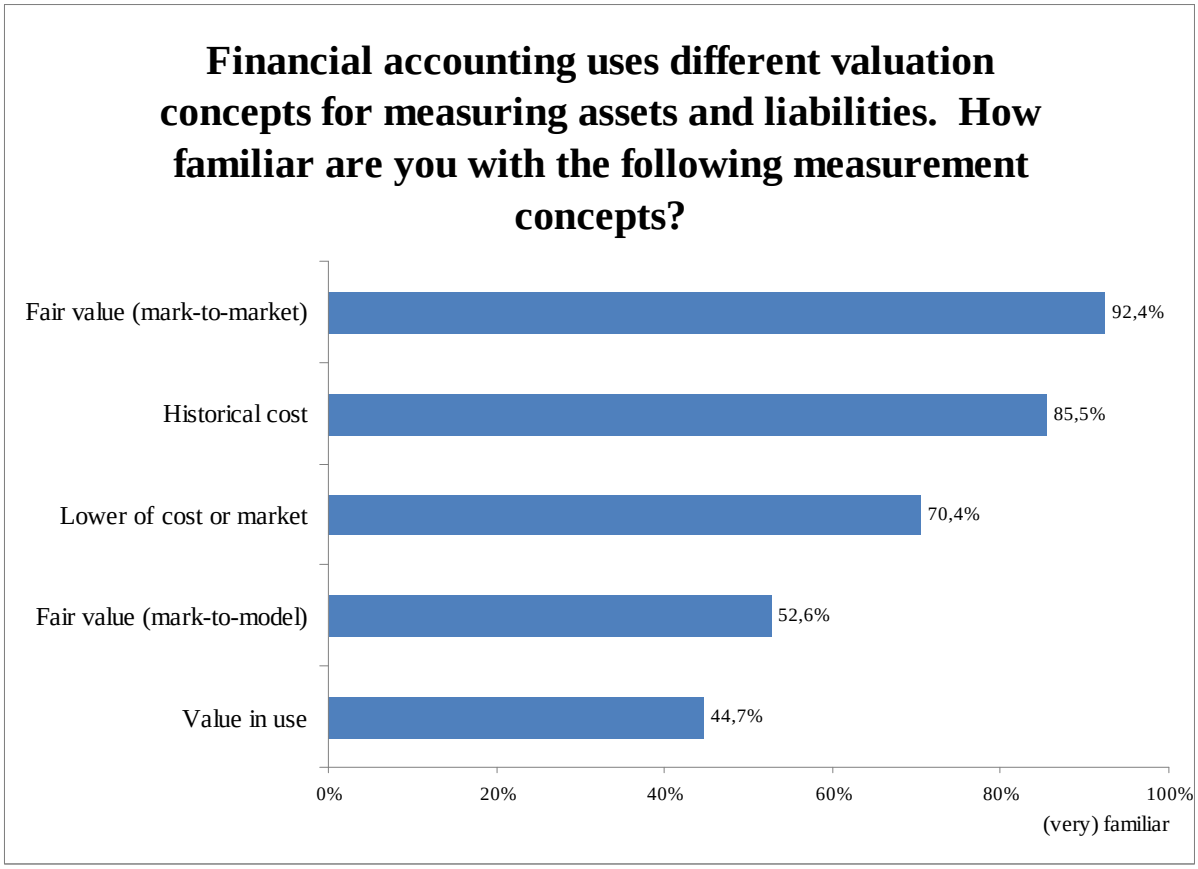


Figure 6: Investors' familiarity with prominent measurement concepts

Question 10 asks the respondents to give their opinion in respect to two different types of statements. The first group of statements addresses the question of whether one measurement concept should be applied consistently to all assets and liabilities, whether the applied measurement concept should depend on the respective asset or liability, or whether companies should have the right to choose the measurement concept which they view as appropriate. The second group of statements proposes the broad measurement concept which should be applied in measuring assets and liabilities (fair value versus historical cost), assuming that only one measurement method is applied and that the results for the other measurement concept are disclosed in the notes. As can be seen from Figure 7 and Table A5, the *results clearly indicate that respondents favor the consistent application of one measurement concept for all assets and* liabilities. Given a choice between historical cost and fair value as the measurement concept for valuing assets and liabilities, they clearly vote for fair value. There are no significant differences across sub-samples in respect to these assessments, although financial analysts tend to vote slightly more in favor of historical cost and against fair value. Summing up the results of question 10, it appears that in general, professional investors prefer the usage of fair value accounting as the predominant measurement concept of financial reporting.

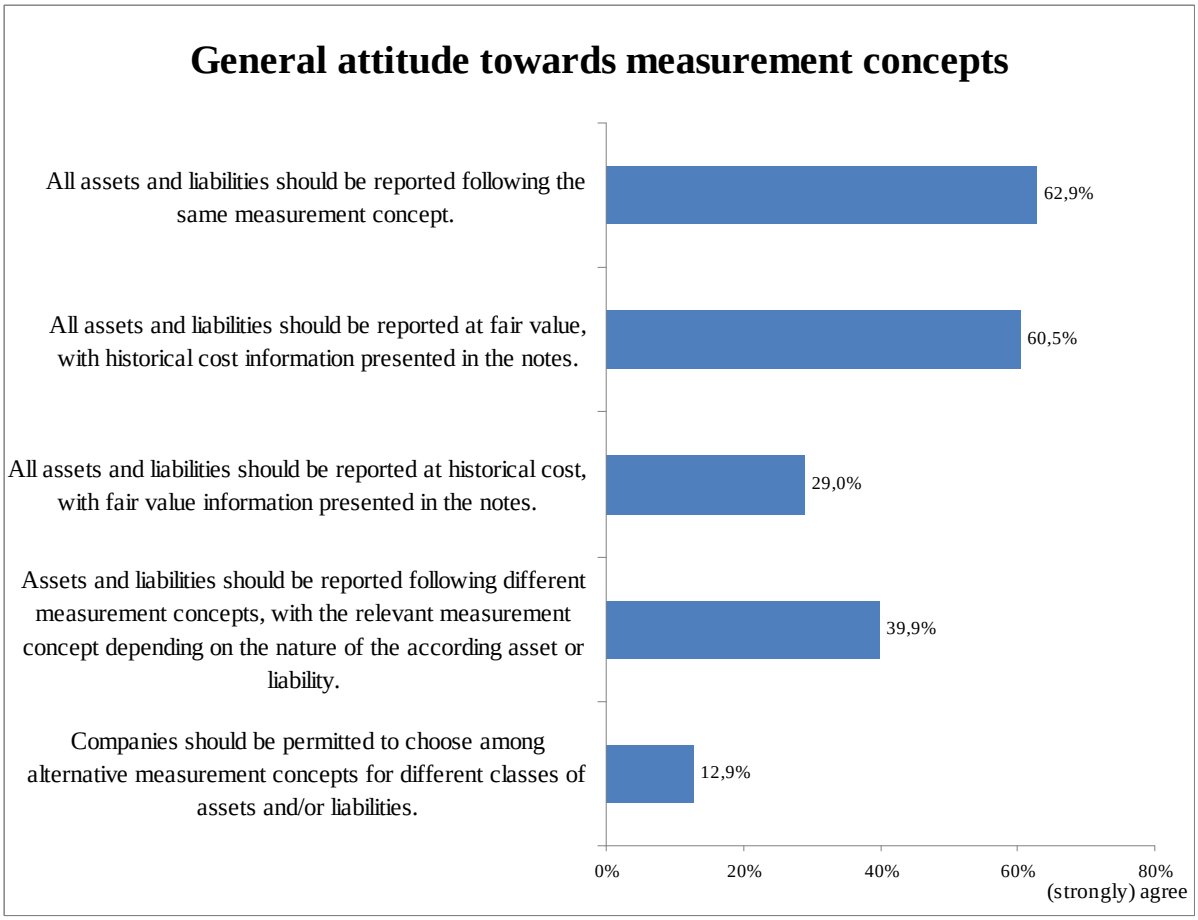


Figure 7: General attitude towards different measurement concepts

It appears unclear, however, whether this general assessment also holds for particular valuation problems. In order to test this, question 11 asks the respondents to rank a set of measurement concepts for different asset classes in respect to their decision usefulness. This set of measurement concepts is the same as that used in question 9: Historical cost and lower of cost or market can be regarded as cost-oriented approaches, while value in use, fair value (mark-to-market), and fair value (mark-to-model) can be regarded as more fair-value-oriented. The results from this question are displayed in Table A6, and an overview of the results is displayed in Figure 8. At first glance, it looks as if the answers to question 11 confirm the results of question 10, as the mark-to-market fair value concept is the preferred measurement concept for all asset classes. But *respondents clearly differentiate between mark-to-model and mark-to-market concepts when evaluating the decision-usefulness of fair values*. For most asset classes, they rank mark-to-model fair values as the least decision-useful measures. The difference between the evaluations of mark-to-market and mark-to-model approaches is highly significant for all asset groups. *The difference between the evaluations of mark-to-market fair values and cost oriented approaches is significant for Inventories, Financial assets and Non-operating assets, indicating that for these asset classes,*

professional investors clearly prefer mark-to-market fair values over historical cost approaches.

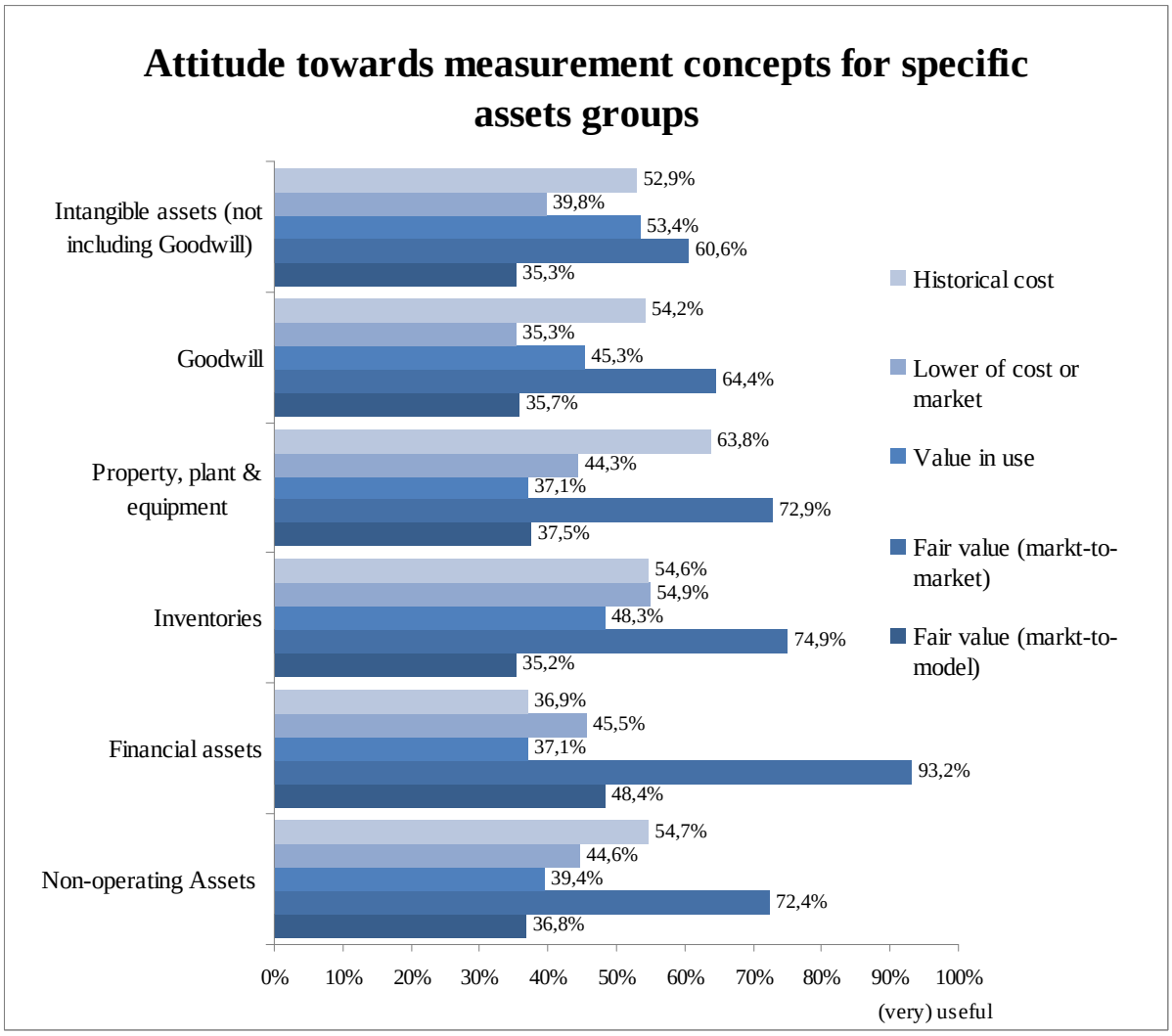


Figure 8: Decision-usefulness of measurement concepts for different asset groups

Turning to the sub-sample analyses detailed in Table A6, it appears that investors with a common law background rank historical cost oriented approaches on average higher than other investors. Also financial analysts view historical-cost-oriented approaches for Property, plant & equipment as more decision-useful. These two results run counter-intuitive to the common belief that fair-value-orientation is being pushed by financial analysts with an Anglo-American background. Apart from these differences, the assessment of the measurement concepts is relatively stable throughout all respondent groups.

The last question (no. 12) surveys the attitudes of the respondents towards competing measurement concepts for different liability groups. As liabilities require different measurement concepts, question 12 tests four different approaches: face value, mark-to-market fair value and two mark-to-model approaches: One including the issuing company's

credit risk and one excluding the company's own credit risk in identifying the applicable discount rate. The answers to question 12 are shown in Table A7 and Figure 9.

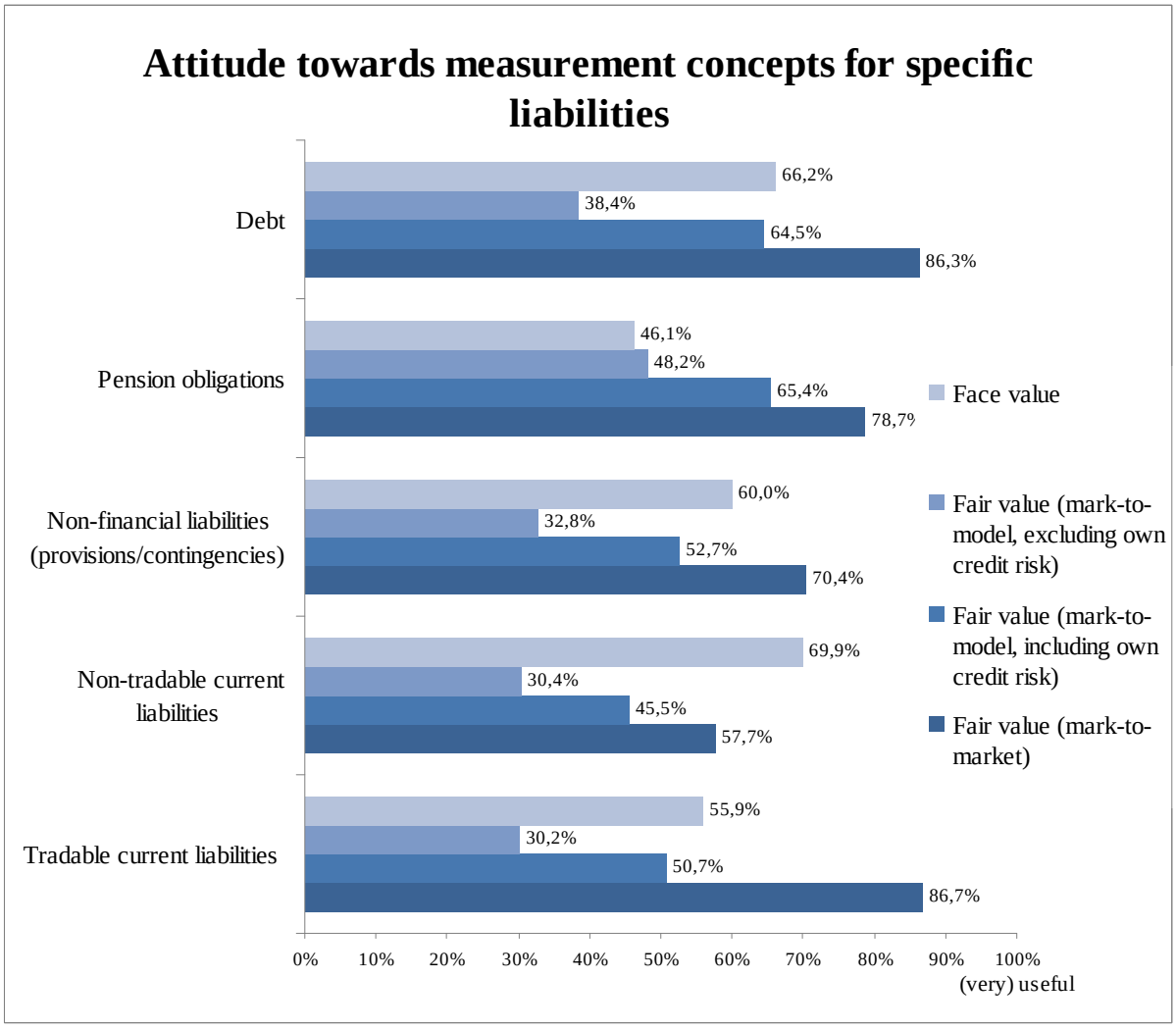


Figure 9: Decision-usefulness of measurement concepts for different liability groups

Measurement concepts for liabilities appear much harder to assess and to define than measurement concepts for assets. They are also much less subject to public debate than measurement concepts for assets. This is why caution is suggested when interpreting the results. In order to help understand the different measurement concepts, the following introductory text was added to question 12: "Measuring liabilities implies discounting future obligations. The according interest rate can include or exclude the company's own credit risk. An alternative approach would be to mark liabilities to market value (when available) or to report liabilities undiscounted at face value." As described in the second section, this question was pre-tested with professional users of financial statements. The pre-testers indicated that they had no problems answering question no. 12. Nevertheless, three of the actual respondents answering the survey indicated that they had a problem separating mark-to-model fair values which included their own credit risk from mark-to-model approaches which

excluded their own credit risk. Therefore, *although respondents generally indicate that they prefer fair values based on discount rates which include their own credit risk component, no conclusions are drawn from these responses because it seems impossible to rule out misunderstanding of the two measurement concepts as an alternative explanation.*

Building on that, the results of question 12 are very similar to the responses to question 11: In general, professional investors feel that market-based fair values are the most decision-useful measurement concept for measuring liabilities, followed by face value. Again mark-to-model approaches are viewed as being the least decision-useful measurement concept. This ranking does not hold for non-tradable liabilities, where respondents favor the use of face values over the application of mark-to-model fair value concepts. The differences between group assessments are generally significant at conventional levels. Response behavior is generally similar across different sub-samples. Investors with a common law background tend to see face value as more decision-useful whereas debt-focused investors tend to view mark-to-market fair values as less decision-useful for non-tradable financial liabilities.

3.4 Robustness of results

The previous sections present three major results: (a) For liquid and non-operating assets, fair value (mark-to-market) is considered to be the most decision-useful measurement concept; (b) for non-liquid and operating assets, historical cost and market-based fair value are not regarded as being significantly different in respect to decision usefulness; and (c) mark-to-model based fair values are regarded as significantly less decision-useful than both market-based fair values and historical cost measures for practically all asset and liability classes. In order to assess the validity of these main results, a set of robustness tests is performed. These tests fall into two categories: First, it is investigated whether the design of the online survey is influencing the major results. Second, the results are examined as to whether they are driven by specific sub-samples of respondents.

Using online surveys as research instruments can induce noise and bias in the response data. For example, respondents choose to drop out or just "click through" an online survey without giving appropriate consideration to the questions. Respondents also have different fixations (everything is good versus everything is bad) and exhibit different response variance ("looks all the same to me" versus "black and white mentality"). These differences can influence the findings. To test whether they do, a set of analyses is conducted. First, the *responses are screened for atypical response patterns*, such as the same response value for all questions, or only extreme responses. No extreme patterns could be identified. Second, *observations with low response variations are deleted* from the analyses. Third, *each response is normalized by the mean and the variance of all responses given by the respective respondent*. Fourth, the *sample is limited to contain only fully completed surveys*. Fifth, the *sample is limited to participants who spent between 15 minutes and 45 minutes to complete*

the online survey. All these additional analyses lead to the same major results. Thus, it can be concluded that the major results are not driven by the research instrument.

The results were obtained from the evaluated full sample of 242 observations. To the extent that the specific composition of this sample is driving the findings, the external validity of the results would be validated. The sub-sample results of the previous section already speak to this problem, as they indicate that the major findings are not driven by the work area, the debt orientation or the cultural background of the respondents. Nevertheless there are other sample attributes which might be driving the results. First, it might be the case that the major results are *driven by the sample cleanup procedures*. In order to test for that, the analyses are repeated for the complete response sample of 383 observations. Second, the results could be *driven by participants who are unfamiliar with financial accounting measurement concepts*. To test for this alternative explanation, the sample is limited to contain only these observations where respondents state that they are at least somewhat familiar with all the measurement concepts mentioned (question no. 9). Third, the sample is limited to respondents who agree to the statement: "My advice or decision is based on accounting data of the company and its industry (fundamental analysis)". This ensures that only respondents who actually use financial accounting information are included in the analyses. Fourth, the sample is *limited to respondents who claim that they have at least five years of work experience to exclude inexperienced investors*. Again, all these additional analyses lead to the same major results, indicating that the major results are not driven by untypical or specific investor groups. Taken together, this indicates that the major results of this study are fairly robust.

4 Conclusions

Identifying the most decision-useful measurement concept of financial accounting is a burdensome endeavor: There is no undogmatic conclusive normative theory identifying the appropriate concepts, differing address groups have different priors and different demands, and the differing reporting infrastructure of firms influences the attributes and, ultimately, the decision-usefulness of the measurement outcome. Nevertheless, the task of financial accounting standard setters is to identify the most appropriate measurement concept(s) for assets and liabilities.

The aim of this study is to provide descriptive input to this task. By surveying professional investors and their advisors, it *shows that investors hold differentiated beliefs about the decision-usefulness of competing measurement attributes*. While earlier research claimed that professional investors in general and financial analysts in particular view fair value accounting as the measurement concept of choice, this study first replicates that finding but then goes on to show that reality is most likely much more complicated than that. Based on a sample of professional investors with an interest in financial accounting matters, it shows that:

- Investors are *reasonably familiar only with historical cost accounting and mark-to-market fair value accounting*. Other measurement concepts, such as lower of cost or market, value in use, or mark-to-model accounting are significantly less well known.
- *For liquid and non-operating assets, mark-to-market fair value is considered to be the most decision-useful measurement concept*.
- *For non-liquid and operating assets, historical cost and market-based fair values are not regarded as being significantly different in respect to decision-usefulness.* Other measurement concepts (mark-to-model fair value and value in use) are regarded as significantly less decision-useful.
- *Mark-to-model based fair values are regarded as significantly less decision-useful than market-based fair values and historical cost measures for practically all asset and liability classes. Only for financial assets do respondents view mark-to-model measures as more decision-useful than historical cost values.*

These findings clearly suggest that professional investors neither view fair value measurement as the overall leading measurement concept nor, which seems even more important, do they see fair value as a homogenous measurement concept. While they generally see market-based fair value as being (very) decision-useful, they rank mark-to-model based fair values as the least decision-useful measurement concept. Respondents also differentiate between different groups of assets and liabilities when assessing the decision-usefulness of measurement concepts. These results should be helpful for standard setters when rethinking the hierarchy of appropriate measurement concepts in phase C of the joint framework project.

Like every research project these results come with some caveats attached to them. Even though the selected research design constitutes an appropriate design choice for the research question at hand, all survey studies suffer from both internal and external validity concerns. For this study, internal validity might be questionable when the respondents failed to understand the questions correctly or knowingly or unknowingly biased their answers towards what they believed being the expected answer. Given that the results are based on a survey sample drawn not-randomly from an unknown population, and that the response sample suffers from a low response rate, the external validity of the results is also questionable. Great care was taken to address these concerns in the best possible ways: The population was limited to investors with sufficient interest in financial accounting, and extensive sub-sample analyses as well as other robustness tests were performed to make sure that the major results of this study are not driven by the specific sample under study. *Thus, the major results of this study seem fairly robust and representative for European professional investors and their advisors with an interest in financial accounting matters.*

References

AIMR (2000): AIMR Corporate Disclosure Survey.

Baker, H. Kent/*Mukherjee*, Tarun K. (2007): Survey research in finance: views from journal editors, in: International Journal of Managerial Finance 3: 11-25.

Barker, Richard G. (1999): The role of dividends in valuation models used by analysts and fund managers, in: European Accounting Review 8: 195-218.

CFO Institute (2007): A Comprehensive Business Reporting Model: Financial Reporting for Investors.

Choy, Amy (2006): Fair Value as a Relevant Metric: A Theoretical Investigation, Working Paper available on http://www.ssrn.com.

Ernst, Edgar/*Gassen*, Joachim/*Pellens*, Bernhard (2005): Verhalten und Präferenzen deutscher Aktionäre, Studien des Deutschen Aktieninstituts Heft 29.

Elliot, W. Brooke /*Hodge*, Frank D./*Kennedy*, Jane/*Pronk*, Maarten (2007): Are MBA students a Good Proxy for Nonprofessional Investors? The Accounting Review 82: 139-168.

Gohlke, Felicia/*Schierek*, Dirk,/*Tunder*, Ralph (2006): Durch Finanzanalysten wahrgenommene Qualität der Investor Relations deutscher Unternehmen, Working Paper No. 4/2006, EBS Östrich-Winkel.

Graham, John R./*Harvey*, Campbell R./*Rajgopal*, Shiva (2005): The economic implications of corporate financial reporting, in: Journal of Accounting and Economics 40: 3-73.

Groves, Robert M./*Fowler* Jr., *Floyd* J./*Couper*, Mick P./*Lepkowski*, James M./*Singer*, Eleanor/*Tourangeau*, Roger (2004): Survey Methodology, Hoboken, NJ.

Hodge, Frank D. (2003): Investors' perceptions of earnings quality, auditor independence, and the usefulness of audited financial information, in: Accounting Horizons 17 (Supplement): 37-48.

Hitz, Jörg-Markus (2007): The Decision Usefulness of Fair Value Accounting: A Theoretical Perspective, in: European Accounting Review 16: 323-362.

Marten, Kai-Uwe/Schlereth, Dieter/Crampton, Adrian/Köhler, Annette G. (2002): Rechnungslegung nach IAS – Nutzeneffekte aus Sicht von Eigenkapitalgebern, in: Betriebs-Berater 57: 2007-2012.

Neuhauser, Karyn L. (2007): Survey research in finance, in: International Journal of Managerial Finance 3: 5-10.

Schulz, Michael (1999): Aktienmarketing: Eine empirische Untersuchung zu den Informationsbedürfnissen deutscher Institutionellen Investoren und Analysten, Sternfels.

Sills, Stephen J./Song, Chunyan (2002): Innovations in Survey Research: An Application of Web-Based Surveys, in: Social Science Computer Review 20: 22-30.

PwC (2007): Measuring Assets and Liabilities: Investment Professionals' Views.

Appendix A: Detailed response data

Notes: This appendix details the response data of an online survey which examined the attitudes of professional investors and their advisors towards different financial accounting measurement concepts. Screenshots of the survey instrument can be found in Appendix B. Table A1 gives some background information about the sample sizes of the full response sample and some relevant sub-samples (Panel A). The sample FULL contains all 242 observations of the full sample. The sub-sample DEBT contains only respondents whose work focuses on debt instruments. The sub-sample COMMON contains only respondents who either received their financial training or predominantly work in the U.K., the U.S., Canada, Hong Kong or Singapore. The sub-sample FINAN contains only respondents who characterize themselves as sell-side or buy-side analysts. The sub-sample SELLSIDE contains only respondents who characterize themselves as sell-side analysts. In the following panels and tables of this appendix, response frequencies for all questions are presented as percentages of all valid responses for the relevant questions and all above-mentioned samples. No response or "Can't say" selections are added together and are presented as percentages of the relevant sample. Thus, all percentages not falling into the "No response/Can't say" category for a given category and sample sum up to 100 % (rounding errors are possible). Below the response frequencies, mean, median, and test statistics are presented where applicable. To calculate these, the responses are coded with their parenthesized values. With each test statistic, a two-sided significant level is reported in parentheses. Test statistics which are significant with a two-sided probability of error below 5% appear in bold print. For the DEBT, COMMON, and FINAN sub-samples, the tests test for significant differences between the sub-sample and other observations of the full sample. For the SELLSIDE sub-sample, the tests test for significant differences between the SELLSIDE sub-sample and other observations of the FINAN sub-sample. T-Tests test for significant differences between the means, assuming a normal distribution. The Wilcoxon signed rank test statistic is a non-parametric test for differences in the median. The Chi-square test statistic tests for differences in the sample distributions. For each group of questions, a cross tabulation table is presented as the last Panel, which contains paired test statistics testing for differences between the responses to two sub-questions (T-test for the mean presented above, rank test for the median presented below the diagonal). Below the test statistics, two-sided significance levels are displayed. Test statistics which are significant with a two-sided probability of error below 5% appear in bold print.

Table A1: Sample characteristics

Panel A: Sample sizes

Sample sub-set	n	% of Full Sample
Total response	383	n/a
Full sample (FULL)	242	100.0%
Focus on debt (DEBT)	101	14.5%
Common law origin (COMMON)	25	10.3%
Financial analysts (FINAN)	102	42.1%
Sell side analysts (SELLSIDE)	69	28.5%

(Table A1 Continued)

Panel B: Respondents' field of work

Which of the following best characterises your main field of work?					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Sell-side analyst	29.3%	14.3%	16.0%	67.6%	100.0%
Buy-side analyst	14.0%	11.4%	20.0%	32.4%	
Fund manager	30.6%	14.3%	28.0%		
Institutional investor	16.5%	11.4%	20.0%		
Credit/corporate rating	9.5%	48.6%	16.0%		
Chi-Square		**73.266 (0.000)**	3.895 (0.420)	n/a	n/a

Panel C: Respondents' work focus

Does your work focus on debt investments, equity investments, or derivatives?					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	0.4%				
Debt investments	14.5%	100.0%	24.0%	8.8%	7.2%
Equity investments	56.4%		44.0%	79.4%	85.5%
Derivatives	1.2%			1.0%	
Combination of the above	27.8%		32.0%	10.8%	7.2%
Chi-Square		n/a	3.013 (0.390)	**39.024 (0.000)**	6.165 (0.104)

Panel D: Respondents' work experience in years

How many years of experience do you have in your main field of work?					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	1.2%			1.0%	
0 <= response < 5	15.1%	11.4%	4.0%	20.8%	20.3%
5 <= response < 10	30.5%	42.9%	16.0%	28.7%	30.4%
10 <= response < 15	22.2%	20.0%	24.0%	25.7%	26.1%
15 <= response < 20	15.5%	14.3%	20.0%	11.9%	11.6%
20 <= response	16.7%	11.4%	36.0%	12.9%	11.6%
Mean	10.891	10.057	14.560	9.990	9.667
Median	10.000	8.000	15.000	10.000	9.000
T-Test		-0.977 (0.333)	**3.387 (0.002)**	**-2.043 (0.042)**	-0.794 (0.431)
Wilcoxon Z-Score		-0.976 (0.329)	**3.114 (0.002)**	**-2.052 (0.040)**	-0.827 (0.408)
Chi-Square		15.775 (0.672)	**32.230 (0.029)**	24.321 (0.184)	15.044 (0.720)

Table A2: Statements on work approach

Panel A: Survey response

How much do you agree with the following statements describing your analysis when giving investment advice or making investment decisions?					
S1: My advice or decision is based on accounting data of the company and its industry (fundamental analysis).					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	2.1%			1.0%	1.4%
Strongly agree (1)	51.9%	68.6%	56.0%	64.4%	64.7%
Agree (2)	38.0%	28.6%	32.0%	30.7%	33.8%
Neutral (3)	7.2%		8.0%	4.0%	1.5%
Disagree (4)	1.7%	2.9%		1.0%	
Strongly disagree (5)	1.3%		4.0%		
Mean	1.624	1.371	1.640	1.416	1.368
Median	1.000	1.000	1.000	1.000	1.000
T-Test		**-2.410**	0.088	**-3.741**	-0.971
		(0.019)	(0.931)	**(0.000)**	(0.337)
Wilcoxon Z-Score		**-2.260**	-0.272	**-3.512**	-0.470
		(0.024)	(0.786)	**(0.000)**	(0.638)
Chi-Square		6.954	2.502	**12.989**	5.987
		(0.138)	(0.644)	**(0.011)**	(0.112)
S2: My advice or decision is based on first-hand information and impression of management quality.					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	3.3%	2.9%		2.9%	2.9%
Strongly agree (1)	26.5%	26.5%	24.0%	33.3%	32.8%
Agree (2)	47.0%	47.1%	52.0%	45.5%	46.3%
Neutral (3)	16.7%	14.7%	16.0%	16.2%	16.4%
Disagree (4)	6.8%	8.8%	8.0%	3.0%	4.5%
Strongly disagree (5)	3.0%	2.9%		2.0%	
Mean	2.128	2.147	2.080	1.949	1.925
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.117	-0.291	**-2.460**	-0.354
		(0.907)	(0.773)	**(0.015)**	(0.725)
Wilcoxon Z-Score		0.053	-0.047	**-2.329**	-0.004
		(0.958)	(0.963)	**(0.020)**	(0.997)
Chi-Square		0.322	1.114	7.321	5.674
		(0.988)	(0.892)	(0.120)	(0.225)

(**Table A2 Panel A Continued)**

S3: My advice or decision is based on non-accounting market data (quantitative/technical analysis).					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	2.9%	5.7%		2.0%	2.9%
Strongly agree (1)	7.2%	12.1%	4.0%	10.0%	6.0%
Agree (2)	23.4%	21.2%	16.0%	11.0%	11.9%
Neutral (3)	26.4%	30.3%	36.0%	27.0%	31.3%
Disagree (4)	29.4%	21.2%	24.0%	38.0%	37.3%
Strongly disagree (5)	13.6%	15.2%	20.0%	14.0%	13.4%
Mean	3.187	3.061	3.400	3.350	3.403
Median	3.000	3.000	3.000	4.000	4.000
T-Test		-0.636 (0.528)	1.003 (0.324)	1.866 (0.063)	0.599 (0.551)
Wilcoxon Z-Score		-0.648 (0.517)	0.905 (0.366)	**2.150** **(0.032)**	0.233 (0.816)
Chi-Square		2.505 (0.644)	3.151 (0.533)	**17.753** **(0.001)**	4.951 (0.292)
S4: My method of analysis differs according to the respective company or its industry.					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	6.6%	2.9%	4.0%	3.9%	4.3%
Strongly agree (1)	11.5%	11.8%	16.7%	9.2%	6.1%
Agree (2)	34.5%	44.1%	41.7%	31.6%	36.4%
Neutral (3)	27.0%	26.5%	20.8%	21.4%	19.7%
Disagree (4)	18.6%	17.6%	12.5%	24.5%	21.2%
Strongly disagree (5)	8.4%		8.3%	13.3%	16.7%
Mean	2.779	2.500	2.542	3.010	3.061
Median	3.000	2.000	2.000	3.000	3.000
T-Test		-1.822 (0.074)	-1.047 (0.304)	**2.669** **(0.008)**	0.593 (0.556)
Wilcoxon Z-Score		-1.441 (0.150)	-1.186 (0.236)	**2.471** **(0.013)**	0.445 (0.656)
Chi-Square		4.460 (0.347)	1.932 (0.748)	**11.315** **(0.023)**	6.509 (0.164)

(Table A2 Continued)

Panel B: Test for significant differences across responses

	S1	S2	S3	S4
S1		**-7.19** **0.00**	**-14.84** **0.00**	**-11.77** **0.00**
S2	**3146.50** **0.00**		**-9.67** **0.00**	**-6.45** **0.00**
S3	**8237.00** **0.00**	**6378.50** **0.00**		**3.88** **0.00**
S4	**6130.50** **0.00**	**3346.00** **0.00**	**-2388.00** **0.00**	

Table A3: Usage and assessment of information sources

Panel A: Survey response

Which sources of information do you use when providing investment advice or making investment decisions, and how do you assess them?					
PERSCON: Direct personal contact with management – relevance					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	3.7%	2.9%	8.0%	2.9%	1.4%
Very high (1)	40.3%	32.4%	52.2%	49.5%	45.6%
High (2)	30.9%	26.5%	26.1%	33.3%	42.6%
Moderate (3)	17.6%	20.6%	13.0%	9.1%	7.4%
Low (4)	6.0%	8.8%	8.7%	4.0%	2.9%
Very low (5)	5.2%	11.8%		4.0%	1.5%
Mean	2.047	2.412	1.783	1.798	1.721
Median	2.000	2.000	1.000	2.000	2.000
T-Test		1.748 (0.088)	-1.319 (0.198)	**-2.982** **(0.003)**	-0.923 (0.362)
Wilcoxon Z-Score		1.688 (0.091)	-1.196 (0.232)	**-3.106** **(0.002)**	0.070 (0.944)
Chi-Square		4.992 (0.288)	2.998 (0.558)	**12.502** **(0.014)**	11.241 (0.024)
PERSCON: Direct personal contact with management – reliability					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	8.3%	8.6%	4.0%	5.9%	2.9%
Very high (1)	9.9%	3.1%	12.5%	9.4%	11.9%
High (2)	45.5%	43.8%	37.5%	58.3%	59.7%
Moderate (3)	36.5%	43.8%	45.8%	28.1%	25.4%
Low (4)	5.0%	6.3%	4.2%	3.1%	1.5%
Very low (5)	3.2%	3.1%		1.0%	1.5%
Mean	2.459	2.625	2.417	2.281	2.209
Median	2.000	3.000	2.500	2.000	2.000
T-Test		1.258 (0.215)	-0.282 (0.780)	**-2.831** **(0.005)**	-1.540 (0.129)
Wilcoxon Z-Score		1.288 (0.198)	0.107 (0.915)	**-2.816** **(0.005)**	-1.596 (0.110)
Chi-Square		2.429 (0.657)	2.087 (0.720)	**12.952** **(0.012)**	4.549 (0.337)

(**Table A3 Panel A Continued)**

ANMEET: Interaction in analysts' meetings, conference calls, etc. - relevance					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	4.1%	2.9%	4.0%	2.9%	1.4%
Very high (1)	15.5%	11.8%	12.5%	20.2%	20.6%
High (2)	40.5%	29.4%	33.3%	51.5%	52.9%
Moderate (3)	28.0%	29.4%	45.8%	21.2%	20.6%
Low (4)	11.6%	20.6%	8.3%	5.1%	5.9%
Very low (5)	4.3%	8.8%		2.0%	
Mean	2.487	2.853	2.500	2.172	2.118
Median	2.000	3.000	3.000	2.000	2.000
T-Test		**2.034**	0.078	**-4.292**	-0.821
		(0.048)	(0.938)	**(0.000)**	(0.416)
Wilcoxon Z-Score		2.102	0.467	**-4.118**	-0.566
		(0.036)	(0.640)	**(0.000)**	(0.571)
Chi-Square		6.227	4.936	**18.993**	4.826
		(0.183)	(0.294)	**(0.001)**	(0.306)
ANMEET: Interaction in analysts' meetings, conference calls, etc. – reliability					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	9.9%	5.7%	12.0%	5.9%	2.9%
Very high (1)	7.8%	6.1%	4.5%	13.5%	13.4%
High (2)	40.8%	27.3%	31.8%	50.0%	55.2%
Moderate (3)	39.4%	51.5%	45.5%	30.2%	26.9%
Low (4)	7.8%	9.1%	13.6%	4.2%	3.0%
Very low (5)	4.1%	6.1%	4.5%	2.1%	1.5%
Mean	2.596	2.818	2.818	2.313	2.239
Median	3.000	3.000	3.000	2.000	2.000
T-Test		1.515	1.212	**-4.337**	-1.217
		(0.137)	(0.237)	**(0.000)**	(0.230)
Wilcoxon Z-Score		1.719	1.323	**-4.295**	-1.306
		(0.086)	(0.186)	**(0.000)**	(0.191)
Chi-Square		3.770	2.122	**19.145**	3.148
		(0.438)	(0.713)	**(0.001)**	(0.533)

(**Table A3 Panel A Continued)**

QFS: Quarterly financial statements – relevance					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	3.3%	2.9%	4.0%	2.9%	1.4%
Very high (1)	26.1%	20.6%	20.8%	32.3%	35.3%
High (2)	41.5%	50.0%	41.7%	37.4%	41.2%
Moderate (3)	25.6%	23.5%	33.3%	24.2%	19.1%
Low (4)	4.7%	2.9%	4.2%	5.1%	2.9%
Very low (5)	2.1%	2.9%		1.0%	1.5%
Mean	2.154	2.176	2.208	2.051	1.941
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.157	0.333	-1.450	-1.697
		(0.876)	(0.741)	(0.148)	(0.095)
Wilcoxon Z-Score		0.162	0.562	-1.436	-1.794
		(0.871)	(0.574)	(0.151)	(0.073)
Chi-Square		1.611	1.486	4.459	6.155
		(0.807)	(0.829)	(0.347)	(0.188)
QFS: Quarterly financial statements – reliability					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	7.4%	5.7%		5.9%	2.9%
Very high (1)	17.0%	6.1%	8.0%	26.0%	26.9%
High (2)	52.2%	63.6%	56.0%	49.0%	52.2%
Moderate (3)	25.4%	21.2%	32.0%	19.8%	14.9%
Low (4)	4.5%	9.1%	4.0%	5.2%	6.0%
Very low (5)	0.9%				
Mean	2.201	2.333	2.320	2.042	2.000
Median	2.000	2.000	2.000	2.000	2.000
T-Test		1.101	0.895	-2.580	-0.749
		(0.276)	(0.377)	(0.011)	(0.457)
Wilcoxon Z-Score		0.967	0.981	-2.666	-0.901
		(0.333)	(0.327)	(0.008)	(0.368)
Chi-Square		6.150	2.149	12.324	3.446
		(0.188)	(0.708)	(0.015)	(0.328)

(Table A3 Panel A Continued)

AFS: Annual financial statements – relevance					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	2.1%	2.9%		2.0%	1.4%
Very high (1)	37.1%	50.0%	44.0%	45.0%	38.2%
High (2)	41.4%	38.2%	52.0%	38.0%	42.6%
Moderate (3)	16.9%	5.9%	4.0%	14.0%	16.2%
Low (4)	2.5%			1.0%	1.5%
Very low (5)	2.1%	5.9%		2.0%	1.5%
Mean	1.911	1.735	1.600	1.770	1.853
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-1.103	**-2.635**	**-2.077**	1.355
		(0.276)	**(0.012)**	**(0.039)**	(0.181)
Wilcoxon Z-Score		-1.790	-1.622	**-2.221**	1.822
		(0.073)	(0.105)	**(0.026)**	(0.068)
Chi-Square		8.390	5.165	5.816	4.856
		(0.078)	(0.271)	(0.213)	(0.302)
AFS: Annual financial statements - reliability					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	7.0%	5.7%	4.0%	4.9%	2.9%
Very high (1)	31.6%	39.4%	37.5%	44.3%	43.3%
High (2)	51.6%	54.5%	58.3%	47.4%	46.3%
Moderate (3)	14.7%	3.0%	4.2%	7.2%	9.0%
Low (4)	0.9%	3.0%		1.0%	1.5%
Very low (5)	1.3%				
Mean	1.889	1.697	1.667	1.649	1.687
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-1.703	-1.939	**-4.271**	0.891
		(0.095)	(0.061)	**(0.000)**	(0.376)
Wilcoxon Z-Score		-1.605	-1.352	**-4.105**	0.622
		(0.109)	(0.176)	**(0.000)**	(0.534)
Chi-Square		6.901	3.157	**18.147**	1.470
		(0.141)	(0.532)	**(0.001)**	(0.689)

(Table A3 Panel A Continued)

NOTES: Notes to annual financial statements – relevance					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	3.3%	2.9%	4.0%	2.9%	1.4%
Very high (1)	28.6%	61.8%	45.8%	28.3%	23.5%
High (2)	43.2%	26.5%	37.5%	45.5%	50.0%
Moderate (3)	22.2%	11.8%	8.3%	22.2%	22.1%
Low (4)	4.3%		8.3%	3.0%	4.4%
Very low (5)	1.7%			1.0%	
Mean	2.073	1.500	1.792	2.030	2.074
Median	2.000	1.000	2.000	2.000	2.000
T-Test		**-4.882**	-1.564	-0.619	0.696
		(0.000)	(0.129)	(0.537)	(0.490)
Wilcoxon Z-Score		**-4.197**	-1.841	-0.379	1.006
		(0.000)	(0.066)	(0.705)	(0.315)
Chi-Square		**22.157**	6.772	1.328	6.286
		(0.000)	(0.148)	(0.857)	(0.179)
NOTES: Notes to annual financial statements – reliability					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	8.3%	5.7%	8.0%	5.9%	2.9%
Very high (1)	25.7%	42.4%	34.8%	30.2%	29.9%
High (2)	49.1%	39.4%	52.2%	47.9%	49.3%
Moderate (3)	22.1%	18.2%	13.0%	21.9%	20.9%
Low (4)	2.7%				
Very low (5)	0.5%				
Mean	2.032	1.758	1.783	1.917	1.910
Median	2.000	2.000	2.000	2.000	2.000
T-Test		**-2.252**	-1.838	-1.934	-0.125
		(0.029)	(0.076)	(0.054)	(0.901)
Wilcoxon Z-Score		**-2.134**	-1.542	-1.598	-0.112
		(0.033)	(0.123)	(0.110)	(0.911)
Chi-Square		6.466	2.635	6.738	0.189
		(0.167)	(0.621)	(0.150)	(0.910)

(**Table A3 Panel A Continued)**

MD&A: Management commentary (e.g. management's discussion & analyses) - relevance					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	2.9%		4.0%	2.9%	1.4%
Very high (1)	17.4%	20.0%	20.8%	20.2%	19.1%
High (2)	43.8%	31.4%	41.7%	45.5%	47.1%
Moderate (3)	31.1%	40.0%	29.2%	28.3%	30.9%
Low (4)	5.5%	8.6%	4.2%	4.0%	2.9%
Very low (5)	2.1%		4.2%	2.0%	
Mean	2.311	2.371	2.292	2.222	2.176
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.429	-0.099	-1.294	-0.665
		(0.670)	(0.922)	(0.197)	(0.510)
Wilcoxon Z-Score		0.707	-0.247	-1.340	-0.218
		(0.480)	(0.805)	(0.180)	(0.828)
Chi-Square		4.216	0.848	1.970	5.805
		(0.378)	(0.932)	(0.741)	(0.214)
MD&A: Management commentary (e.g. management's discussion & analyses) - reliability					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	6.6%	2.9%		5.9%	2.9%
Very high (1)	8.8%	8.8%	12.0%	12.5%	13.4%
High (2)	36.3%	26.5%	36.0%	34.4%	34.3%
Moderate (3)	42.5%	55.9%	36.0%	44.8%	46.3%
Low (4)	8.8%	5.9%	12.0%	8.3%	6.0%
Very low (5)	3.5%	2.9%	4.0%		
Mean	2.619	2.676	2.600	2.490	2.448
Median	3.000	3.000	3.000	3.000	3.000
T-Test		0.423	-0.104	-1.919	-0.734
		(0.674)	(0.918)	(0.056)	(0.466)
Wilcoxon Z-Score		0.685	-0.173	-1.323	-0.660
		(0.493)	(0.862)	(0.186)	(0.509)
Chi-Square		3.194	0.926	8.849	1.749
		(0.526)	(0.921)	(0.065)	(0.626)

(**Table A3 Panel A Continued)**

VOLDIS: Voluntary public disclosure by the company - relevance					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	5.8%	5.7%	4.0%	2.9%	1.4%
Very high (1)	5.7%	9.1%	8.3%	6.1%	5.9%
High (2)	33.3%	48.5%	33.3%	33.3%	36.8%
Moderate (3)	43.4%	30.3%	45.8%	48.5%	44.1%
Low (4)	14.5%	12.1%	8.3%	9.1%	11.8%
Very low (5)	3.1%		4.2%	3.0%	1.5%
Mean	2.759	2.455	2.667	2.697	2.662
Median	3.000	2.000	3.000	3.000	3.000
T-Test		**-2.251**	-0.523	-0.939	-0.600
		(0.029)	(0.605)	(0.349)	(0.551)
Wilcoxon Z-Score		**-2.204**	-0.552	-0.869	-0.590
		(0.028)	(0.581)	(0.385)	(0.555)
Chi-Square		6.296	1.166	4.577	5.084
		(0.178)	(0.884)	(0.334)	(0.279)
VOLDIS: Voluntary public disclosure by the company - reliability					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	10.3%	8.6%	8.0%	6.9%	2.9%
Very high (1)	3.7%	3.1%	13.0%	5.3%	6.0%
High (2)	30.9%	43.8%	26.1%	31.6%	34.3%
Moderate (3)	47.9%	43.8%	47.8%	48.4%	44.8%
Low (4)	14.3%	9.4%	8.7%	11.6%	11.9%
Very low (5)	3.2%		4.3%	3.2%	3.0%
Mean	2.825	2.594	2.652	2.758	2.716
Median	3.000	3.000	3.000	3.000	3.000
T-Test		-1.928	-0.907	-1.038	-0.760
		(0.060)	(0.373)	(0.301)	(0.450)
Wilcoxon Z-Score		-1.730	-0.891	-0.990	-0.826
		(0.084)	(0.373)	(0.322)	(0.409)
Chi-Square		4.028	6.964	2.044	1.431
		(0.402)	(0.138)	(0.728)	(0.839)

(Table A3 Panel A Continued)

3RDPRTY: Third-party coverage (through media, other analysts, etc.) - relevance					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	2.1%			2.9%	1.4%
Very high (1)	5.5%	5.7%	8.0%	4.0%	1.5%
High (2)	23.2%	34.3%	20.0%	18.2%	13.2%
Moderate (3)	46.4%	34.3%	40.0%	47.5%	47.1%
Low (4)	20.3%	20.0%	24.0%	24.2%	29.4%
Very low (5)	4.6%	5.7%	8.0%	6.1%	8.8%
Mean	2.954	2.857	3.040	3.101	3.309
Median	3.000	3.000	3.000	3.000	3.000
T-Test		-0.624	0.437	**2.112**	**3.611**
		(0.536)	(0.665)	**(0.036)**	**(0.001)**
Wilcoxon Z-Score		-0.842	0.520	**2.134**	**3.271**
		(0.400)	(0.603)	**(0.033)**	**(0.001)**
Chi-Square		3.580	1.567	4.612	**11.609**
		(0.466)	(0.815)	(0.329)	**(0.021)**
3RDPRTY: Third-party coverage (through media, other analysts, etc.) - reliability					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	9.1%	2.9%	8.0%	7.8%	5.8%
Very high (1)	1.4%	2.9%	4.3%	1.1%	
High (2)	20.5%	35.3%	17.4%	14.9%	10.8%
Moderate (3)	43.6%	35.3%	30.4%	39.4%	35.4%
Low (4)	26.8%	20.6%	30.4%	34.0%	40.0%
Very low (5)	7.7%	5.9%	17.4%	10.6%	13.8%
Mean	3.191	2.912	3.391	3.383	3.569
Median	3.000	3.000	3.000	3.000	4.000
T-Test		-1.860	0.928	**2.769**	**3.124**
		(0.070)	(0.362)	**(0.006)**	**(0.003)**
Wilcoxon Z-Score		**-1.999**	1.124	**2.811**	**2.946**
		(0.046)	(0.261)	**(0.005)**	**(0.003)**
Chi-Square		6.464	6.051	8.271	**9.729**
		(0.167)	(0.195)	(0.082)	**(0.045)**

(Table A3 Continued)

Panel B: Test for significant differences across responses: Relevance

	PERCON	ANMT	QFS	AFS	NOTES	MD&A	VOLDIS	3RDPTY
PERCON		**-5.29**	-1.79	1.43	-0.20	**-3.08**	**-8.70**	**-8.92**
		0.00	0.07	0.16	0.84	**0.00**	**0.00**	**0.00**
ANMT	**2372.50**		**3.06**	**6.46**	**4.61**	**2.15**	**-3.76**	**-5.38**
	0.00		**0.00**	**0.00**	**0.00**	**0.03**	**0.00**	**0.00**
QFS	914.00	**-1528.50**		**4.04**	1.54	-1.24	**-7.56**	**-7.69**
	0.08	**0.00**		**0.00**	0.13	0.22	**0.00**	**0.00**
AFS	-573.00	**-3119.50**	**-1347.50**		**-2.87**	**-5.19**	**-11.70**	**-12.70**
	0.24	**0.00**	**0.00**		**0.00**	**0.00**	**0.00**	**0.00**
NOTES	234.50	**-2229.00**	-658.50	**666.00**		**-3.32**	**-10.05**	**-10.41**
	0.68	**0.00**	0.14	**0.01**		**0.00**	**0.00**	**0.00**
MD&A	**1664.50**	-914.50	1036.00	**2689.00**	**1650.00**		**-6.76**	**-7.82**
	0.00	0.06	0.07	**0.00**	**0.00**		**0.00**	**0.00**
VOLDIS	**4681.00**	**1912.00**	**3984.00**	**5199.50**	**4694.00**	**2933.50**		**-2.84**
	0.00	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**		**0.01**
3RDPTY	**6124.00**	**3243.50**	**5392.50**	**6975.50**	**6055.50**	**4932.00**	**1390.00**	
	0.00	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	

Panel C: Test for significant differences across responses: Reliability

	PERCON	ANMT	QFS	AFS	NOTES	MD&A	VOLDIS	3RDPTY
PERCON		-1.95	**2.43**	**8.08**	**5.73**	**-2.34**	**-5.07**	**-8.61**
		0.05	**0.02**	**0.00**	**0.00**	**0.02**	**0.00**	**0.00**
ANMT	**517.50**		**4.27**	**9.82**	**7.74**	-0.63	**-3.09**	**-7.46**
	0.06		**0.00**	**0.00**	**0.00**	0.53	**0.00**	**0.00**
QFS	**-1397.50**	**-2113.50**		**6.50**	**3.16**	**-4.27**	**-8.10**	**-9.90**
	0.00	**0.00**		**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
AFS	**-3704.00**	**-4141.50**	**-1501.50**		**-3.15**	**-10.25**	**-14.84**	**-16.37**
	0.00	**0.00**	**0.00**		**0.00**	**0.00**	**0.00**	**0.00**
NOTES	**-2570.00**	**-2855.00**	**-865.50**	**521.50**		**-8.08**	**-11.46**	**-14.73**
	0.00	**0.00**	**0.00**	**0.00**		**0.00**	**0.00**	**0.00**
MD&A	**924.00**	208.50	**2510.50**	**4632.00**	**3316.50**		**-3.14**	**-7.69**
	0.01	0.50	**0.00**	**0.00**	**0.00**		**0.00**	**0.00**
VOLDIS	**2152.50**	**1471.00**	**3955.00**	**5874.00**	**4195.00**	**1116.00**		**-4.86**
	0.00	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**		**0.00**
3RDPTY	**4464.00**	**3454.50**	**5552.00**	**7237.50**	**6723.00**	**4016.50**	**2156.00**	
	0.00	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	

Table A4: Familiarity with measurement concepts

Panel A: Survey response

Financial Accounting uses different valuation concepts for measuring assets and liabilities. How familiar are you with the following measurement concepts?					
HC: Historical cost					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	2.9%	2.9%	4.0%	3.9%	4.3%
Very familiar (1)	48.5%	61.8%	70.8%	49.0%	45.5%
Familiar (2)	37.0%	23.5%	29.2%	38.8%	39.4%
Somewhat familiar (3)	8.5%	8.8%		6.1%	7.6%
Slightly familiar (4)	4.3%	2.9%		3.1%	3.0%
Unfamiliar (5)	1.7%	2.9%		3.1%	4.5%
Mean	1.736	1.618	1.292	1.724	1.818
Median	2.000	1.000	1.000	2.000	2.000
T-Test		-0.768 (0.447)	**-4.322 (0.000)**	-0.165 (0.869)	1.606 (0.112)
Wilcoxon Z-Score		-1.332 (0.183)	**-2.596 (0.009)**	-0.322 (0.748)	1.248 (0.212)
Chi-Square		3.918 (0.417)	7.058 (0.133)	3.661 (0.454)	2.685 (0.612)
LCM: Lower of cost or market					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	3.7%	2.9%	4.0%	5.9%	5.8%
Very familiar (1)	36.9%	44.1%	62.5%	39.6%	38.5%
Familiar (2)	33.5%	29.4%	20.8%	29.2%	32.3%
Somewhat familiar (3)	18.5%	17.6%	16.7%	17.7%	20.0%
Slightly familiar (4)	5.6%	2.9%		6.3%	3.1%
Unfamiliar (5)	5.6%	5.9%		7.3%	6.2%
Mean	2.094	1.971	1.542	2.125	2.062
Median	2.000	2.000	1.000	2.000	2.000
T-Test		-0.686 (0.496)	**-3.467 (0.001)**	0.338 (0.736)	-0.687 (0.496)
Wilcoxon Z-Score		-0.829 (0.407)	**-2.634 (0.008)**	-0.062 (0.950)	-0.350 (0.727)
Chi-Square		1.274 (0.866)	9.057 (0.060)	2.261 (0.688)	4.942 (0.293)

(**Table A4 Panel A Continued)**

VIU: Value in use					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	5.0%	8.6%	4.0%	4.9%	5.8%
Very familiar (1)	13.0%	21.9%	25.0%	10.3%	12.3%
Familiar (2)	31.7%	34.4%	33.3%	27.8%	26.2%
Somewhat familiar (3)	25.2%	15.6%	16.7%	29.9%	27.7%
Slightly familiar (4)	13.0%	9.4%	4.2%	13.4%	15.4%
Unfamiliar (5)	17.0%	18.8%	20.8%	18.6%	18.5%
Mean	2.891	2.688	2.625	3.021	3.015
Median	3.000	2.000	2.000	3.000	3.000
T-Test		-0.886	-0.952	1.315	-0.060
		(0.381)	(0.350)	(0.190)	(0.953)
Wilcoxon Z-Score		-1.158	-1.274	1.437	-0.040
		(0.247)	(0.203)	(0.151)	(0.968)
Chi-Square		4.114	5.592	3.493	1.862
		(0.391)	(0.232)	(0.479)	(0.761)
FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	2.1%	2.9%		2.9%	2.9%
Very familiar (1)	49.4%	55.9%	64.0%	51.5%	50.7%
Familiar (2)	43.0%	38.2%	32.0%	40.4%	41.8%
Somewhat familiar (3)	6.3%	5.9%	4.0%	7.1%	6.0%
Slightly familiar (4)	1.3%			1.0%	1.5%
Unfamiliar (5)					
Mean	1.595	1.500	1.400	1.576	1.582
Median	2.000	1.000	1.000	1.000	1.000
T-Test		-0.958	-1.752	-0.374	0.136
		(0.343)	(0.089)	(0.709)	(0.892)
Wilcoxon Z-Score		-0.848	-1.573	-0.445	0.126
		(0.397)	(0.116)	(0.657)	(0.900)
Chi-Square		1.069	2.597	0.669	0.955
		(0.785)	(0.458)	(0.881)	(0.812)

(Table A4 Panel A Continued)

FVMDL: Fair value (mark-to-model)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	4.1%	8.6%	4.0%	2.9%	4.3%
Very familiar (1)	23.3%	34.4%	37.5%	21.2%	19.7%
Familiar (2)	29.3%	28.1%	37.5%	27.3%	25.8%
Somewhat familiar (3)	20.3%	18.8%	16.7%	20.2%	24.2%
Slightly familiar (4)	9.5%	12.5%		10.1%	9.1%
Unfamiliar (5)	17.7%	6.3%	8.3%	21.2%	21.2%
Mean	2.690	2.281	2.042	2.828	2.864
Median	2.000	2.000	2.000	3.000	3.000
T-Test		-1.955 (0.057)	**-2.824** **(0.008)**	1.299 (0.195)	0.338 (0.737)
Wilcoxon Z-Score		-1.769 (0.077)	**-2.455** **(0.014)**	1.240 (0.215)	0.464 (0.643)
Chi-Square		5.121 (0.275)	6.970 (0.138)	1.855 (0.762)	2.181 (0.703)

Panel B: Test for significant differences across responses

	HC	LCM	VIU	FVMKT	FVMDL
HC		**-5.73** **0.00**	**-12.67** **0.00**	**2.47** **0.01**	**-8.82** **0.00**
LCM	**1038.50** **0.00**		**-7.82** **0.00**	**7.22** **0.00**	**-5.59** **0.00**
VIU	**5297.50** **0.00**	**3621.00** **0.00**		**14.42** **0.00**	0.68 0.50
FVMKT	**-489.00** **0.02**	**-2214.00** **0.00**	**-5659.50** **0.00**		**-11.54** **0.00**
FVMDL	**4281.50** **0.00**	**2934.50** **0.00**	-465.00 0.26	**3900.50** **0.00**	

Table A5: General attitude towards measurement concepts

Panel A: Survey response

Please give us your opinion on the following statements.					
SAME: All assets and liabilities should be reported following the same measurement concept.					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	5.4%	2.9%	4.0%	4.9%	4.3%
Strongly agree (1)	27.1%	23.5%	33.3%	24.7%	22.7%
Agree (2)	35.8%	23.5%	29.2%	34.0%	39.4%
Neutral (3)	14.0%	11.8%	8.3%	13.4%	10.6%
Disagree (4)	18.3%	32.4%	20.8%	21.6%	21.2%
Strongly disagree (5)	4.8%	8.8%	8.3%	6.2%	6.1%
Mean	2.380	2.794	2.417	2.505	2.485
Median	2.000	3.000	2.000	2.000	2.000
T-Test		1.958	0.140	1.341	-0.227
		(0.057)	(0.890)	(0.182)	(0.821)
Wilcoxon Z-Score		1.915	-0.091	1.248	-0.164
		(0.056)	(0.927)	(0.212)	(0.870)
Chi-Square		7.624	2.115	2.201	3.320
		(0.106)	(0.715)	(0.699)	(0.506)
FVALUE: All assets and liabilities should be reported at fair value, with historical cost information presented in the notes.					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	3.7%	2.9%		3.9%	4.3%
Strongly agree (1)	24.0%	23.5%	28.0%	23.5%	24.2%
Agree (2)	36.5%	35.3%	28.0%	29.6%	31.8%
Neutral (3)	19.3%	14.7%	16.0%	18.4%	16.7%
Disagree (4)	16.7%	20.6%	24.0%	24.5%	22.7%
Strongly disagree (5)	3.4%	5.9%	4.0%	4.1%	4.5%
Mean	2.391	2.500	2.480	2.561	2.515
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.567	0.380	1.940	-0.541
		(0.574)	(0.707)	(0.054)	(0.591)
Wilcoxon Z-Score		0.455	0.291	1.790	-0.574
		(0.649)	(0.771)	(0.074)	(0.566)
Chi-Square		1.505	1.803	8.580	1.071
		(0.826)	(0.772)	(0.073)	(0.899)

(**Table A5 Panel A Continued)**

HCOST: All assets and liabilities should be reported at historical cost, with fair value information presented in the notes.					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	4.5%	2.9%		3.9%	4.3%
Strongly agree (1)	8.2%	2.9%	12.0%	12.2%	13.6%
Agree (2)	20.8%	20.6%	24.0%	22.4%	18.2%
Neutral (3)	26.4%	23.5%	16.0%	25.5%	28.8%
Disagree (4)	36.8%	38.2%	36.0%	33.7%	31.8%
Strongly disagree (5)	7.8%	14.7%	12.0%	6.1%	7.6%
Mean	3.152	3.412	3.120	2.990	3.015
Median	3.000	4.000	3.000	3.000	3.000
T-Test		1.523 (0.135)	-0.134 (0.895)	-1.912 (0.057)	0.320 (0.750)
Wilcoxon Z-Score		1.418 (0.156)	-0.035 (0.972)	-1.791 (0.073)	0.314 (0.754)
Chi-Square		3.947 (0.413)	2.417 (0.660)	4.684 (0.321)	3.714 (0.446)
DIFF: Assets and liabilities should be reported following different measurement concepts, with the relevant measurement concept depending on the nature of the according asset or liability.					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	5.8%	5.7%	4.0%	5.9%	5.8%
Strongly agree (1)	11.0%	27.3%	12.5%	11.5%	10.8%
Agree (2)	28.9%	30.3%	33.3%	34.4%	29.2%
Neutral (3)	21.1%	6.1%	20.8%	24.0%	24.6%
Disagree (4)	30.3%	27.3%	25.0%	20.8%	27.7%
Strongly disagree (5)	8.8%	9.1%	8.3%	9.4%	7.7%
Mean	2.969	2.606	2.833	2.823	2.923
Median	3.000	2.000	3.000	3.000	3.000
T-Test		-1.664 (0.104)	-0.586 (0.562)	-1.608 (0.109)	1.199 (0.236)
Wilcoxon Z-Score		-1.840 (0.066)	-0.617 (0.537)	-1.713 (0.087)	1.398 (0.162)
Chi-Square		**13.621** **(0.009)**	0.488 (0.975)	7.330 (0.119)	6.823 (0.146)

(Table A5 Panel A Continued)

CHOOSE: Companies should be permitted to choose among alternative measurement concepts for different classes of assets and/or liabilities.					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	5.8%	2.9%		5.9%	5.8%
Strongly agree (1)	1.8%		4.0%	3.1%	3.1%
Agree (2)	11.4%	11.8%	16.0%	9.4%	6.2%
Neutral (3)	18.0%	26.5%	16.0%	19.8%	20.0%
Disagree (4)	39.0%	29.4%	36.0%	38.5%	41.5%
Strongly disagree (5)	29.8%	32.4%	28.0%	29.2%	29.2%
Mean	3.838	3.824	3.680	3.813	3.877
Median	4.000	4.000	4.000	4.000	4.000
T-Test		-0.087 (0.931)	-0.718 (0.478)	-0.311 (0.756)	0.818 (0.417)
Wilcoxon Z-Score		-0.191 (0.849)	-0.609 (0.542)	-0.256 (0.798)	0.715 (0.475)
Chi-Square		3.340 (0.503)	1.486 (0.829)	2.710 (0.607)	2.703 (0.609)

Panel B: Test for significant differences across responses

	SAME	FVALUE	HCOST	DIFF	CHOOSE
SAME		-0.11 0.91	**-7.29** **0.00**	**-4.09** **0.00**	**-12.41** **0.00**
FVALUE	-18.00 0.96		**-6.29** **0.00**	**-4.74** **0.00**	**-12.96** **0.00**
HCOST	**3625.50** **0.00**	**3846.00** **0.00**		1.73 0.09	**-7.41** **0.00**
DIFF	**3152.00** **0.00**	**2976.00** **0.00**	-1069.00 0.06		**-10.64** **0.00**
CHOOSE	**6859.50** **0.00**	**8072.00** **0.00**	**3996.00** **0.00**	**4513.50** **0.00**	

Table A6: Attitude towards measurement concepts for specific assets

Panel A1: Intangible assets (not including goodwill)

Based on your experience, how useful are the following measurement concepts for providing investment advice or making investment decisions when applied to the asset classes listed below?

HC: Historical cost

Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	26.4%	22.9%	28.0%	23.5%	21.7%
Very useful (1)	16.9%	18.5%	16.7%	17.9%	22.2%
Useful (2)	36.0%	33.3%	22.2%	38.5%	44.4%
Moderately useful (3)	20.2%	18.5%	16.7%	17.9%	13.0%
Marginally useful (4)	12.9%	14.8%	11.1%	11.5%	11.1%
Not useful (5)	14.0%	14.8%	33.3%	14.1%	9.3%
Mean	2.713	2.741	3.222	2.654	2.407
Median	2.000	2.000	3.000	2.000	2.000
T-Test		0.115 (0.909)	1.491 (0.152)	-0.545 (0.587)	**-2.533 (0.015)**
Wilcoxon Z-Score		0.075 (0.940)	1.511 (0.131)	-0.637 (0.524)	**-2.603 (0.009)**
Chi-Square		0.261 (0.992)	6.531 (0.163)	0.903 (0.924)	8.797 (0.066)

LCM: Lower of cost or market

Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	33.5%	25.7%	28.0%	30.4%	31.9%
Very useful (1)	11.2%	11.5%	16.7%	8.5%	8.5%
Useful (2)	28.6%	38.5%	27.8%	29.6%	31.9%
Moderately useful (3)	26.1%	11.5%	22.2%	32.4%	31.9%
Marginally useful (4)	19.3%	19.2%	11.1%	19.7%	12.8%
Not useful (5)	14.9%	19.2%	22.2%	9.9%	14.9%
Mean	2.981	2.962	2.944	2.930	2.936
Median	3.000	3.000	3.000	3.000	3.000
T-Test		-0.082 (0.935)	-0.118 (0.907)	-0.481 (0.631)	0.074 (0.941)
Wilcoxon Z-Score		-0.229 (0.819)	-0.209 (0.834)	-0.355 (0.723)	-0.214 (0.830)
Chi-Square		3.970 (0.410)	2.092 (0.719)	5.013 (0.286)	7.250 (0.123)

VIU: Value in use

Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	39.7%	22.9%	36.0%	38.2%	37.7%
Very useful (1)	8.2%	11.1%	6.3%	4.8%	4.7%
Useful (2)	45.2%	44.4%	37.5%	49.2%	48.8%
Moderately useful (3)	23.3%	22.2%	12.5%	20.6%	20.9%
Marginally useful (4)	13.0%	18.5%	12.5%	15.9%	16.3%
Not useful (5)	10.3%	3.7%	31.3%	9.5%	9.3%
Mean	2.719	2.593	3.250	2.762	2.767
Median	2.000	2.000	3.000	2.000	2.000
T-Test		-0.684 (0.498)	1.606 (0.127)	0.404 (0.687)	0.058 (0.954)
Wilcoxon Z-Score		-0.518 (0.605)	1.550 (0.121)	0.398 (0.691)	0.087 (0.931)
Chi-Square		2.521 (0.641)	8.918 (0.063)	3.096 (0.542)	0.034 (1.000)

(**Table A6 Panel A1 Continued)**

FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	27.7%	25.7%	36.0%	23.5%	20.3%
Very useful (1)	24.6%	30.8%	25.0%	20.5%	18.2%
Useful (2)	36.0%	26.9%	25.0%	38.5%	41.8%
Moderately useful (3)	19.4%	15.4%	12.5%	20.5%	18.2%
Marginally useful (4)	6.9%	7.7%	6.3%	6.4%	7.3%
Not useful (5)	13.1%	19.2%	31.3%	14.1%	14.5%
Mean	2.480	2.577	2.938	2.551	2.582
Median	2.000	2.000	2.500	2.000	2.000
T-Test		0.365 (0.718)	1.186 (0.252)	0.653 (0.515)	0.320 (0.751)
Wilcoxon Z-Score		0.087 (0.931)	1.040 (0.299)	0.780 (0.435)	0.297 (0.767)
Chi-Square		2.325 (0.676)	5.431 (0.246)	1.405 (0.843)	1.777 (0.777)
FVMDL: Fair value (mark-to-model)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	45.0%	37.1%	40.0%	44.1%	44.9%
Very useful (1)	9.0%	13.6%	6.7%	7.0%	7.9%
Useful (2)	26.3%	22.7%	13.3%	33.3%	36.8%
Moderately useful (3)	27.1%	18.2%	13.3%	24.6%	15.8%
Marginally useful (4)	14.3%	18.2%	26.7%	17.5%	21.1%
Not useful (5)	23.3%	27.3%	40.0%	17.5%	18.4%
Mean	3.165	3.227	3.800	3.053	3.053
Median	3.000	3.000	4.000	3.000	3.000
T-Test		0.224 (0.824)	1.983 (0.063)	-0.878 (0.381)	0.000 (1.000)
Wilcoxon Z-Score		0.234 (0.815)	**1.993 (0.046)**	-0.916 (0.359)	-0.140 (0.889)
Chi-Square		1.978 (0.740)	6.200 (0.185)	4.706 (0.319)	4.967 (0.291)

Panel A2: Test for significant differences across responses

	HC	LCM	VIU	FVMKT	FVMDL
HC		-1.66	0.24	1.52	**-2.07**
		0.10	0.81	0.13	**0.04**
LCM	498.00		**1.92**	**3.78**	-1.33
	0.10		**0.06**	**0.00**	0.19
VIU	-66.50	-412.00		**2.28**	**-3.11**
	0.80	0.06		**0.02**	**0.00**
FVMKT	-575.50	**-1045.50**	**-403.50**		**-6.10**
	0.11	**0.00**	**0.02**		**0.00**
FVMDL	**509.00**	260.50	**486.50**	**751.50**	
	0.04	0.20	**0.00**	**0.00**	

(Table A6 Continued)

Panel B1: Goodwill

HC: Historical cost					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	26.9%	22.9%	36.0%	23.5%	23.2%
Very useful (1)	19.2%	18.5%	18.8%	19.2%	20.8%
Useful (2)	35.0%	29.6%	25.0%	32.1%	30.2%
Moderately useful (3)	21.5%	18.5%	25.0%	25.6%	24.5%
Marginally useful (4)	10.2%	18.5%		10.3%	13.2%
Not useful (5)	14.1%	14.8%	31.3%	12.8%	11.3%
Mean	2.650	2.815	3.000	2.654	2.642
Median	2.000	3.000	3.000	2.000	2.000
T-Test		0.691 (0.494)	0.963 (0.349)	0.038 (0.970)	-0.124 (0.902)
Wilcoxon Z-Score		0.689 (0.491)	0.938 (0.348)	0.202 (0.840)	-0.094 (0.925)
Chi-Square		2.597 (0.627)	6.050 (0.195)	1.652 (0.799)	2.153 (0.708)
LCM: Lower of cost or market					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	38.0%	28.6%	40.0%	36.3%	36.2%
Very useful (1)	10.0%		20.0%	7.7%	9.1%
Useful (2)	25.3%	32.0%	26.7%	29.2%	29.5%
Moderately useful (3)	26.7%	16.0%	26.7%	30.8%	29.5%
Marginally useful (4)	16.0%	24.0%		15.4%	6.8%
Not useful (5)	22.0%	28.0%	26.7%	16.9%	25.0%
Mean	3.147	3.480	2.867	3.046	3.091
Median	3.000	4.000	3.000	3.000	3.000
T-Test		1.470 (0.150)	-0.770 (0.452)	-0.843 (0.401)	0.489 (0.627)
Wilcoxon Z-Score		1.312 (0.189)	-0.903 (0.366)	-0.829 (0.407)	0.174 (0.862)
Chi-Square		6.497 (0.165)	4.510 (0.341)	3.394 (0.494)	12.163 (0.016)
VIU: Value in use					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	43.4%	22.9%	48.0%	42.2%	40.6%
Very useful (1)	8.8%	3.7%	7.7%	8.5%	4.9%
Useful (2)	36.5%	44.4%	38.5%	33.9%	34.1%
Moderately useful (3)	27.7%	29.6%	15.4%	30.5%	29.3%
Marginally useful (4)	8.8%	3.7%	7.7%	11.9%	14.6%
Not useful (5)	18.2%	18.5%	30.8%	15.3%	17.1%
Mean	2.912	2.889	3.154	2.915	3.049
Median	3.000	3.000	3.000	3.000	3.000
T-Test		-0.114 (0.910)	0.635 (0.536)	0.024 (0.981)	1.300 (0.203)
Wilcoxon Z-Score		-0.130 (0.897)	0.508 (0.611)	0.222 (0.825)	1.265 (0.206)
Chi-Square		2.589 (0.629)	2.077 (0.722)	2.138 (0.710)	3.282 (0.512)

(**Table A6 Panel B1 Continued)**

FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	29.3%	20.0%	32.0%	23.5%	20.3%
Very useful (1)	24.6%	25.0%	11.8%	20.5%	20.0%
Useful (2)	39.8%	32.1%	41.2%	42.3%	45.5%
Moderately useful (3)	14.6%	14.3%	11.8%	16.7%	10.9%
Marginally useful (4)	5.3%	3.6%	5.9%	3.8%	5.5%
Not useful (5)	15.8%	25.0%	29.4%	16.7%	18.2%
Mean	2.480	2.714	3.000	2.538	2.564
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.905 (0.371)	1.525 (0.144)	0.526 (0.600)	0.269 (0.789)
Wilcoxon Z-Score		0.737 (0.461)	1.578 (0.114)	0.757 (0.449)	-0.069 (0.945)
Chi-Square		2.476 (0.649)	3.605 (0.462)	2.218 (0.696)	5.682 (0.224)
FVMDL: Fair value (mark-to-model)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	46.7%	37.1%	40.0%	42.2%	39.1%
Very useful (1)	6.2%	9.1%	6.7%	5.1%	4.8%
Useful (2)	29.5%	27.3%	13.3%	33.9%	35.7%
Moderately useful (3)	24.0%	18.2%	13.3%	22.0%	21.4%
Marginally useful (4)	14.7%	13.6%	20.0%	15.3%	11.9%
Not useful (5)	25.6%	31.8%	46.7%	23.7%	26.2%
Mean	3.240	3.318	3.867	3.186	3.190
Median	3.000	3.000	4.000	3.000	3.000
T-Test		0.286 (0.777)	1.918 (0.072)	-0.434 (0.665)	0.039 (0.969)
Wilcoxon Z-Score		0.284 (0.776)	**1.974 (0.048)**	-0.490 (0.624)	-0.017 (0.986)
Chi-Square		1.202 (0.878)	5.582 (0.233)	1.293 (0.863)	1.640 (0.802)

Panel B2: Test for significant differences across responses

	HC	LCM	VIU	FVMKT	FVMDL
HC		**-3.08**	-1.42	0.77	**-2.33**
		0.00	0.16	0.44	**0.02**
LCM	**744.00**		1.78	**3.32**	-0.85
	0.00		0.08	**0.00**	0.40
VIU	309.50	-344.00		**3.18**	-1.51
	0.20	0.09		**0.00**	0.13
FVMKT	-306.00	**-833.50**	**-462.00**		**-5.68**
	0.38	**0.00**	**0.00**		**0.00**
FVMDL	**620.00**	154.00	207.50	**683.00**	
	0.03	0.42	0.14	**0.00**	

(Table A6 Continued)

Panel C1: Property, plant & equipment

HC: Historical cost					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	26.9%	14.3%	36.0%	22.5%	21.7%
Very useful (1)	23.7%	23.3%	31.3%	26.6%	29.6%
Useful (2)	40.1%	43.3%	56.3%	48.1%	50.0%
Moderately useful (3)	20.3%	20.0%	12.5%	13.9%	11.1%
Marginally useful (4)	6.2%	6.7%		6.3%	7.4%
Not useful (5)	9.6%	6.7%		5.1%	1.9%
Mean	2.379	2.300	1.813	2.152	2.019
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-0.416 (0.679)	**-3.278 (0.003)**	**-2.347 (0.020)**	-1.522 (0.136)
Wilcoxon Z-Score		-0.280 (0.779)	-1.882 (0.060)	**-2.218 (0.027)**	-1.483 (0.138)
Chi-Square		0.434 (0.980)	4.875 (0.300)	8.713 (0.069)	5.483 (0.241)
LCM: Lower of cost or market					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	34.7%	25.7%	32.0%	29.4%	31.9%
Very useful (1)	15.2%	15.4%	35.3%	12.5%	12.8%
Useful (2)	29.1%	34.6%	29.4%	34.7%	31.9%
Moderately useful (3)	25.9%	23.1%	29.4%	29.2%	29.8%
Marginally useful (4)	17.7%	15.4%	5.9%	18.1%	19.1%
Not useful (5)	12.0%	11.5%		5.6%	6.4%
Mean	2.823	2.731	2.059	2.694	2.745
Median	3.000	3.000	2.000	3.000	3.000
T-Test		-0.411 (0.684)	**-3.337 (0.003)**	-1.216 (0.226)	0.548 (0.586)
Wilcoxon Z-Score		-0.455 (0.649)	**-2.644 (0.008)**	-1.024 (0.306)	0.541 (0.589)
Chi-Square		0.525 (0.971)	8.955 (0.062)	7.200 (0.126)	0.589 (0.964)
VIU: Value in use					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	40.9%	31.4%	40.0%	37.3%	36.2%
Very useful (1)	14.7%	4.2%	13.3%	14.1%	18.2%
Useful (2)	40.6%	45.8%	33.3%	39.1%	43.2%
Moderately useful (3)	30.1%	45.8%	26.7%	29.7%	20.5%
Marginally useful (4)	9.1%	4.2%	6.7%	10.9%	13.6%
Not useful (5)	5.6%		20.0%	6.3%	4.5%
Mean	2.503	2.500	2.867	2.563	2.432
Median	2.000	3.000	3.000	2.000	2.000
T-Test		-0.025 (0.980)	1.125 (0.278)	0.609 (0.543)	-1.520 (0.136)
Wilcoxon Z-Score		0.446 (0.655)	1.013 (0.311)	0.571 (0.568)	-1.655 (0.098)
Chi-Square		7.137 (0.129)	6.626 (0.157)	0.624 (0.960)	7.946 (0.094)

(**Table A6 Panel C1 Continued)**

FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	25.2%	17.1%	32.0%	21.6%	20.3%
Very useful (1)	29.8%	31.0%	29.4%	27.5%	25.5%
Useful (2)	43.1%	31.0%	41.2%	41.3%	40.0%
Moderately useful (3)	14.9%	13.8%	5.9%	20.0%	25.5%
Marginally useful (4)	6.6%	10.3%	5.9%	6.3%	5.5%
Not useful (5)	5.5%	13.8%	17.6%	5.0%	3.6%
Mean	2.149	2.448	2.412	2.200	2.218
Median	2.000	2.000	2.000	2.000	2.000
T-Test		1.303 (0.202)	0.797 (0.436)	0.558 (0.577)	0.209 (0.836)
Wilcoxon Z-Score		0.970 (0.332)	0.443 (0.657)	0.848 (0.396)	0.651 (0.515)
Chi-Square		6.203 (0.184)	6.050 (0.195)	2.961 (0.564)	3.785 (0.436)
FVMDL: Fair value (mark-to-model)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	47.1%	34.3%	44.0%	45.1%	44.9%
Very useful (1)	10.9%	13.0%	7.1%	10.7%	10.5%
Useful (2)	26.6%	8.7%	21.4%	25.0%	28.9%
Moderately useful (3)	28.1%	21.7%	14.3%	28.6%	26.3%
Marginally useful (4)	14.1%	21.7%	14.3%	19.6%	21.1%
Not useful (5)	20.3%	34.8%	42.9%	16.1%	13.2%
Mean	3.063	3.565	3.643	3.054	2.974
Median	3.000	4.000	4.000	3.000	3.000
T-Test		1.928 (0.063)	1.612 (0.127)	-0.069 (0.945)	-0.678 (0.503)
Wilcoxon Z-Score		**2.080 (0.038)**	1.664 (0.096)	0.030 (0.976)	-0.712 (0.477)
Chi-Square		7.955 (0.093)	5.367 (0.252)	3.189 (0.527)	1.695 (0.792)

Panel C2: Test for significant differences across responses

	HC	LCM	VIU	FVMKT	FVMDL
HC		**-3.95**	-0.31	1.72	**-3.86**
		0.00	0.76	0.09	**0.00**
LCM	**945.50**		**3.19**	**4.80**	-1.56
	0.00		**0.00**	**0.00**	0.12
VIU	34.50	**-737.50**		**2.72**	**-3.64**
	0.88	**0.00**		**0.01**	**0.00**
FVMKT	-509.50	**-1385.50**	**-467.50**		**-7.55**
	0.11	**0.00**	**0.01**		**0.00**
FVMDL	**876.00**	306.00	**572.50**	**878.50**	
	0.00	0.20	**0.00**	**0.00**	

(Table A6 Continued)

Panel D1: Inventories

HC: Historical cost					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	28.9%	17.1%	36.0%	26.5%	24.6%
Very useful (1)	18.0%	31.0%	25.0%	17.3%	19.2%
Useful (2)	36.6%	34.5%	50.0%	38.7%	38.5%
Moderately useful (3)	20.3%	17.2%	18.8%	21.3%	23.1%
Marginally useful (4)	13.4%	6.9%	6.3%	14.7%	13.5%
Not useful (5)	11.6%	10.3%		8.0%	5.8%
Mean	2.640	2.310	2.063	2.573	2.481
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-1.523 (0.136)	**-2.690 (0.013)**	-0.618 (0.538)	-0.977 (0.335)
Wilcoxon Z-Score		-1.715 (0.086)	-1.850 (0.064)	-0.430 (0.667)	-0.891 (0.373)
Chi-Square		4.629 (0.328)	4.080 (0.395)	1.921 (0.750)	1.818 (0.769)
LCM: Lower of cost or market					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	32.2%	20.0%	36.0%	26.5%	26.1%
Very useful (1)	20.1%	17.9%	43.8%	21.3%	23.5%
Useful (2)	34.8%	50.0%	37.5%	40.0%	33.3%
Moderately useful (3)	23.2%	10.7%	18.8%	22.7%	23.5%
Marginally useful (4)	11.6%	7.1%		8.0%	9.8%
Not useful (5)	10.4%	14.3%		8.0%	9.8%
Mean	2.573	2.500	1.750	2.413	2.490
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-0.332 (0.741)	**-4.170 (0.000)**	-1.550 (0.123)	0.926 (0.358)
Wilcoxon Z-Score		-0.581 (0.561)	**-2.869 (0.004)**	-1.468 (0.142)	0.648 (0.517)
Chi-Square		5.680 (0.224)	8.999 (0.061)	3.489 (0.480)	3.480 (0.481)
VIU: Value in use					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	40.1%	28.6%	44.0%	36.3%	36.2%
Very useful (1)	7.6%	4.0%	7.1%	7.7%	9.1%
Useful (2)	40.7%	36.0%	35.7%	44.6%	45.5%
Moderately useful (3)	29.0%	36.0%	14.3%	26.2%	27.3%
Marginally useful (4)	11.7%	12.0%	14.3%	15.4%	13.6%
Not useful (5)	11.0%	12.0%	28.6%	6.2%	4.5%
Mean	2.779	2.920	3.214	2.677	2.591
Median	3.000	3.000	3.000	2.000	2.000
T-Test		0.713 (0.480)	1.229 (0.239)	-1.015 (0.312)	-0.935 (0.356)
Wilcoxon Z-Score		0.820 (0.412)	1.154 (0.248)	-0.880 (0.379)	-0.863 (0.388)
Chi-Square		1.219 (0.875)	5.657 (0.226)	4.659 (0.324)	1.276 (0.865)

(**Table A6 Panel D1 Continued)**

FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	26.0%	17.1%	32.0%	21.6%	20.3%
Very useful (1)	30.2%	31.0%	23.5%	27.5%	29.1%
Useful (2)	44.7%	51.7%	52.9%	41.3%	40.0%
Moderately useful (3)	13.4%	6.9%	17.6%	16.3%	12.7%
Marginally useful (4)	6.7%	3.4%	5.9%	8.8%	9.1%
Not useful (5)	5.0%	6.9%		6.3%	9.1%
Mean	2.117	2.034	2.059	2.250	2.291
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-0.450 (0.655)	-0.296 (0.770)	1.474 (0.143)	0.533 (0.596)
Wilcoxon Z-Score		-0.574 (0.566)	0.181 (0.856)	1.405 (0.160)	-0.016 (0.987)
Chi-Square		2.273 (0.686)	1.775 (0.777)	2.929 (0.570)	3.869 (0.424)
FVMDL: Fair value (mark-to-model)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	47.1%	34.3%	44.0%	44.1%	43.5%
Very useful (1)	6.3%	8.7%		3.5%	5.1%
Useful (2)	28.9%	17.4%	14.3%	28.1%	30.8%
Moderately useful (3)	22.7%	17.4%	21.4%	21.1%	17.9%
Marginally useful (4)	19.5%	26.1%	21.4%	26.3%	25.6%
Not useful (5)	22.7%	30.4%	42.9%	21.1%	20.5%
Mean	3.234	3.522	3.929	3.333	3.256
Median	3.000	4.000	4.000	3.000	3.000
T-Test		1.147 (0.260)	**2.384 (0.029)**	0.800 (0.425)	-0.744 (0.461)
Wilcoxon Z-Score		1.235 (0.217)	**2.168 (0.030)**	0.777 (0.437)	-0.681 (0.496)
Chi-Square		3.263 (0.515)	5.016 (0.286)	3.915 (0.418)	1.847 (0.764)

Panel D2: Test for significant differences across responses

	HC	LCM	VIU	FVMKT	FVMDL
HC		0.64	-0.99	**3.66**	**-3.25**
		0.52	0.32	**0.00**	**0.00**
LCM	-215.50		-1.31	**3.36**	**-3.96**
	0.41		0.19	**0.00**	**0.00**
VIU	169.50	291.50		**5.27**	**-3.38**
	0.44	0.18		**0.00**	**0.00**
FVMKT	**-1184.00**	**-1035.00**	**-901.50**		**-8.60**
	0.00	**0.00**	**0.00**		**0.00**
FVMDL	**734.50**	**778.00**	**421.50**	**1264.00**	
	0.00	**0.00**	**0.00**	**0.00**	

(Table A6 Continued)

Panel E1: Financial assets

HC: Historical cost					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	30.6%	20.0%	36.0%	28.4%	26.1%
Very useful (1)	14.3%	7.1%	25.0%	13.7%	11.8%
Useful (2)	22.6%	32.1%	31.3%	19.2%	19.6%
Moderately useful (3)	22.6%	25.0%	25.0%	31.5%	35.3%
Marginally useful (4)	14.9%	17.9%	12.5%	11.0%	11.8%
Not useful (5)	25.6%	17.9%	6.3%	24.7%	21.6%
Mean	3.149	3.071	2.438	3.137	3.118
Median	3.000	3.000	2.000	3.000	3.000
T-Test		-0.351 (0.727)	**-2.434 (0.025)**	-0.096 (0.923)	-0.172 (0.865)
Wilcoxon Z-Score		-0.344 (0.731)	**-2.133 (0.033)**	-0.033 (0.974)	-0.155 (0.877)
Chi-Square		3.618 (0.460)	4.701 (0.319)	6.594 (0.159)	2.004 (0.735)
LCM: Lower of cost or market					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	35.5%	20.0%	36.0%	35.3%	36.2%
Very useful (1)	17.3%	17.9%	37.5%	19.7%	13.6%
Useful (2)	28.2%	42.9%	37.5%	31.8%	34.1%
Moderately useful (3)	18.6%	7.1%	25.0%	16.7%	22.7%
Marginally useful (4)	16.7%	17.9%		16.7%	15.9%
Not useful (5)	19.2%	14.3%		15.2%	13.6%
Mean	2.923	2.679	1.875	2.758	2.818
Median	3.000	2.000	2.000	2.000	3.000
T-Test		-1.045 (0.302)	**-5.008 (0.000)**	-1.287 (0.200)	0.475 (0.638)
Wilcoxon Z-Score		-1.080 (0.280)	**-3.175 (0.001)**	-1.285 (0.199)	0.755 (0.451)
Chi-Square		5.472 (0.242)	**11.540 (0.021)**	2.124 (0.713)	5.830 (0.212)
VIU: Value in use					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	45.5%	37.1%	52.0%	41.2%	40.6%
Very useful (1)	7.6%		16.7%	6.7%	7.3%
Useful (2)	29.5%	27.3%	33.3%	28.3%	31.7%
Moderately useful (3)	25.0%	27.3%		21.7%	22.0%
Marginally useful (4)	12.1%	13.6%		16.7%	12.2%
Not useful (5)	25.8%	31.8%	50.0%	26.7%	26.8%
Mean	3.189	3.500	3.333	3.283	3.195
Median	3.000	3.000	3.500	3.000	3.000
T-Test		1.284 (0.208)	0.301 (0.768)	0.748 (0.456)	-0.778 (0.441)
Wilcoxon Z-Score		1.216 (0.224)	0.212 (0.832)	0.721 (0.471)	-0.769 (0.442)
Chi-Square		2.527 (0.640)	9.416 (0.052)	2.574 (0.631)	2.162 (0.706)

(**Table A6 Panel E1 Continued)**

FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	21.5%	8.6%	28.0%	16.7%	15.9%
Very useful (1)	57.4%	68.8%	61.1%	56.5%	53.4%
Useful (2)	35.8%	25.0%	27.8%	38.8%	43.1%
Moderately useful (3)	3.7%	3.1%	11.1%	2.4%	
Marginally useful (4)	1.6%	3.1%		1.2%	1.7%
Not useful (5)	1.6%			1.2%	1.7%
Mean	1.542	1.406	1.500	1.518	1.552
Median	1.000	1.000	1.000	1.000	1.000
T-Test		-1.160 (0.252)	-0.262 (0.795)	-0.394 (0.694)	0.679 (0.500)
Wilcoxon Z-Score		-1.334 (0.182)	-0.178 (0.859)	-0.015 (0.988)	0.644 (0.520)
Chi-Square		3.343 (0.502)	4.010 (0.405)	1.473 (0.831)	6.384 (0.172)
FVMDL: Fair value (mark-to-model)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	47.1%	31.4%	44.0%	45.1%	46.4%
Very useful (1)	12.5%	16.7%	7.1%	10.7%	8.1%
Useful (2)	35.9%	37.5%	28.6%	42.9%	51.4%
Moderately useful (3)	25.0%	20.8%	21.4%	21.4%	13.5%
Marginally useful (4)	11.7%	16.7%	7.1%	16.1%	18.9%
Not useful (5)	14.8%	8.3%	35.7%	8.9%	8.1%
Mean	2.805	2.625	3.357	2.696	2.676
Median	3.000	2.000	3.000	2.000	2.000
T-Test		-0.802 (0.428)	1.540 (0.144)	-0.884 (0.378)	-0.185 (0.855)
Wilcoxon Z-Score		-0.759 (0.448)	1.551 (0.121)	-0.786 (0.432)	-0.346 (0.730)
Chi-Square		2.096 (0.718)	5.572 (0.233)	6.045 (0.196)	6.348 (0.175)

Panel E2: Test for significant differences across responses

	HC	LCM	VIU	FVMKT	FVMDL
HC		**2.17**	-0.22	**11.88**	**2.65**
		0.03	0.82	**0.00**	**0.01**
LCM	**-511.00**		-1.52	**10.25**	**1.09**
	0.02		0.13	**0.00**	**0.28**
VIU	18.00	323.00		**11.98**	**2.71**
	0.93	0.12		**0.00**	**0.01**
FVMKT	**-3465.50**	**-2528.50**	**-1981.00**		**-11.19**
	0.00	**0.00**	**0.00**		**0.00**
FVMDL	**-662.50**	**-276.00**	**-362.00**	**1580.00**	
	0.01	**0.25**	**0.01**	**0.00**	

(Table A6 Continued)

Panel F1: Non-operating assets

HC: Historical cost					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	33.5%	22.9%	40.0%	28.4%	29.0%
Very useful (1)	11.8%	14.8%	20.0%	11.0%	14.3%
Useful (2)	42.9%	51.9%	60.0%	46.6%	38.8%
Moderately useful (3)	26.1%	14.8%	6.7%	26.0%	30.6%
Marginally useful (4)	9.9%	11.1%	6.7%	8.2%	8.2%
Not useful (5)	9.3%	7.4%	6.7%	8.2%	8.2%
Mean	2.621	2.444	2.200	2.562	2.571
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-0.899 (0.374)	-1.579 (0.133)	-0.621 (0.535)	0.114 (0.910)
Wilcoxon Z-Score		-1.095 (0.274)	-1.821 (0.069)	-0.578 (0.563)	0.288 (0.773)
Chi-Square		2.614 (0.624)	4.771 (0.312)	1.081 (0.897)	4.657 (0.324)
LCM: Lower of cost or market					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	35.1%	20.0%	36.0%	33.3%	34.8%
Very useful (1)	13.4%	14.3%	25.0%	14.7%	13.3%
Useful (2)	31.2%	42.9%	31.3%	38.2%	33.3%
Moderately useful (3)	24.2%	10.7%	18.8%	23.5%	26.7%
Marginally useful (4)	18.5%	17.9%	18.8%	16.2%	22.2%
Not useful (5)	12.7%	14.3%	6.3%	7.4%	4.4%
Mean	2.860	2.750	2.500	2.632	2.711
Median	3.000	2.000	2.000	2.000	3.000
T-Test		-0.491 (0.626)	-1.204 (0.244)	**-2.065 (0.041)**	0.761 (0.451)
Wilcoxon Z-Score		-0.672 (0.501)	-1.224 (0.221)	**-1.981 (0.048)**	1.066 (0.287)
Chi-Square		4.135 (0.388)	2.608 (0.625)	5.152 (0.272)	6.100 (0.192)
VIU: Value in use					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	45.5%	31.4%	52.0%	44.1%	40.6%
Very useful (1)	6.1%	4.2%	8.3%	5.3%	4.9%
Useful (2)	33.3%	33.3%	33.3%	33.3%	29.3%
Moderately useful (3)	36.4%	33.3%	16.7%	36.8%	41.5%
Marginally useful (4)	9.8%	8.3%	8.3%	10.5%	12.2%
Not useful (5)	14.4%	20.8%	33.3%	14.0%	12.2%
Mean	2.932	3.083	3.250	2.947	2.976
Median	3.000	3.000	3.000	3.000	3.000
T-Test		0.688 (0.497)	0.796 (0.441)	0.139 (0.890)	0.283 (0.780)
Wilcoxon Z-Score		0.578 (0.563)	0.668 (0.504)	0.168 (0.866)	0.596 (0.551)
Chi-Square		1.161 (0.884)	4.841 (0.304)	0.167 (0.997)	2.351 (0.672)

(**Table A6 Panel F1 Continued)**

FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	31.0%	28.6%	48.0%	25.5%	21.7%
Very useful (1)	28.1%	32.0%	7.7%	27.6%	25.9%
Useful (2)	44.3%	44.0%	46.2%	43.4%	48.1%
Moderately useful (3)	18.0%	4.0%	23.1%	21.1%	20.4%
Marginally useful (4)	7.8%	16.0%	15.4%	6.6%	5.6%
Not useful (5)	1.8%	4.0%	7.7%	1.3%	
Mean	2.108	2.160	2.692	2.105	2.056
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.247 (0.806)	2.001 (0.066)	-0.031 (0.975)	-0.635 (0.530)
Wilcoxon Z-Score		-0.210 (0.834)	**2.099 (0.036)**	0.166 (0.868)	-0.371 (0.711)
Chi-Square		6.691 (0.153)	6.085 (0.193)	1.218 (0.875)	3.949 (0.413)
FVMDL: Fair value (mark-to-model)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	49.6%	37.1%	48.0%	50.0%	47.8%
Very useful (1)	9.8%	13.6%		7.8%	8.3%
Useful (2)	27.0%	22.7%	15.4%	37.3%	41.7%
Moderately useful (3)	30.3%	27.3%	30.8%	29.4%	27.8%
Marginally useful (4)	17.2%	18.2%	30.8%	13.7%	16.7%
Not useful (5)	15.6%	18.2%	23.1%	11.8%	5.6%
Mean	3.016	3.045	3.615	2.843	2.694
Median	3.000	3.000	4.000	3.000	3.000
T-Test		0.115 (0.909)	**2.148 (0.047)**	-1.364 (0.175)	-1.323 (0.200)
Wilcoxon Z-Score		0.134 (0.894)	1.927 (0.054)	-1.446 (0.148)	-1.283 (0.199)
Chi-Square		0.794 (0.939)	4.243 (0.374)	5.188 (0.269)	5.571 (0.234)

Panel F2: Test for significant differences across responses

	HC	LCM	VIU	FVMKT	FVMDL
HC		**-2.28**	-1.94	**3.95**	**-2.64**
		0.02	0.06	**0.00**	**0.01**
LCM	**447.50**		0.19	**6.50**	-1.04
	0.02		0.85	**0.00**	0.30
VIU	**354.00**	-21.50		**6.58**	-0.22
	0.05	0.90		**0.00**	0.82
FVMKT	**-836.50**	**-1422.50**	**-861.50**		**-8.27**
	0.00	**0.00**	**0.00**		**0.00**
FVMDL	**500.00**	195.50	26.50	**885.00**	
	0.01	0.31	0.81	**0.00**	

Table A7: Attitude towards measurement concepts for specific liabilities

Panel A1: Debt

Based on your experience, how useful are the following measurement concepts for providing investment advice or making investment decisions when applied to the liability classes listed below?					
FACEV: Face value					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	35.1%	17.1%	32.0%	29.4%	30.4%
Very useful (1)	33.1%	41.4%	64.7%	23.6%	14.6%
Useful (2)	33.1%	27.6%	11.8%	44.4%	43.8%
Moderately useful (3)	19.7%	20.7%	17.6%	23.6%	31.3%
Marginally useful (4)	8.3%	3.4%	5.9%	5.6%	6.3%
Not useful (5)	5.7%	6.9%		2.8%	4.2%
Mean	2.204	2.069	1.647	2.194	2.417
Median	2.000	2.000	1.000	2.000	2.000
T-Test		-0.678 (0.501)	**-2.394 (0.026)**	-0.095 (0.924)	**3.121 (0.003)**
Wilcoxon Z-Score		-0.835 (0.404)	**-2.313 (0.021)**	0.693 (0.488)	**2.957 (0.003)**
Chi-Square		2.165 (0.706)	**9.635 (0.047)**	**13.004 (0.011)**	**9.670 (0.046)**
FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	24.4%	11.4%	32.0%	17.6%	20.3%
Very useful (1)	42.6%	41.9%	41.2%	40.5%	36.4%
Useful (2)	43.7%	38.7%	35.3%	52.4%	60.0%
Moderately useful (3)	10.9%	16.1%	23.5%	6.0%	1.8%
Marginally useful (4)	1.6%	3.2%			
Not useful (5)	1.1%			1.2%	1.8%
Mean	1.749	1.806	1.824	1.690	1.709
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.427 (0.672)	0.401 (0.693)	-0.923 (0.357)	0.332 (0.742)
Wilcoxon Z-Score		0.431 (0.667)	0.512 (0.609)	-0.447 (0.655)	-0.445 (0.657)
Chi-Square		2.122 (0.713)	3.548 (0.471)	8.912 (0.063)	7.533 (0.057)
FVMDLICR: Fair value (mark-to-model, including own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	36.0%	20.0%	40.0%	32.4%	33.3%
Very useful (1)	23.2%	17.9%	20.0%	24.6%	26.1%
Useful (2)	41.3%	42.9%	33.3%	39.1%	45.7%
Moderately useful (3)	14.2%	17.9%	20.0%	11.6%	8.7%
Marginally useful (4)	11.6%	10.7%	13.3%	15.9%	10.9%
Not useful (5)	9.7%	10.7%	13.3%	8.7%	8.7%
Mean	2.432	2.536	2.667	2.449	2.304
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.490 (0.627)	0.716 (0.484)	0.152 (0.879)	-1.319 (0.194)
Wilcoxon Z-Score		0.616 (0.538)	0.770 (0.441)	0.032 (0.974)	-1.341 (0.180)
Chi-Square		0.829 (0.934)	0.995 (0.911)	2.970 (0.563)	4.845 (0.304)

(**Table A7 Panel A1 Continued)**

FVMDLXCR: Fair value (mark-to-model, excluding own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	43.0%	25.7%	40.0%	39.2%	39.1%
Very useful (1)	10.1%	3.8%	13.3%	11.3%	14.3%
Useful (2)	28.3%	30.8%	6.7%	30.6%	40.5%
Moderately useful (3)	31.9%	34.6%	20.0%	32.3%	28.6%
Marginally useful (4)	18.1%	23.1%	33.3%	17.7%	11.9%
Not useful (5)	11.6%	7.7%	26.7%	8.1%	4.8%
Mean	2.928	3.000	3.533	2.806	2.524
Median	3.000	3.000	4.000	3.000	2.000
T-Test		0.389 (0.699)	1.866 (0.080)	-1.119 (0.265)	**-3.087 (0.004)**
Wilcoxon Z-Score		0.411 (0.681)	**2.156 (0.031)**	-1.053 (0.292)	**-2.998 (0.003)**
Chi-Square		2.255 (0.689)	9.140 (0.058)	1.595 (0.810)	**9.951 (0.041)**

Panel A2: Test for significant differences across responses

	FACEV	FVMKT	FVMDLICR	FVMDLXCR
FACEV		**4.00**	-1.49	**-3.97**
		0.00	0.14	**0.00**
FVMKT	**-878.50**		**-6.47**	**-10.59**
	0.00		**0.00**	**0.00**
FVMDLICR	413.00	**1332.00**		**-3.87**
	0.15	**0.00**		**0.00**
FVMDLXCR	**1128.00**	**1999.00**	**551.00**	
	0.00	**0.00**	**0.00**	

(Table A7 Continued)

Panel B1: Pension obligations

FACEV: Face value					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	35.5%	17.1%	40.0%	30.4%	31.9%
Very useful (1)	16.0%	10.3%	20.0%	7.0%	6.4%
Useful (2)	30.1%	20.7%	40.0%	40.8%	42.6%
Moderately useful (3)	22.4%	20.7%	13.3%	28.2%	29.8%
Marginally useful (4)	18.6%	20.7%	20.0%	14.1%	10.6%
Not useful (5)	12.8%	27.6%	6.7%	9.9%	10.6%
Mean	2.821	3.345	2.533	2.789	2.766
Median	3.000	3.000	2.000	3.000	3.000
T-Test		**2.328 (0.025)**	-0.937 (0.362)	-0.291 (0.772)	-0.241 (0.811)
Wilcoxon Z-Score		**2.341 (0.019)**	-0.938 (0.348)	-0.153 (0.878)	-0.287 (0.774)
Chi-Square		**7.961 (0.093)**	1.821 (0.769)	15.752 (0.003)	1.572 (0.814)
FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	30.2%	20.0%	36.0%	26.5%	24.6%
Very useful (1)	32.5%	32.1%	37.5%	32.0%	28.8%
Useful (2)	46.2%	46.4%	43.8%	48.0%	55.8%
Moderately useful (3)	13.0%	7.1%	6.3%	12.0%	9.6%
Marginally useful (4)	4.1%	7.1%	6.3%	4.0%	1.9%
Not useful (5)	4.1%	7.1%	6.3%	4.0%	3.8%
Mean	2.012	2.107	2.000	2.000	1.962
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.486 (0.630)	-0.044 (0.966)	-0.137 (0.891)	-0.459 (0.649)
Wilcoxon Z-Score		0.180 (0.857)	-0.352 (0.725)	-0.087 (0.931)	-0.149 (0.881)
Chi-Square		2.351 (0.671)	1.157 (0.885)	0.232 (0.994)	5.302 (0.258)
FVMDLICR: Fair value (mark-to-model, including own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	35.5%	14.3%	32.0%	32.4%	33.3%
Very useful (1)	23.1%	26.7%	29.4%	23.2%	23.9%
Useful (2)	42.3%	43.3%	29.4%	43.5%	43.5%
Moderately useful (3)	20.5%	13.3%	23.5%	18.8%	17.4%
Marginally useful (4)	5.8%	3.3%	5.9%	8.7%	8.7%
Not useful (5)	8.3%	13.3%	11.8%	5.8%	6.5%
Mean	2.340	2.333	2.412	2.304	2.304
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-0.031 (0.975)	0.241 (0.812)	-0.346 (0.730)	0.000 (1.000)
Wilcoxon Z-Score		-0.428 (0.668)	0.111 (0.912)	-0.229 (0.819)	-0.134 (0.893)
Chi-Square		2.646 (0.619)	1.436 (0.838)	3.001 (0.558)	0.310 (0.989)

(**Table A7 Panel B1 Continued)**

FVMDLXCR: Fair value (mark-to-model, excluding own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	41.7%	22.9%	36.0%	37.3%	40.6%
Very useful (1)	14.9%	18.5%	12.5%	17.2%	17.1%
Useful (2)	33.3%	40.7%	25.0%	34.4%	41.5%
Moderately useful (3)	31.2%	18.5%	25.0%	31.3%	26.8%
Marginally useful (4)	12.1%	18.5%	18.8%	12.5%	9.8%
Not useful (5)	8.5%	3.7%	18.8%	4.7%	4.9%
Mean	2.660	2.481	3.063	2.531	2.439
Median	3.000	2.000	3.000	2.000	2.000
T-Test		-0.915 (0.366)	1.302 (0.210)	-1.240 (0.217)	-0.907 (0.369)
Wilcoxon Z-Score		-0.947 (0.344)	1.333 (0.182)	-1.069 (0.285)	-1.071 (0.284)
Chi-Square		4.630 (0.327)	3.562 (0.468)	2.484 (0.647)	3.078 (0.545)

Panel B2: Test for significant differences across responses

	FACEV	FVMKT	FVMDLICR	FVMDLXCR
FACEV		**7.48**	**3.31**	1.16
		0.00	**0.00**	0.25
FVMKT	**-1737.00**		**-2.68**	**-5.11**
	0.00		**0.01**	**0.00**
FVMDLICR	**-876.50**	**542.00**		**-2.53**
	0.00	**0.01**		**0.01**
FVMDLXCR	-308.00	**1185.50**	**383.50**	
	0.31	**0.00**	**0.00**	

(Table A7 Continued)

Panel C1: Non-finanicial liabilities (provisions/contingencies)

FACEV: Face value					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	38.0%	11.4%	40.0%	32.4%	34.8%
Very useful (1)	17.3%	19.4%	33.3%	10.1%	11.1%
Useful (2)	42.7%	35.5%	40.0%	55.1%	51.1%
Moderately useful (3)	22.7%	22.6%	20.0%	23.2%	26.7%
Marginally useful (4)	8.0%	9.7%		7.2%	6.7%
Not useful (5)	9.3%	12.9%	6.7%	4.3%	4.4%
Mean	2.493	2.613	2.067	2.406	2.422
Median	2.000	2.000	2.000	2.000	2.000
T-Test		0.598 (0.553)	-1.576 (0.133)	-0.882 (0.379)	0.201 (0.842)
Wilcoxon Z-Score		0.498 (0.619)	-1.634 (0.102)	-0.353 (0.724)	0.341 (0.733)
Chi-Square		1.236 (0.872)	4.002 (0.406)	11.927 (0.018)	1.225 (0.874)
FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	33.1%	20.0%	32.0%	28.4%	24.6%
Very useful (1)	24.7%	25.0%	35.3%	20.5%	17.3%
Useful (2)	45.7%	39.3%	47.1%	49.3%	55.8%
Moderately useful (3)	20.4%	14.3%	11.8%	19.2%	17.3%
Marginally useful (4)	2.5%	7.1%		1.4%	
Not useful (5)	6.8%	14.3%	5.9%	9.6%	9.6%
Mean	2.210	2.464	1.941	2.301	2.288
Median	2.000	2.000	2.000	2.000	2.000
T-Test		1.146 (0.260)	-1.134 (0.270)	0.986 (0.326)	-0.145 (0.885)
Wilcoxon Z-Score		0.779 (0.436)	-1.301 (0.193)	0.827 (0.408)	-0.052 (0.958)
Chi-Square		6.715 (0.152)	2.055 (0.726)	3.585 (0.465)	5.257 (0.262)
FVMDLICR: Fair value (mark-to-model, including own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	38.0%	20.0%	36.0%	33.3%	34.8%
Very useful (1)	16.0%	14.3%	12.5%	17.6%	15.6%
Useful (2)	36.7%	28.6%	31.3%	33.8%	37.8%
Moderately useful (3)	22.0%	21.4%	18.8%	23.5%	22.2%
Marginally useful (4)	13.3%	17.9%	12.5%	11.8%	11.1%
Not useful (5)	12.0%	17.9%	25.0%	13.2%	13.3%
Mean	2.687	2.964	3.063	2.691	2.689
Median	2.000	3.000	3.000	2.000	2.000
T-Test		1.232 (0.226)	1.125 (0.276)	0.040 (0.968)	-0.020 (0.984)
Wilcoxon Z-Score		1.239 (0.215)	1.110 (0.267)	0.006 (0.995)	-0.033 (0.973)
Chi-Square		2.196 (0.700)	2.898 (0.575)	1.005 (0.909)	1.091 (0.896)

(**Table A7 Panel C1 Continued)**

FVMDLXCR: Fair value (mark-to-model, excluding own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	44.6%	25.7%	36.0%	40.2%	42.0%
Very useful (1)	11.2%	7.7%	12.5%	13.1%	12.5%
Useful (2)	21.6%	19.2%	12.5%	23.0%	25.0%
Moderately useful (3)	38.1%	34.6%	12.5%	37.7%	37.5%
Marginally useful (4)	17.9%	26.9%	37.5%	16.4%	17.5%
Not useful (5)	11.2%	11.5%	25.0%	9.8%	7.5%
Mean	2.963	3.154	3.500	2.869	2.825
Median	3.000	3.000	4.000	3.000	3.000
T-Test		0.965 (0.341)	1.714 (0.104)	-0.869 (0.386)	-0.394 (0.696)
Wilcoxon Z-Score		1.020 (0.308)	**2.060 (0.039)**	-0.866 (0.387)	-0.371 (0.711)
Chi-Square		2.007 (0.734)	10.835 (0.028)	0.790 (0.940)	0.979 (0.913)

Panel C2: Test for significant differences across responses

	FACEV	FVMKT	FVMDLICR	FVMDLXCR
FACEV		**2.53**	-1.31	**-2.73**
		0.01	0.19	**0.01**
FVMKT	**-530.00**		**-4.51**	**-5.75**
	0.01		**0.00**	**0.00**
FVMDLICR	370.50	**600.50**		-1.78
	0.18	**0.00**		0.08
FVMDLXCR	**664.00**	**1107.00**	**224.00**	
	0.01	**0.00**	**0.05**	

(Table A7 Continued)

Panel D1: Non-tradable current liabilities

FACEV : Face value					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	32.6%	14.3%	32.0%	28.4%	30.4%
Very useful (1)	22.7%	33.3%	47.1%	20.5%	14.6%
Useful (2)	47.2%	46.7%	35.3%	49.3%	50.0%
Moderately useful (3)	17.2%	6.7%	11.8%	19.2%	27.1%
Marginally useful (4)	5.5%	6.7%		4.1%	2.1%
Not useful (5)	7.4%	6.7%	5.9%	6.8%	6.3%
Mean	2.276	2.067	1.824	2.274	2.354
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-1.120 (0.269)	-1.831 (0.082)	-0.022 (0.982)	0.840 (0.406)
Wilcoxon Z-Score		-1.555 (0.120)	**-2.154 (0.031)**	0.223 (0.824)	1.557 (0.119)
Chi-Square		4.310 (0.366)	6.963 (0.138)	1.223 (0.874)	8.481 (0.075)
FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	35.5%	28.6%	40.0%	28.4%	26.1%
Very useful (1)	18.6%	12.0%	26.7%	12.3%	13.7%
Useful (2)	39.1%	28.0%	26.7%	45.2%	45.1%
Moderately useful (3)	18.6%	12.0%	20.0%	16.4%	19.6%
Marginally useful (4)	10.9%	12.0%	20.0%	9.6%	3.9%
Not useful (5)	12.8%	36.0%	6.7%	16.4%	17.6%
Mean	2.603	3.320	2.533	2.726	2.667
Median	2.000	3.000	2.000	2.000	2.000
T-Test		**2.664 (0.012)**	-0.217 (0.831)	1.140 (0.256)	-0.601 (0.551)
Wilcoxon Z-Score		**2.613 (0.009)**	-0.200 (0.841)	1.103 (0.270)	-0.578 (0.563)
Chi-Square		**14.839 (0.005)**	3.009 (0.556)	6.158 (0.188)	7.121 (0.130)
FVMDLICR: Fair value (mark-to-model, including own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	40.1%	20.0%	44.0%	34.3%	36.2%
Very useful (1)	10.3%	7.1%	7.1%	11.9%	11.4%
Useful (2)	35.2%	32.1%	28.6%	32.8%	40.9%
Moderately useful (3)	24.8%	17.9%	14.3%	25.4%	20.5%
Marginally useful (4)	13.8%	17.9%	14.3%	14.9%	13.6%
Not useful (5)	15.9%	25.0%	35.7%	14.9%	13.6%
Mean	2.897	3.214	3.429	2.881	2.773
Median	3.000	3.000	3.500	3.000	2.000
T-Test		1.420 (0.164)	1.464 (0.164)	-0.143 (0.886)	-0.967 (0.339)
Wilcoxon Z-Score		1.369 (0.171)	1.483 (0.138)	-0.096 (0.923)	-1.110 (0.267)
Chi-Square		3.356 (0.500)	4.892 (0.299)	0.699 (0.951)	4.087 (0.394)

(**Table A7 Panel D1 Continued)**

FVMDLXCR: Fair value (mark-to-model, excluding own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	44.2%	22.9%	40.0%	42.2%	43.5%
Very useful (1)	8.9%	7.4%	13.3%	10.2%	15.4%
Useful (2)	21.5%	22.2%	13.3%	18.6%	25.6%
Moderately useful (3)	34.8%	18.5%	13.3%	35.6%	30.8%
Marginally useful (4)	17.0%	25.9%	20.0%	16.9%	12.8%
Not useful (5)	17.8%	25.9%	40.0%	18.6%	15.4%
Mean	3.133	3.407	3.600	3.153	2.872
Median	3.000	4.000	4.000	3.000	3.000
T-Test		1.242 (0.222)	1.306 (0.210)	0.162 (0.871)	**-2.846 (0.006)**
Wilcoxon Z-Score		1.299 (0.194)	1.577 (0.115)	0.218 (0.828)	**-2.507 (0.012)**
Chi-Square		5.492 (0.240)	7.908 (0.095)	0.649 (0.957)	8.663 (0.070)

Panel D2: Test for significant differences across responses

	FACEV	FVMKT	FVMDLICR	FVMDLXCR
FACEV		**-2.04**	**-4.13**	**-5.62**
		0.04	**0.00**	**0.00**
FVMKT	**450.00**		**-2.96**	**-4.54**
	0.04		**0.00**	**0.00**
FVMDLICR	**1048.00**	**353.50**		-1.95
	0.00	**0.00**		0.05
FVMDLXCR	**1264.50**	**747.50**	**184.00**	
	0.00	**0.00**	**0.01**	

(Table A7 Continued)

Panel E1: Tradable current liabilities

FACEV : Face value					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	34.3%	17.1%	32.0%	28.4%	30.4%
Very useful (1)	18.2%	24.1%	47.1%	12.3%	6.3%
Useful (2)	37.7%	27.6%	35.3%	42.5%	47.9%
Moderately useful (3)	23.9%	31.0%	17.6%	23.3%	29.2%
Marginally useful (4)	11.3%	6.9%		11.0%	8.3%
Not useful (5)	8.8%	10.3%		11.0%	8.3%
Mean	2.547	2.517	1.706	2.658	2.646
Median	2.000	2.000	2.000	2.000	2.000
T-Test		-0.145 (0.885)	**-4.453 (0.000)**	1.094 (0.276)	-0.106 (0.916)
Wilcoxon Z-Score		-0.148 (0.882)	**-3.232 (0.001)**	1.064 (0.287)	0.293 (0.769)
Chi-Square		3.109 (0.540)	**12.841 (0.012)**	4.133 (0.388)	9.025 (0.060)
FVMKT: Fair value (mark-to-market)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	28.5%	8.6%	36.0%	29.4%	27.5%
Very useful (1)	41.0%	53.1%	43.8%	36.1%	32.0%
Useful (2)	45.7%	31.3%	50.0%	48.6%	52.0%
Moderately useful (3)	11.6%	15.6%	6.3%	12.5%	12.0%
Marginally useful (4)	0.6%			1.4%	2.0%
Not useful (5)	1.2%			1.4%	2.0%
Mean	1.751	1.625	1.625	1.833	1.900
Median	2.000	1.000	2.000	2.000	2.000
T-Test		-1.048 (0.300)	-0.834 (0.414)	1.165 (0.246)	1.128 (0.265)
Wilcoxon Z-Score		-1.111 (0.267)	-0.525 (0.600)	1.163 (0.245)	0.989 (0.323)
Chi-Square		4.425 (0.351)	0.840 (0.933)	2.519 (0.641)	2.065 (0.724)
FVMDLICR: Fair value (mark-to-model, including own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	38.0%	22.9%	36.0%	35.3%	37.7%
Very useful (1)	16.7%	14.8%	12.5%	18.2%	18.6%
Useful (2)	34.0%	25.9%	37.5%	31.8%	32.6%
Moderately useful (3)	24.0%	37.0%	18.8%	24.2%	23.3%
Marginally useful (4)	12.0%	3.7%	12.5%	13.6%	16.3%
Not useful (5)	13.3%	18.5%	18.8%	12.1%	9.3%
Mean	2.713	2.852	2.875	2.697	2.651
Median	2.000	3.000	2.500	3.000	2.000
T-Test		0.618 (0.540)	0.507 (0.618)	-0.140 (0.888)	-0.389 (0.699)
Wilcoxon Z-Score		0.705 (0.481)	0.453 (0.651)	-0.104 (0.917)	-0.326 (0.745)
Chi-Square		5.583 (0.232)	0.855 (0.931)	0.723 (0.948)	1.524 (0.822)

(Table A7 Panel E1 Continued)

FVMDLXCR: Fair value (mark-to-model, excluding own credit risk)					
Response	FULL	DEBT	COMMON	FINAN	SELLSIDE
Can't say/no response	43.8%	25.7%	40.0%	42.2%	43.5%
Very useful (1)	7.4%	3.8%	6.7%	10.2%	12.8%
Useful (2)	22.8%	23.1%	20.0%	18.6%	23.1%
Moderately useful (3)	37.5%	38.5%	13.3%	37.3%	35.9%
Marginally useful (4)	16.9%	15.4%	20.0%	20.3%	20.5%
Not useful (5)	15.4%	19.2%	40.0%	13.6%	7.7%
Mean	3.103	3.231	3.667	3.085	2.872
Median	3.000	3.000	4.000	3.000	3.000
T-Test		0.634 (0.530)	1.693 (0.110)	-0.161 (0.872)	-2.002 (0.052)
Wilcoxon Z-Score		0.555 (0.579)	1.862 (0.063)	0.034 (0.973)	-1.910 (0.056)
Chi-Square		0.890 (0.926)	9.375 (0.052)	2.876 (0.579)	4.990 (0.288)

Panel E2: Test for significant differences across responses

	FACEV	FVMKT	FVMDLICR	FVMDLXCR
FACEV		**7.50**	-1.04	**-3.25**
		0.00	0.30	**0.00**
FVMKT	**-1715.50**		**-8.52**	**-11.64**
	0.00		**0.00**	**0.00**
FVMDLICR	252.50	**1297.00**		**-3.63**
	0.33	**0.00**		**0.00**
FVMDLXCR	**840.50**	**1983.50**	**354.50**	
	0.00	**0.00**	**0.00**	

Appendix B: Screenshots of the online survey

Figure B1: Screenshot questions nos. 1-3

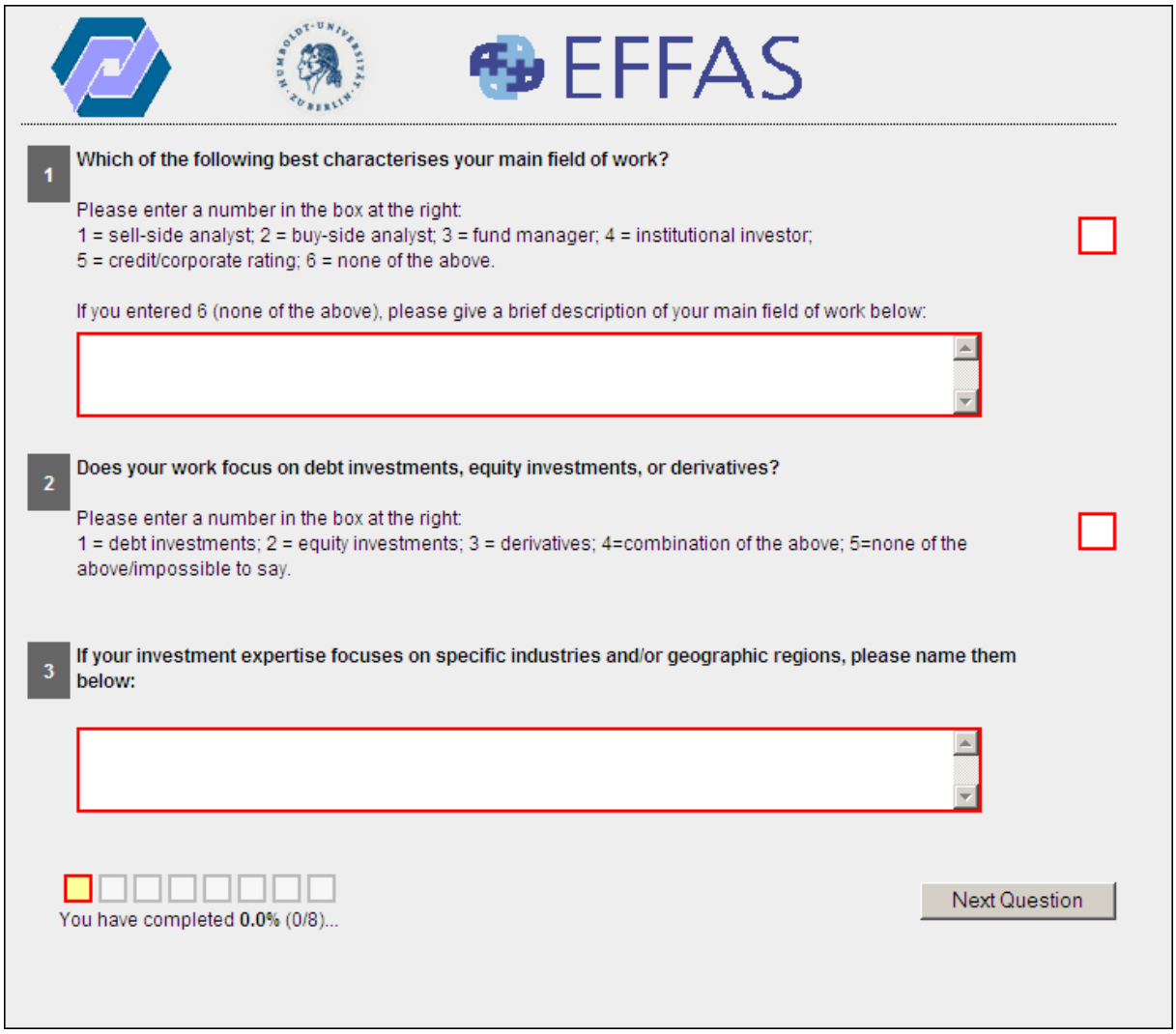


Figure B2: Screenshot questions nos. 4-6

Figure B3: Screenshot question no. 7

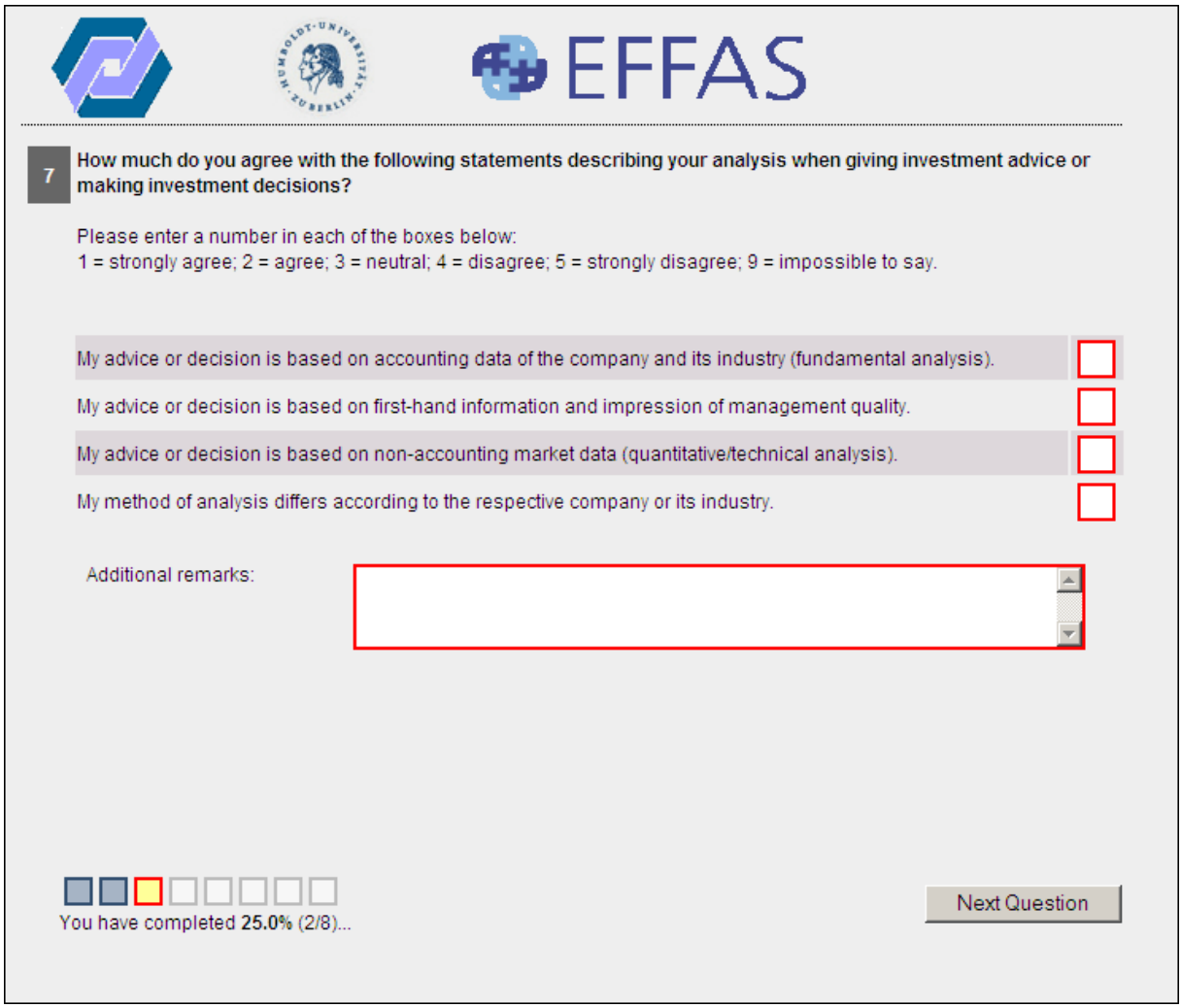


Figure B4: Screenshot question no. 8

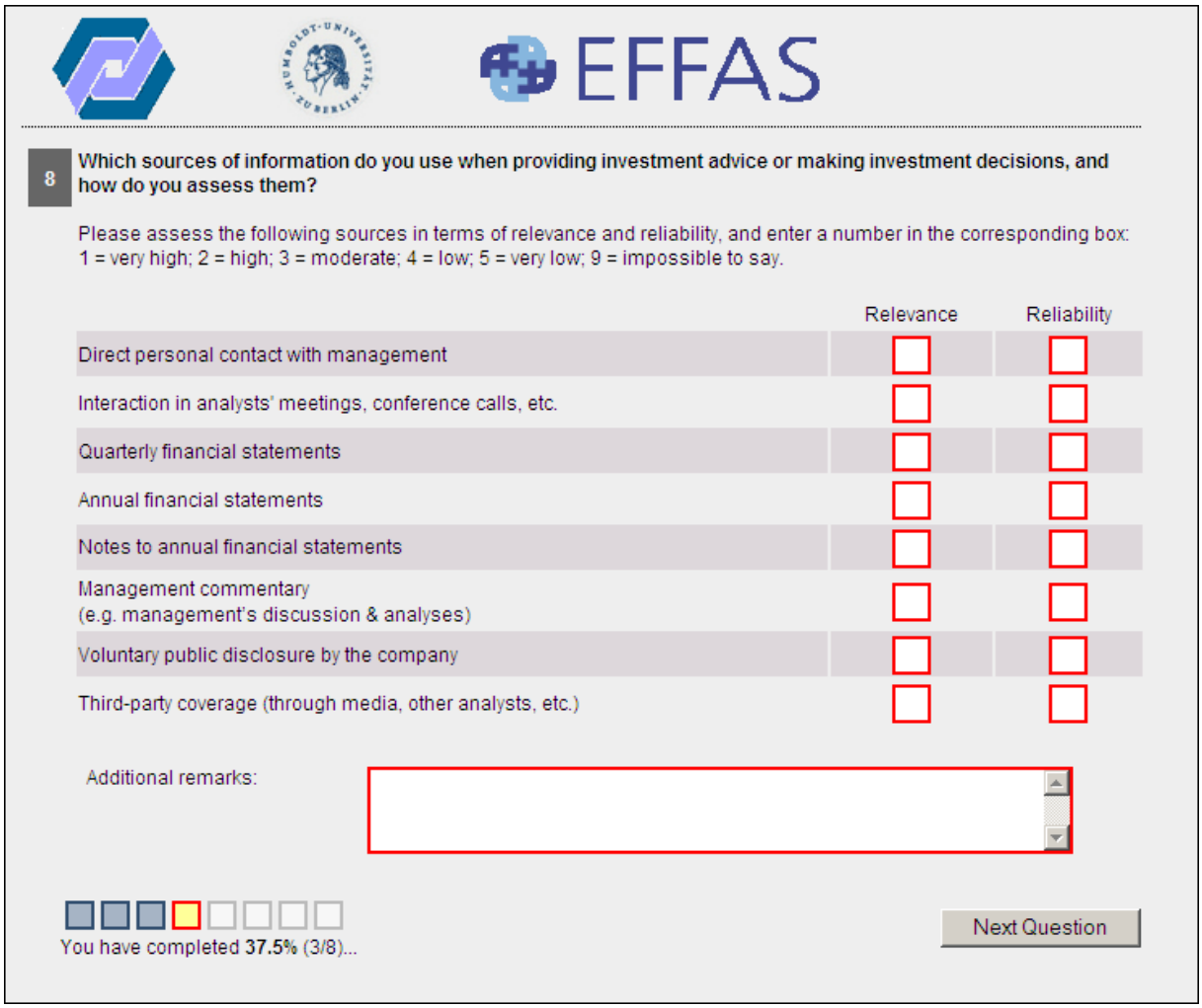


Figure B5: Screenshot question no. 9

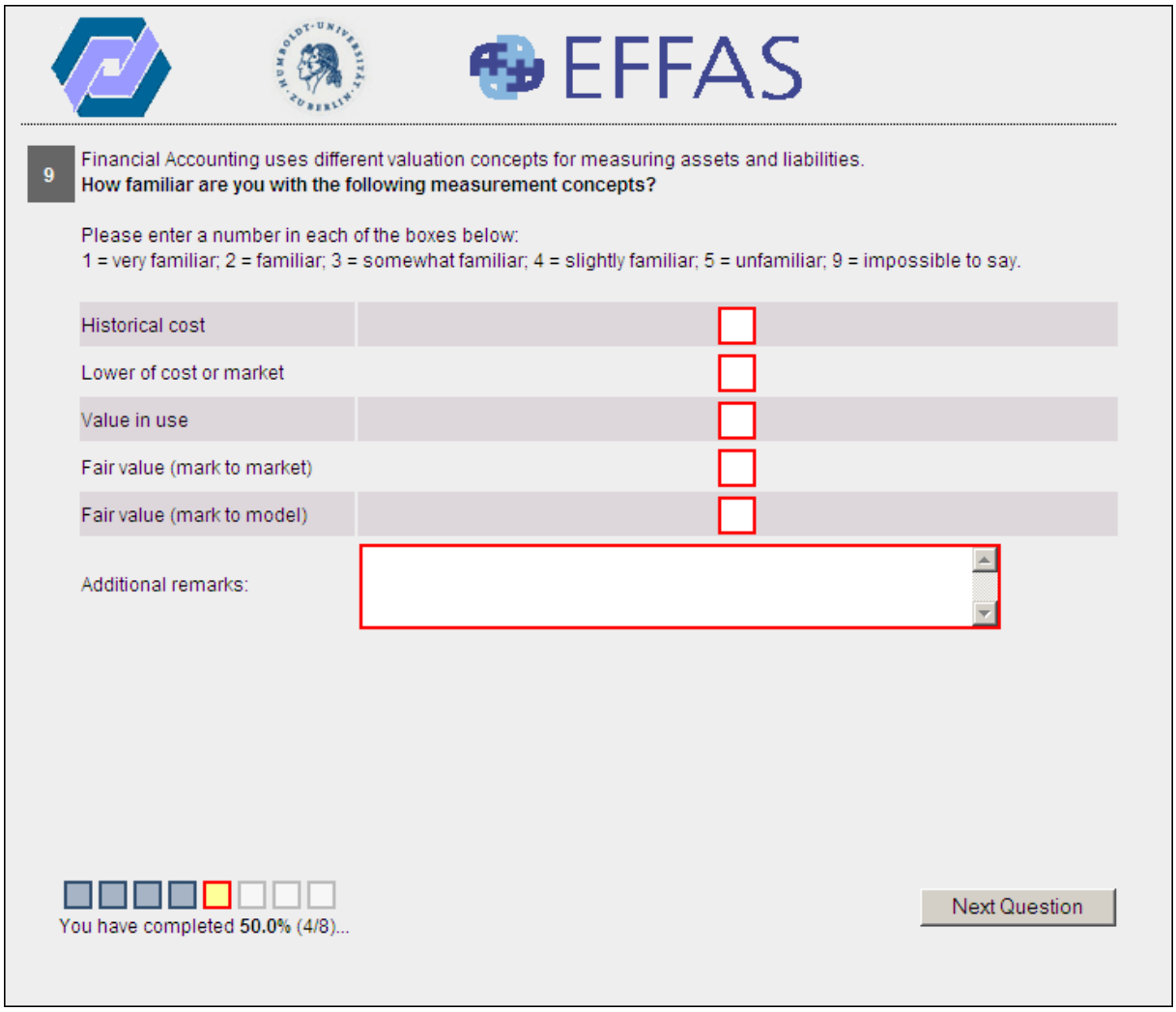


Figure B6: Screenshot question no. 10

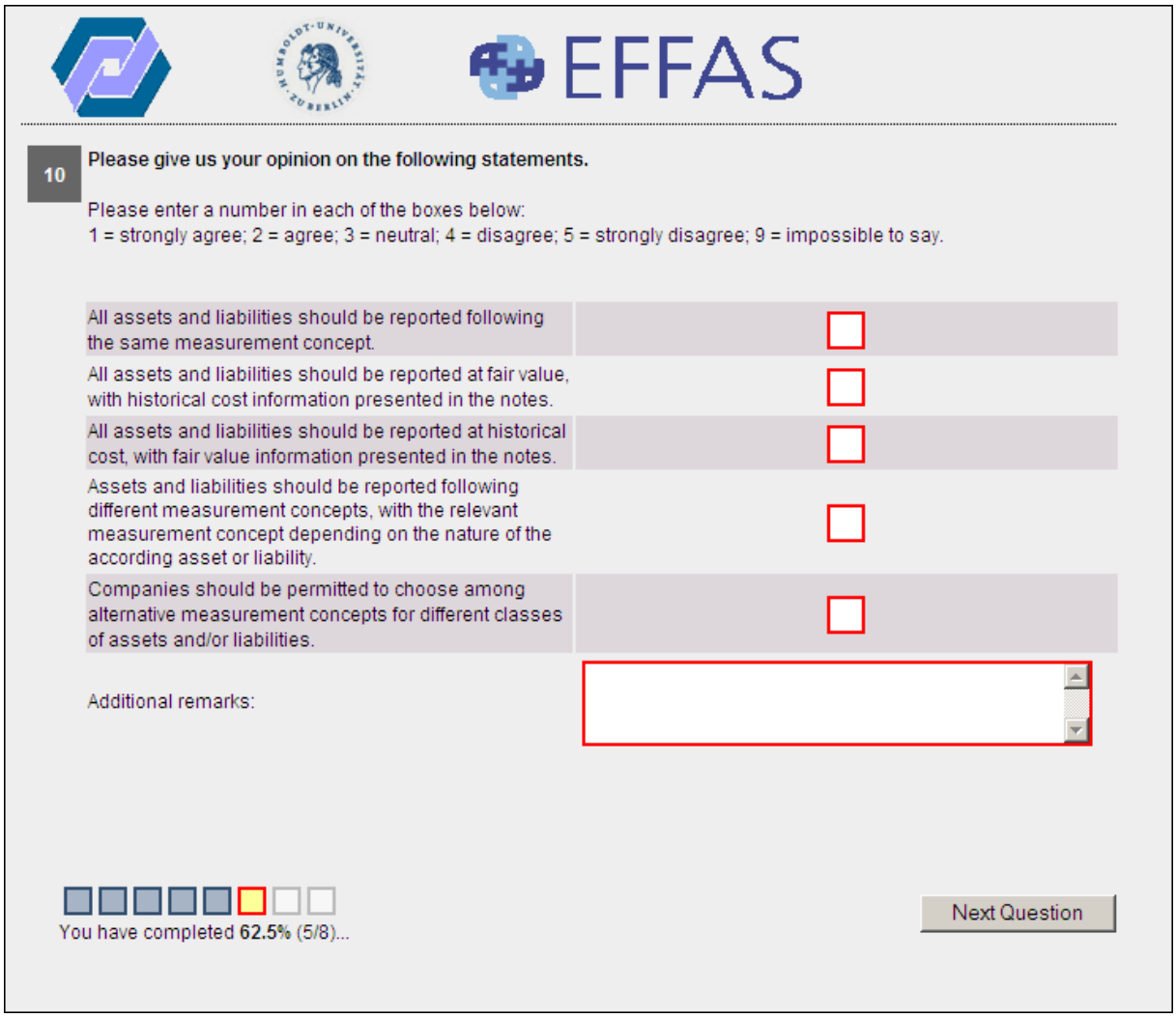


Figure B7: Screenshot question no. 11

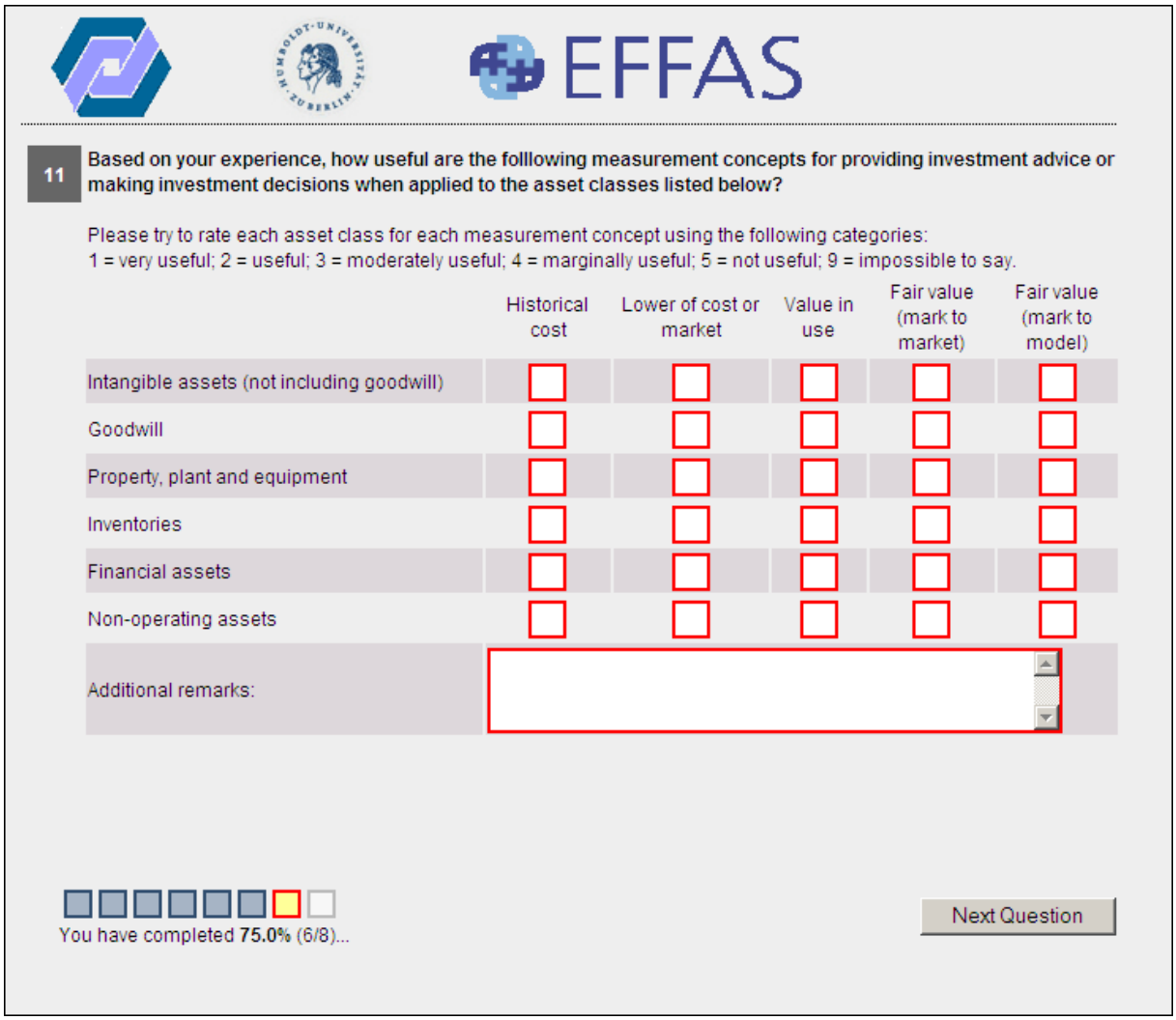
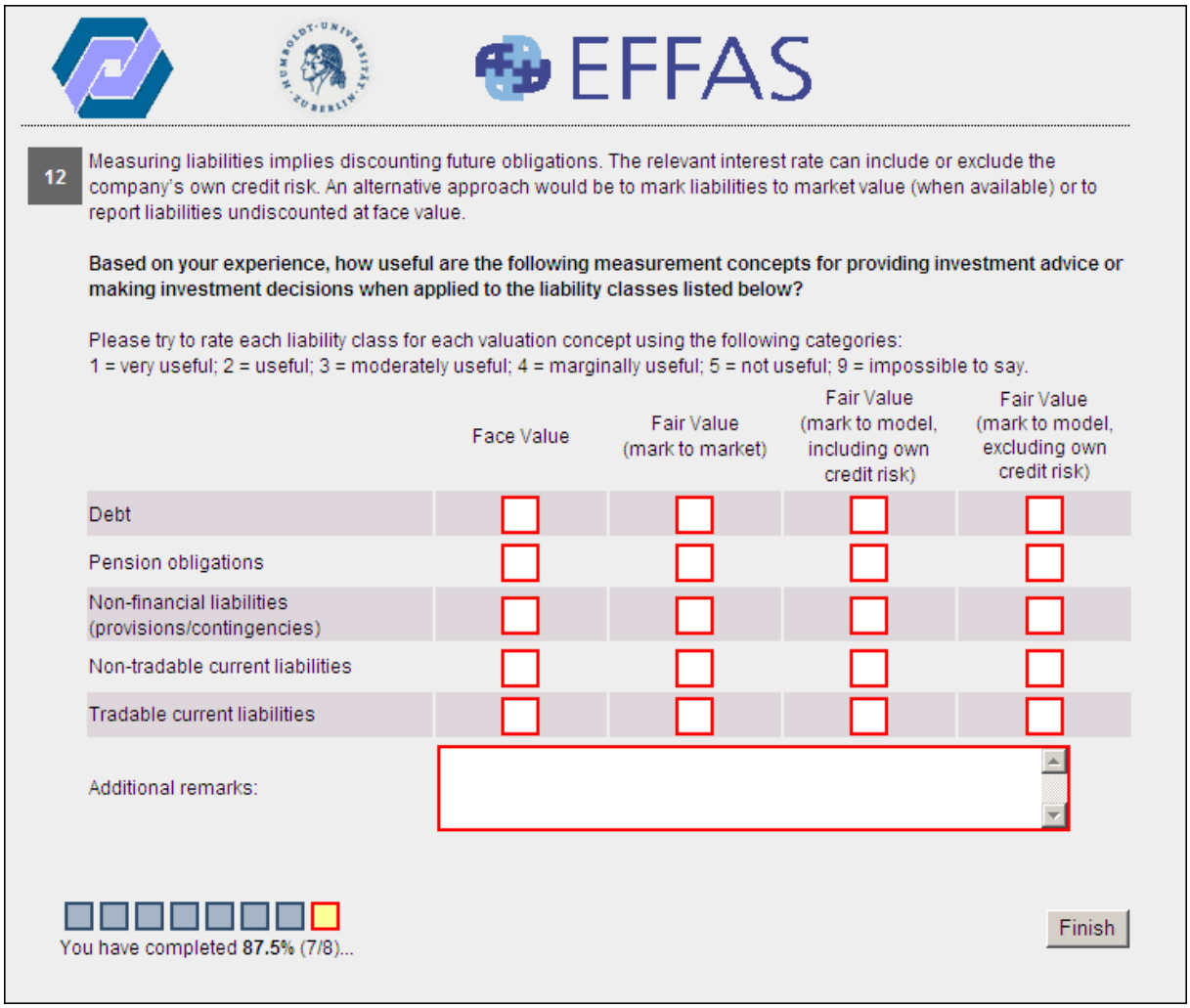


Figure B8: Screenshot question no. 12



12

Measuring liabilities implies discounting future obligations. The relevant interest rate can include or exclude the company's own credit risk. An alternative approach would be to mark liabilities to market value (when available) or to report liabilities undiscounted at face value.

Based on your experience, how useful are the following measurement concepts for providing investment advice or making investment decisions when applied to the liability classes listed below?

Please try to rate each liability class for each valuation concept using the following categories:
1 = very useful; 2 = useful; 3 = moderately useful; 4 = marginally useful; 5 = not useful; 9 = impossible to say.

	Face Value	Fair Value (mark to market)	Fair Value (mark to model, including own credit risk)	Fair Value (mark to model, excluding own credit risk)
Debt				
Pension obligations				
Non-financial liabilities (provisions/contingencies)				
Non-tradable current liabilities				
Tradable current liabilities				

Additional remarks:

You have completed **87.5%** (7/8)...

Finish