

## Contents

List of figures.....	XV
List of tables .....	XVI
List of abbreviations .....	XIX
List of symbols.....	XXIII
1   Introduction .....	1
1.1   Research questions and objectives .....	1
1.2   Outline of the study.....	7
1.3   Scientific positioning .....	9
2   Conceptual basis.....	11
2.1   Segment reporting in financial accounting.....	11
2.1.1   Objectives and users of segment reporting .....	11
2.1.2   Benefits and costs of segment reporting .....	12
2.1.3   Fundamental concepts and characteristics of segment reporting.....	16
2.1.3.1   Fundamental concepts.....	16
2.1.3.1.1   Management approach.....	17
2.1.3.1.2   Risk-and-reward approach .....	18
2.1.3.2   Definition of segments .....	19
2.1.3.3   Measurement.....	21
2.1.3.4   Disclosures .....	23
2.2   Segment reporting requirements .....	24
2.2.1   Historical development.....	24
2.2.2   Core principle and scope .....	29
2.2.2.1   IFRS 8.....	29
2.2.2.2   IAS 14R .....	29
2.2.3   Definition of segments.....	30
2.2.3.1   IFRS 8.....	30
2.2.3.2   IAS 14R .....	33
2.2.4   Measurement .....	35
2.2.4.1   IFRS 8.....	35
2.2.4.2   IAS 14R .....	35

---

2.2.5 Disclosures.....	36
2.2.5.1 IFRS 8.....	36
2.2.5.2 IAS 14R .....	37
2.2.6 Remaining differences to SFAS No. 131.....	38
2.2.7 Summary .....	39
<b>3 State of research.....</b>	<b>41</b>
3.1 Descriptive studies.....	41
3.1.1 Studies on the introduction of SFAS No. 131.....	41
3.1.2 Studies on the introduction of IFRS 8 .....	43
3.2 Economic consequences studies .....	47
3.2.1 Studies on the impact of SFAS No. 131.....	47
3.2.2 Studies on the impact of IFRS 8 .....	53
3.3 Summary and research gap .....	54
<b>4 Theory and hypotheses development.....</b>	<b>57</b>
4.1 Theoretical foundation .....	57
4.1.1 Fundamental theories .....	57
4.1.1.1 Principal agent theory.....	57
4.1.1.2 Efficient market hypothesis .....	59
4.1.2 Theoretical assessment of the impact of the management approach on the quality of segment disclosures.....	61
4.1.2.1 Relevance .....	61
4.1.2.2 Faithful representation .....	62
4.1.2.3 Enhancing qualitative characteristics .....	63
4.1.3 Theoretical framework of the capital market perspectives .....	64
4.1.3.1 Disclosure and information asymmetries .....	64
4.1.3.2 Disclosure and cost of capital .....	66
4.1.3.3 Disclosure and financial analysts' information environment	68
4.1.4 Summary .....	71
4.2 Hypotheses development .....	72
4.2.1 Changes in segment reporting practices .....	72
4.2.2 Economic consequences.....	74

---

<b>5 Analysis of segment reporting practice .....</b>	<b>76</b>
5.1 Methodological approach .....	76
5.1.1 Content analysis .....	76
5.1.1.1 Development of the catalogue .....	76
5.1.1.2 Data collection process .....	78
5.1.2 Sample selection and distribution .....	78
5.2 Results .....	83
5.2.1 General information .....	83
5.2.2 Segmentation.....	89
5.2.3 Measurement.....	99
5.2.4 Disclosures.....	101
5.2.5 Reconciliation.....	112
5.3 Discussion .....	117
<b>6 Analysis of economic consequences .....</b>	<b>121</b>
6.1 Methodological approach .....	121
6.1.1 Preliminary considerations.....	121
6.1.2 Research design.....	122
6.1.3 Variables for the regression analyses .....	127
6.1.3.1 Information asymmetry .....	127
6.1.3.2 Cost of capital .....	129
6.1.3.3 Financial analysts' information environment .....	134
6.1.4 Classification of the treatment and the control group .....	137
6.1.5 Sample selection adjustments.....	140
6.2 Information asymmetry .....	141
6.2.1 Univariate and bivariate analyses.....	142
6.2.2 Regression analysis.....	148
6.2.3 Further robustness tests.....	156
6.3 Cost of capital.....	161
6.3.1 Univariate and bivariate analyses.....	161
6.3.2 Regression analysis.....	171
6.3.3 Further robustness tests.....	180
6.4 Financial analysts' information environment .....	184

6.4.1 Univariate analysis and bivariate analysis .....	184
6.4.2 Further robustness tests.....	195
6.5 Discussion .....	198
<b>7 Conclusions .....</b>	<b>201</b>
7.1 Main findings and implications .....	201
7.2 Limitations and outlook .....	205
<b>Appendix .....</b>	<b>209</b>
<b>Bibliography.....</b>	<b>227</b>