

## 盈余持续性与政策监管经济后果

### ——非经常性损益信息披露的影响分析

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#### 摘要

结合中国证券市场中关于非经常性损益信息披露的监管规则变迁,本文考察了非经常性损益信息披露对盈余额属性的影响。研究发现:上市公司表外披露非经常性损益信息这一强制规定,有助于表内线下项目持续性与预测能力的正确表达,并在一定程度上有助于降低上市公司线下项目的盈余额管理;当上市公司所披露的非经常性损益信息与线下项目方向一致且能够提供增量信息时,更有助于该政策发挥监管效果;通过对比不同盈余额分层模式下的盈余额属性,按持续性分层更有利于暂时性盈余额预测能力的恰当反映。本文从监管的角度为非经常性损益信息披露政策运行的有效性提供了经验证据,有助于厘定我国上市公司的盈余额持续性及预测能力,从而为进一步研究具有不同持续性的盈余额信息对市场股票价格的作用机制奠定基础。

关键词:非经常性损益、线下项目、盈余额属性、政策监管

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## 一、引言

盈余持续性作为盈余质量的一个重要特征 (Dechow and Dichev, 2002), 也是基于会计盈余的资产定价研究的理论出发点。持续性是指盈余的自相关性, 描述了当期某一盈余持续到以后会计年度盈余的程度 (Lipe, 1990)。会计盈余可按持续性分为经常性盈余 (recurring earnings) 和非经常性盈余 (non-recurring items)。不同的盈余构成项目对预计未来盈余也具有不同的意义和价值, 即预测能力——会计盈余能在多大程度向投资者提供预测公司下一期盈余情况的信息 (Lipe, 1990)。理论上, 非经常性盈余不具有持续能力、预测能力, 进而也不具备价值相关性 (Ohlson, 1999)。然而, Burgstahler *et al.* (2002) 发现特殊项目并非完全无持续性, 而是低于其他盈余项目, 并且正的特殊项目与负的特殊项目持续性存在显著不同: 负的特殊项目不具有持续性, 而是存在各期之间的转移 (interperiod transfer), 而正的项目存在一定的持续性。Gu and Chen (2004) 也得出了某些非经常性项目具有较强持续性的结论。对于这种异象解释, Burgstahler *et al.* (2002)、Moehrl (2002) 和 McVay (2004) 认为很多上市公司将持续性的损失转移到非经常性损失中, 从而给投资者提供一种信息假相, 并使非经常性项目呈现出持续性。

Chen and Wang (2004) 发现中国上市公司的线下项目<sup>2</sup>在 1997 年至 1999 年期间呈现出了显著的持续性特征, 具有预测价值。值得注意的是, 尽管 Chen and Wang (2004) 认为 1997 年至 1999 年呈现出线下项目的“持续性”异象与盈余管理有关, 并且受到了我国特殊制度背景的影响。然而 Chen and Wang (2004) 的经验数据显示, 在 2000 年线下项目并未继续呈现出预测能力, 而是表现出其正常的理论属性, 但他们却未对此做出解释。这不得不让人注意到, 在此期间中国证券市场监管规则发生了一项重大变动。1999 年 12 月, 中国证监会要求各上市公司在年报中增加披露“扣除非经常性损益后的净利润”, 并要求说明扣除的项目、涉及的金额。随后, 中国证监会又发布了一系列有关非经常性损益的专门规定, 进一步对非经常性损益的含义和外延进行了修订。那么, 线下项目可预测异象的变化是否由监管政策引起的呢? 非经常性损益信息的单独披露是否能提高会计盈余的质量, 使得会计盈余的属性得到恰当反映?

徐晓伟等 (2002) 针对上市公司发行新股、吴溪 (2006) 及孟焰等 (2008) 针对 ST 公司申请摘帽等分别研究发现,<sup>3</sup>“扣除非经常性损益的净利润”的相关要求对特定信息使用人的行为具有积极的约束作用; 同时“扣除非经常性损益的净利润”是否具有价

<sup>2</sup> 西文会计中习惯于将盈余分为线上项目与线下项目, 对应于我国的利润表构成, 线上项目指营业利润项目, 而线下项目指投资收益、补贴收入、营业外收入及营业外支出等为不经常发生的项目, 为了表述方便, 下文将投资收益、补贴收入、营业外收入及营业外支出等统称为线下项目。

<sup>3</sup> 从 2001 年起, 证监会开始在若干领域的监管制度中也明确限定了盈利的质量要求, 如对于首次发行 (IPO)、再融资 (配股、增发、可转换公司债) 及请撤销对股票交易实行的特别处理 (简称 ST 摘帽) 的公司, 在计算净资产收益率指标时, 其采用的净利润均是以“净利润与扣除非经常性损益后的净利润孰低”原则确定的。

值相关性、帮助投资者正确定价，也成为相关研究的主要问题(李常青和张兆伟，2003；孟焰和袁淳，2005等)。但是，这些政策监管效果的研究却忽视了一个重要问题，即“扣除非经常性损益的净利润”仅对一些需要上市、再融资和ST摘帽的企业具有约束性，在一定程度上发挥预期作用，然而却对非经常性损益信息的“应用”遗留了很大的空间(如是否ST等相关规定并没有考虑非经常性损益的影响)，针对普遍运用非经常性损益进行盈余平滑、避免亏损的盈余管理行为不具有遏制作用(魏涛等，2007)。正是这样，“扣除非经常性损益的净利润”并非是一个最具有普遍性的监管指标，相比之下，中国证监会“要求披露非经常性损益及具体项目金额”这一系列监管政策具有更广泛的适用性，有助于盈余信息的使用者区分不同盈余的持续性和预测能力。

基于这样的考虑，我们认为此制度变迁为重新评估线下项目的盈余属性提供了契机，并使我们有机会观察和评价政策的监管效果，从而对Chen and Wang (2004)关于线下项目属性特征的讨论做出拓展。由此，本文将结合监管的规则变迁，探讨中国证监会关于非经常性损益信息披露的政策是否能发挥监管作用，使得盈余持续性和预测能力得到恰当反映，以提高盈余质量。本文研究发现：(1) 非经常性损益信息表外披露的强制规定，有助于盈余持续性与预测能力的正确表达；(2) 针对上市公司长期存在的盈余管理行为该政策能发挥一定的监管效果；(3) 当上市公司所披露的非经常性损益信息与线下项目方向一致且提供增量信息时，才能提高政策的监管效果；(4) 通过对比不同分层模式下的各盈余构成的预测能力，按持续性分层更有利于暂时性盈余理论属性的恰当反映。本文的研究结论不仅从监管的角度为非经常性损益信息披露政策运行的有效性提供了经验证据，并有助于厘定我国上市公司的盈余持续性及预测能力，为进一步研究具有不同持续性的盈余信息对市场股票价格的作用机制奠定了基础。同时，通过对我国现行两种盈余分层模式下盈余属性的探讨，为今后研究我国利润表重构问题提供了支持依据，以期不断增强财务报表的有用性，并避免监管效率的缺失。

本文随后各部分安排如下：第二部分为文献综述；第三部分讨论制度背景并提出研究问题；第四部分说明样本的选取与有关描述性统计；第五部分对样本的盈余持续性与预测能力进行分析，并初步探讨非经常性损益披露政策的经济后果及对盈余管理的监管效果；第六部分进一步探讨非经常性损益信息披露政策对盈余持续性的影响机制；第七部分对比不同分层模式下的盈余预测能力；第八部分为本文研究结论及未来研究方向。

## 二、文献综述

国外研究对非经常性损益持续性的研究一方面认为重视非经常性损益的信息披露可以让投资者了解报表的数字所代表的上市公司业绩与潜力，从而解读上市公司盈利持续能力和收益结构信息。Hanna (2001) 检验了特别项目对分析师预测的影响，发现当存在特殊项目时，分析师预测会出现增长误差。Gu and Chen (2004) 讨论了美国财务分析师将非经常性项目排除在财务报表外或包括在报表内的行为，并通过实证研究得出结论：财务分析师认为应该包括在财务报表内的非经常性项目

比排除在外的非经常性项目的持续性更强，具有更高的预测价值；如果预测价值是营业利润的主要用途，那么将价值小的盈余项目排除在外是正确、明智的。另一方面相关文献对非经常性损益是否具有持续性进行了进一步的探讨。Burgstahler *et al.* (2002)做了更细致的研究，发现特殊项目并非完全无持续性，而是低于其他盈余项目，并且正的特殊项目与负的特殊项目持续性存在显著不同：负的特殊项目不具有持续性，而是存在各期之间的转移 (interperiod transfer)，而正的项目存在一定的持续性。

尽管国外的证券市场比我国起步早、发展快，相关制度规范也比较成熟，然而，在探讨非经常性损益属性时，不可忽视的一点是，市场运行规则是一致的，具有内部信息优势的上市公司内部主体，也会基于一定的利益驱使进行盈余管理。尤其是一些上市公司为了达到某种目的，利用非经常性损益项目调节利润的。如Walsh *et al.* (1991)发现澳大利亚上市公司利用非经常性损益实施洗大澡，为以后年度扭亏储备利润；Craig and Walsh (1989)的研究发现企业利用非经常性损益以平滑收益，即利润持续上升的公司倾向于通过非经常性损失来调低利润，同时规模越大的公司越有可能通过非经常性损益平滑收益；Kinney and Trezvant (1997)认为当公司报告非经常性收益与非经常性损失时会表现出不同的行为，如非经常性损失常常在利润表中独立披露并强调其暂时性，而非经常性收益却与其他项目合并披露，而只在附注中讨论，从而弱化其暂时性特征；Jaggi and Baydoun (2001)对香港证券市场的非经常性损益信息 (extraordinary and exceptional items) 披露进行了研究，发现非经常性损益的披露在很大程度上是为了使公司盈利符合市场预测的结果。

虽然非经常性损益项目对上市公司价值的相关性保持一个公开的状态，财务分析师通常也将这些非经常性损益项目看作具有暂时性，不会影响上市公司的未来收益。但是，如果上市公司的损益表中有规律的列示这些项目，他们也可能变成永久性组成部分，作为上市公司期望的、正常的损益来计算。如McVay (2004)通过对特别项目的时序特征进行研究发现非经常性损益中有7%的成分是属于经常性盈余，并认为产生这一现象的原因是很多上市公司将持续性的损失转移到非经常性损失中，从而给投资者提供一种信息假相。此外，Burgstahler *et al.* (2002)和Moehrle (2002)也都发现上市公司通过将持续性损失转为非经常性损失来进行损益结构操纵的证据。McVay (2006)的经验证据显示美国市场存在着盈余管理的分类转移行为 (classification shifting)，即将经常性费用转归为非经常性损失，夸大经常性盈利用水平。由此，便会影响到作为暂时性盈余的非经常性损益基本属性的研究。

在我国上市公司的利润构成中，暂时性盈余往往占有较大比重，并经常成为一些公司粉饰利润的重要手段。为了更加全面和真实地揭示企业的盈利状况，规范上市公司会计信息的披露，中国证监会于1999年起便要求各上市公司在年报中增加披露“扣除非经常性损益后的净利润”，并说明扣除的项目、涉及的金额，同时还要求披露“扣除非经常性损益后的每股收益”。此项政策引起了学术界和实务界的共同关注，围绕非经常性损益的确认与披露问题进行了广泛而深入的探讨。孟焰 (2003)一文对非经常性损益的确认标准、应包含的项目以及我国上市公司非经常性损益披露的现状进行了系统的分析，认为监管部门应当尽快给出非经常性损益的确认标准，提高会计盈余质量；吴溪和程璐 (2001)针对于1999年首度上市公司执行非经常性损

益信息披露的情况，发现从第一次实施结果来看，上市公司选择的、归属于非经常性损益的项目名目繁多，且不尽符合非经常性损益的理论特征；上市公司的披露行为也存在各式各样的不规范情况；孟焰和张莉(2003)对非经常性损益可能涉及的主要项目逐一做了详细的分析，对非经常性损益的确认标准进行了初步的探讨，指出非经常性损益政策的一些细节存在不足；同时通过对1999年至2001年的年报进行统计分析来揭示非经常性损益信息披露的现状，结果发现我国上市公司非经常性损益项目披露混乱，而且存在着在亏损年度多报非经常性损失以“透支亏损”的现象。

尽管在我国利用非经常性损益进行盈余管理的现象大量存在(魏刚和蒋义宏, 1998; 陆建桥, 1999; 孟焰, 2003)，同时政府管制也不断渗透于资本市场发展的整个过程，而基于这种特殊的制度背景关于非经常性损益对盈余质量影响的研究在我国相对较少。Chen and Wang (2004)对营业利润与线下项目利润的持续性、预测能力和价值相关性同时进行了考察，发现中国上市公司的线下项目在1997年至1999年期间呈现出了显著的持续性特征，具有预测价值。然而，其数据显示在2000年线下项目并未继续呈现出预测能力，反而表现出其正常的理论属性。对此，我们认为Chen and Wang (2004)只是对按会计准则相关规定披露的盈余各组成部分是否能够提高盈余质量并使其在股价中得到恰当反应进行了讨论，而忽视了另一重要监管政策可能发挥的作用，即中国证监会出台的政策对非经常性损益的属性会有什么影响，从而可能导致其发现的异象(线下项目的可持续及价值相关)受到中国特殊的制度环境影响，但却未得到直接证据。因此，本文将讨论在非经常性损益盈余管理非常普遍的情况下，相关政策的制度是否能发挥监管作用，即非经常性损益信息的单独披露是否能提高会计盈余的质量。

### 三、制度背景与假说发展

根据Ramakrishnan and Thomas (1998)提出的持续性观念，净收益的不同组成部分具有不同的持续性，包括长期持续性、短暂持续性和零持续性。长期持续性的盈余是企业的核心收益，能够体现企业的盈利能力、经营状况和发展潜能；而短暂持续性的盈余是企业偶然取得的收益，且存在一定的人为操纵空间，因而无法反映企业持续的盈利能力。盈余持续性作为盈余质量的一个重要衡量指标，从理论上讲盈余的持续性也越强，盈余质量也越高。一个公司持续稳定的盈余应主要来源于主营业务和经常性项目。如果公司主营业务的收益稳定，公司所从事的业务和生产的产产品或提供的劳务具有良好的市场发展前景，则具有相对较高的持续能力；同样，如果公司的经常性盈余所占比重越大，也表明该企业的盈利质量越高。

从决策有用观的角度看，会计信息对决策所起的作用就是增强决策者预测的能力或者证实或者纠正他们早先的期望，因此区分盈余不同持续性的重要原因之一在于具有不同持续性的盈余对未来盈余的预测能力也不相同。如果一个公司以较强持续性的盈利项目作为盈余增长应该主要来源，比如公司的主营业务利润的增长，那么该盈利的增长是可持续的，也是具有较高预测价值的；相反，如果盈利的增长主要靠公司的非经常性项目，比如投资收益、补贴收入、营业外收支等，那么该盈利的增长缺乏持续性，同样，本期的盈余也就具有较低的预测能力。所以，如果投资者能够较好的判断一个公司盈余的持续性构成，即某公司的盈余是否由较多经常性

盈余、较少暂时性盈余构成，那么投资者可以较好判断公司的发展前景，对公司进行定价，进而通过价格实现资本市场的资源配置功能。

因此为了使所披露的盈余信息更具有预测价值、满足各利益相关者的决策，完善上市公司盈余信息披露的重点应在于明确将盈余区分为经常性盈余与暂时性盈余。而投资者也应对盈余中不同类型的持续性加以区分，以此判断公司的持续盈利能力。FASB在论述财务报告目标时也提到，编制财务报告的重点是通过将盈余及其组成部分的计量，提供关于企业业绩的信息。根据Strong and Walker(1993)的研究，把会计盈余区分为正常项目和非常项目可以提高报酬率与盈余之间的相关性。因此，非常项目不宜与正常活动收益混淆，如果将非常项目纳入当期收益，可能误导使用者对企业未来收益的预测。在此之前，中国的会计准则将利润表内的盈余分为营业利润及投资收益、补贴收入、营业外收入、营业外支出等线下项目，仅按业务性质进行盈余分层，项目分类较宽，没有反映不同盈余的持续能力。国外盈余持续性的观念提出后，中国的会计准则也没有明确将利润表按盈余的持续性进行分层，而是中国证监会作为另一个监管部门从持续性的角度界定了“非经常性损益”，以表外披露的方式作为关注盈余持续能力的一种补充，提供增量信息，间接表达了上市公司不仅要关心盈余来源的业务性质，还要增强对盈余持续能力关注的需要。

1999年12月8日，为了更加全面和真实地揭示企业的盈利状况，规范上市公司会计信息的披露，中国证监会正式要求上市公司在年报的“主要财务数据与指标”中披露“扣除非经常性损益的净利润”，并说明扣除的项目、涉及的金额，同时还要求披露“扣除非经常性损益后的每股收益”。2001年4月25日中国证券监督委员会制定了《公开发行证券的上市公司信息披露规范问答第1号——非经常性损益》(以下简称《规范问答1》)，对“非经常性损益”的概念作了进一步地说明：“非经常性损益是指上市公司发生的与生产经营无直接关系，以及虽与生产经营相关，但其性质、金额或发生频率，影响了真实、公允的评价上市公司当期经营成果和获利能力的各项收入、支出”。此次颁布的《规范问答1》中列举了6类“应包括在非经常性损益中的项目”和4类“还可能包括的项目”。随后又分别于2004年1月、2007年2月和2008年10月发布了一系列有关非经常性损益的专门规定，进一步对非经常性损益的含义、外延及列举项目进行了修订和补充。

2004年1月修订的《规范问答1》对非经常性损益的内容作了更为清晰的界定，统一列举了非经常性损益应包括的14类项目，不再设“还可能包括的项目”。2007年2月份修订的《规范问答1》结合新会计准则，列举了应该被划分为非经常性损益的15类项目。相对于2004年的版本，共删除3项、新增4项、修改6项、未变动5项，进一步降低了上市公司在划分非经常性损益项目上的自由度。针对2007年《规范问答》执行中的问题，2008年10月，中国证监会又发布新修订的《公开发行证券的公司信息披露解释性公告第1号——非经常性损益(2008)》，对非经常性损益重新界定，对非经常性损益的列举项目进行了补充。新规定中将非经常性损益定义为“与公司正常经营业务无直接关系，以及虽与正常经营业务相关，但由于其性质特殊和偶发性，影响报表使用人对公司经营业绩和盈利能力做出正常判断的各项交易和事项产生的损益”。

理论上,会计准则规定的线下项目与中国证监会界定的非经常性损益都不应具有持续性,但如果上市公司利用非经常性损益进行利润调节,使得盈余及其组成的披露失真,从而盈余管理活动将会影响盈余的持续性,进而影响投资者对盈余持续能力的不当估计,即扭曲了盈余的预测能力(Chen and Wang, 2004)。但从监管的角度,加强对公司净利润中非经常性损益的规范和披露,有助于上市公司提高对盈余结构的关注,尤其是对具有不同持续盈利能力的盈余加强区分,并且有利于通过披露减轻盈余管理行为,从而使暂时性盈余呈现出其理论属性。

由此,我们提出假说:

**H1a: 非经常性损益信息披露政策出台后,线下项目表现出的持续性降低。**

**H1b: 非经常性损益信息披露政策出台后,线下项目表现出的预测能力降低。**

关于暂时性盈余的属性异象,国外研究认为这反映了上市公司的盈余管理行为。Burgstahler *et al.* (2002)指出正的特殊项目与负的特殊项目持续性存在显著不同:正的项目存在一定的持续性,负的特殊项目不具有持续性,而是存在各期之间的转移(interperiod transfer)。Chen and Wang (2004)也发现不同的盈余管理动机下暂时性盈余所体现出的属性不同。在我国上市公司的利润构成中,非经常性损益往往占有较大比重,并经常成为一些公司粉饰利润的重要手段(蒋义宏和王丽琨, 2003; 魏涛等, 2007; Chen and Yuan, 2004; Haw *et al.*, 2005; 高雷和宋顺林, 2008等)。2001年起,中国证监会对再融资和ST摘帽的上市公司所要求的盈利指标是基于“净利润与扣除非经常性损益后的净利润孰低”的原则,尽管孟焰等(2008)发现上市公司利用线下项目进行调增利润的盈余管理动机和能力减弱,但魏涛等(2007)认为在上市公司是否被ST等相关规定并没有考虑非经常性损益的影响,使得上市公司“应用”非经常性损益进行盈余平滑、避免亏损等盈余管理行为仍然存在。

对于存在盈余平滑动机的上市公司,尤其是连续盈利的公司,在前两年盈利的情况下,如果第三年依然保持较高的盈利水平,既容易达到中国证监会的再融资条件,也更容易在资本市场上得到投资者的青睐,使得这样的公司有更强烈的动机通过操纵非经常性损益达到连续盈利的目的。魏涛等(2007)也指出“对于连续盈利组的盈利年度,其非经常性损益显著为正,表明了盈利公司仍然出于其他目的进行了一定程度的正向非经常性损益操作”,我们认为连续盈利的动机会驱使上市公司操纵暂时性盈余,以表现出良好的经营状态,从而使得线下项目呈现出可持续与具有预测能力。对于避免退市的上市公司,运用非经常性损益进行操纵的一种重要方式是,当本期营业利润小于零时,通过“洗大澡”的方式,即通过本期调减利润的线下项目达到本期巨亏,在第二年通过线下项目的转回实现赢利,以避免连续两年亏损。这种方式下,线下项目将呈现出负的持续性与反向预测能力(Chen and Wang, 2004)。

针对于这两种非经常性损益的盈余管理行为,我们认为,中国证监会通过要求上市公司披露非经常性损益的明细项目与金额后,可以通过强制的信息披露,尤其是非经常性损益明细项目的披露可以限制上市公司利用线下项目进行盈余管理,特别是针对普遍运用非经常性损益以避免退市的盈余管理行为更具有约束意义。

由此，我们提出假说：

**H2a：**非经常性损益信息披露政策出台后，“连续盈利”公司的线下项目的持续性与预测能力降低；

**H2b：**非经常性损益信息披露政策出台后，“洗大澡”公司的线下项目的负持续性与反向预测能力降低。

此外，考虑非经常性损益与线下项目的关系，两者的性质都是暂时性盈余。但如果上市公司披露的非经常性损益金额与线下项目金额符号不同，对盈余的影响恰好方向相反，则我们认为这种披露不是监管政策所预期的，属于不当披露。<sup>4</sup>然而尽管两者性质相同，但非经常性损益与线下项目是由两个不同监管部门进行界定，所包含的项目又不完全一致。如果非经常性损益金额与线下项目金额完全相同时，我们认为这样的上市公司可能并没有按照中国证监会的要求认真披露非经常性损益的项目与金额，而只是线下项目与非经常性损益的概念转换，没有发挥非经常性损益披露的实质性作用，我们称其是无效披露。

从信息披露的角度看，非经常性损益信息披露政策的出台，旨在通过增加的盈余信息帮助投资者分析上市公司的盈利能力。然而，具有内部信息优势的上市公司内部主体，也会基于一定的利益驱使对披露政策做出选择(Kinney and Trezevant, 1997)。尤其是在监管不严的情况下，如果上市公司未按政策规定披露非经常性损益信息，故意隐瞒其非经常性损益项目构成，则更容易通过线下项目实现盈余管理。我们认为，对于非经常性损益信息披露不当与无效的上市公司，监管政策无法发挥有效性，影响线下项目属性的正确表达。

由此，我们提出假说：

**H3a：**政策出台后，非经常性损益信息的表外披露有助于降低线下项目的预测能力。

**H3b：**政策出台后，非经常性损益与线下项目方向一致时有助于降低线下项目的预测能力。

**H3c：**政策出台后，非经常性损益信息的表外披露提供增量信息时有助于降低线下项目的预测能力。

## 四、样本选取与描述

### (一) 样本选取

尽管中国证监会于1999年12月开始要求披露非经常性损益信息，吴溪和程璐(2001)针对1999年首次上市公司执行非经常性损益信息披露的情况，却发现上市公

<sup>4</sup> 线下项目与非经常性损益属于两个不同的界定，出现差异甚至是符号不同可能也是正常现象，因此，“不当披露”的界定并不完全精确、适用于每一个上市公司。但作为探讨非经常性损益对表内线下项目盈属性影响机制的替代变量，具有较为普遍的代表意义。“无效披露”的界定也具有较大程度的代表意义。



司选择的、归属于非经常性损益的项目名目繁多，且不尽符合非经常性损益的理论特征；上市公司的披露行为也存在各式各样的不规范情况，可靠性和可比性尚显薄弱，披露有效性有所削弱。而且有关监管政策在实施首年存在无效性也在相关文献中得到验证(Hoffman and Zimmer, 1994)。由此，我们将2000年界定为非经常性损益信息披露政策的有效执行年度，主要关注的政策变化点为：1999年前后的盈余属性变化。

鉴于本文主要研究监管政策对盈余持续性与预测能力的影响，每年度的样本涉及本期及下一期的盈余数据，而由于2007年我国上市公司开始实施新会计准则，其中资产减值准备准则对2006年的盈余影响甚大，使得2006年、2007年会计盈余与其他年度会计盈余可比性低。另外，鉴于相关文献说明披露政策首年执行情况欠佳，本文删除1999年的样本观测值，最终从Wind数据库选取了1996年至1998年(政策执行前)及2000年至2004年(政策执行后)全部A股非金融类上市公司(含2005年度会计盈余)，剔除缺值后，共7632个观测值，作为本文的基础研究样本，运用STATA10.0进行数据处理。

尽管《企业会计制度》<sup>5</sup>只规定了四项线下项目：投资收益、补贴收入、营业外收入、营业外支出，然而Wind还单独披露了以前年度损益调整与其他收入及损益两项，由于两者发生频率较低、金额相对较小，本文将其合称为其他线下项目。在以下研究中，我们将税前利润总额、营业利润、线下项目及其各个组成部分都除以总资产后作为研究变量，以排除公司规模的影响；并且，当各变量为正值时表示收益，为负值时表示损失。

## (二) 描述性统计

### 1. 盈余各组成部分总体情况

表1是总样本各变量的描述性统计。可以看出，在样本期间，我国上市公司的利润总额、营业利润与线下项目占总资产比例的均值分别为0.0324、0.0286和0.0038，其中营业利润是利润总额的主要组成部分。值得注意的是，线下项目(BI)的中位数与均值都显著大于零，说明我国上市公司存在大量的调增利润的暂时性盈余，这构成了我国特有的制度背景(Chen and Wang, 2004)。<sup>6</sup>此外，表1中显示，尽管线下项目相对于营业利润发生金额较小，占利润总额比例较低，然而其最大值为0.8237，与营业利润最大值较为接近，而最小值为-5.6350，却明显低于营业利润最小值。通过考察线下项目的各个组成部分，我们发现，营业外支出成为线下项目损失的主要来源，并且投资收益、营业外支出均值、中位数的绝对值相对较大，具有较大的方差，而其他线下项目发生金额最少。

<sup>5</sup> 尽管新会计准则于2007年在上市公司中正式实施，然而在本文的研究样本期间内上市公司的利润报表是应用旧会计准则进行的披露。

<sup>6</sup> 与我国非经常性损益披露情况不同的是，Kinney and Trezevant(1997)指出在美国，相比利润调增的非常项目(income-increasing special items)管理层更愿意披露利润调减的非常项目(income-decreasing special items)，并强调损失的暂时性。

表1 样本描述性统计

变量	样本数量	均值	标准差	最小值	中位数	最大值
<i>NI</i>	7632	0.0324	0.1670	-6.3377	0.0461	0.5135
<i>OI</i>	7632	0.0286	0.1117	-3.4834	0.0364	1.0074
<i>BI</i>	7632	0.0038	0.0886	-5.6350	0.0033	0.8237
<i>INV</i>	7632	0.0045	0.0528	-4.1163	0.0008	0.4603
<i>SUB</i>	7632	0.0024	0.0082	-0.0059	0.0000	0.4035
<i>NOI</i>	7632	0.0032	0.0143	-0.0005	0.0006	0.7888
<i>NOE</i>	7632	-0.0063	0.0533	-1.8281	-0.0010	0.0000
<i>OTH</i>	7632	-0.0001	0.0040	-0.1344	0.0000	0.1258

其中，*NI* = 利润总额/总资产；*OI* = 营业利润/总资产；*BI* = 线下项目总额/总资产；*INV* = 投资收益/总资产；

*SUB* = 补贴收入/总资产；*NOI* = 营业外收入/总资产；*NOE* = 营业外支出/总资产；

*OTH* = (以前年度损益调整+其他收入及损益)/总资产

## 2. 盈余各组成部分各年度情况

观察样本期间各年各盈余组成部分占利润总额的比例情况，<sup>7</sup>由表2 Panel A我们可以看出，营业利润占总利润总额比例的中位数呈现增大趋势，由1996年的0.8066逐渐增加至2004年的0.9705。线下项目与此完全相反，所占比例的中位数在此期间呈减小趋势，由1996年的0.1934逐渐降低至2004年的0.0295。

线下项目的各组成部分中，投资收益和营业外收入与线下项目变化趋势基本相同，从1996年至2004年总体上呈现出逐渐减小的趋势；补贴收入占利润总额比例较小，除在2003年和2004年分别为0.0006和0.0002外，在各年度基本为0，且变化不大；营业外支出占利润总额的比例在各年度变化规律不明显，存在较大的波动性；其他项目本身所占比例相对较小，中位数在各年均均为0。

## 五、非经常性损益信息披露政策的监管效果

### (一) 非经常性损益信息披露政策对表内盈余的影响

为了检验1999年12月中国证监会出台的非经常性损益信息披露政策是否能够改善表内盈余结构，我们将样本分为两个阶段，对比1999年前后各盈余构成是否发生了变化。

<sup>7</sup> 盈余组成部分占利润总额的比例按符号可分为四类：(1) 某盈余组成和利润总额均为正；(2) 某盈余组成是正，利润总额是负；(3) 某盈余组成是负，利润总额是正；(4) 某盈余组成和利润总额均为负。在这四种情况下，只有(1)和(4)两种情况，计算出某盈余组成部分占利润总额的比例是有意义的，(2)和(3)都不具有会计含义。但是鉴于盈余构成的变量较多，如将每一个盈余组成部分都按其与利润总额的关系进行分类后删除样本，将会使样本大大减少。这种样本的无谓缺失会影响到后文的研究重点，使盈余持续性和预测能力的样本选取有偏。鉴于我们的统计目的仅想了解各盈余构成的基本情况，我们仅选取中位数作为各年度样本中的盈余构成情况的主要描述统计量。

表2 盈余各组成部分占利润总额比例

Panel A: 盈余构成各年度中位数变化趋势								
	1996	1997	1998	2000	2001	2002	2003	2004
<i>OI/NI</i>	0.8066	0.8555	0.8423	0.8702	0.9087	0.9456	0.9533	0.9705
<i>BI/NI</i>	0.1934	0.1445	0.1577	0.1298	0.0913	0.0544	0.0467	0.0295
<i>INV/NI</i>	0.1151	0.0709	0.0328	0.0452	0.0344	0.0075	0.0076	0.0013
<i>SUB/NI</i>	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0006	0.0002
<i>NOI/NI</i>	0.0327	0.0267	0.0171	0.0195	0.0083	0.0065	0.0067	0.0067
<i>NOE/NI</i>	-0.0126	-0.0084	-0.0115	-0.0126	-0.0170	-0.0216	-0.0215	-0.0189
<i>OTH/NI</i>	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
样本数量	470	666	766	992	1073	1143	1213	1309

  

Panel B: 政策变化两阶段盈余构成比较							
中位数	<i>OI/NI</i>	<i>BI/NI</i>	<i>INV/NI</i>	<i>SUB/NI</i>	<i>NOI/NI</i>	<i>NOE/NI</i>	<i>OTH/NI</i>
<i>PHASE</i> = 0	0.8410	0.1590	0.0624	0.0000	0.0238	-0.0104	0.0000
<i>PHASE</i> = 1	0.9331	0.0669	0.0122	0.0000	0.0083	-0.0182	0.0000
<i>z</i> 统计量	-14.01***	14.01***	14.36***	-9.76***	13.16***	8.92***	0.41

其中，各个变量分别为营业利润、线下项目总额、投资收益、营业外收入、营业外支出、其他线下项目占利润总额的比例；*PHASE* = 0表示1996年至1998年，*PHASE* = 1表示2000年至2004年，两阶段的样本数量分别为1902与5730。\*，\*\*，\*\*\*分别表示在10%、5%和1%的水平上显著，并在以下各表中含义相同。

表2 Panel B描述了两阶段各变量占利润总额比例中值情况，结果显示：第二阶段，营业利润占利润总额的比例显著的提高(Mann-Whitney检验在1%的水平上显著)，而线下项目占利润总额的比例显著下降(Mann-Whitney检验在1%的水平上显著)。针对于线下项目的明细构成，投资收益、营业外收入与线下项目总额变化情况一致，其他线下项目变化不明显，而补贴收入、营业外支出呈现出绝对值增大的反向变化。从盈余的构成情况看，非经常性损益信息披露政策实施后，上市公司发生的调增利润的线下项目减少，调减利润的线下项目却反常增加，我们认为随着“扣除非经常性损益的净利润”对我国上市公司的影响越来越大(如在IPO、再融资、摘帽等申请指标中占据着重要的地位)，调增利润的线下项目这一盈余管理工具的重要性也大大降低，这体现出了对上市公司会计信息披露的一定“政策导向”作用。<sup>8</sup>

## (二) 非经常性损益信息披露政策对表内盈余属性的影响

### 1. 政策有效性初步探讨

一些学者将盈余持续性定义为股价与盈余水平或变化的回归系数(Kormendi and Lippe, 1997; Easton and Zmijewski, 1989; Collins and Kothari, 1989)，Lippe (1990) 将

<sup>8</sup> 本文不排除这是因为盈余管理方式随政策的变化而变化。

持续性定义为盈余的自相关性，即描述了当期某一盈余持续到以后会计年度盈余的程度，并将预测能力定义为通过过去盈余预测未来盈余的能力。本文将采用Lipe (1990)对盈余持续性和预测能力的定义，并采用了自回归模型与预测模型(Chen and Wang, 2004)，并按预测模型分解了线下项目各组成部分，得到了扩展后的预测模型，以了解其各自对下期盈余的预测能力。

$$X_{t+1} = \alpha_0 + \alpha_1 X_t + \varepsilon \quad (1)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \varepsilon \quad (2)$$

$$NI_{t+1} = \gamma_0 + \gamma_1 OI_t + \gamma_2 INV_t + \gamma_3 SUB_t + \gamma_4 NOI_t + \gamma_5 NOE_t + \gamma_6 OTH_t + \varepsilon \quad (3)$$

为了比较两阶段的线下项目持续性和预测能力是否发现了显著变化，我们在各个模型中均加入虚拟变量 *PHASE* 及其与线下项目的交互变量，从而得到如下拓展模型：

$$X_{t+1} = \alpha_0 + \alpha_1 X_t + \alpha_2 PHASE + \alpha_3 X_t * PHASE + \varepsilon \quad (4)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 PHASE + \beta_4 OI_t * PHASE + \beta_5 BI_t * PHASE + \varepsilon \quad (5)$$

$$NI_{t+1} = \gamma_0 + \gamma_1 OI_t + \gamma_2 INV_t + \gamma_3 SUB_t + \gamma_4 NOI_t + \gamma_5 NOE_t + \gamma_6 OTH_t + \gamma_7 PHASE + \gamma_8 OI_t * PHASE + \gamma_9 INV_t * PHASE + \gamma_{10} SUB_t * PHASE + \gamma_{11} NOI_t * PHASE + \gamma_{12} NOE_t * PHASE + \gamma_{13} OTH_t * PHASE + \varepsilon, \quad (6)$$

其中  $X_t$  为各个盈余组成部分，各变量均用总资产进行了标准化处理，相关回归结果如表3—表4所示。

从表3中，我们可以看出，无论是第一阶段还是第二阶段，营业利润相比于线下项目，具有较强的持续性，且模型的拟合优度较高。当将样本分为政策变化前后两个阶段时，我们发现在1999年前，线下项目 (*BI*) 及其各个组成部分 (除其他线下项目外) 具有较高的自回归系数，分别为0.237、0.313、0.383、0.330和0.229 (均显著)，各自回归模型拟合优度较高，反映出很强的持续性，与Ohlson (1999) 指出的“暂时性盈余不具有持续性”相反，但与Chen and Wang (2004) 发现的异象相同。而1999年之后，当中国证监会要求披露非经常性损益信息后，线下项目 (*BI*) 的回归系数降低至0.025且不显著，表明不再具有持续能力，并且通过混合样本的数据可以看出线下项目的回归系数两阶段存在显著性差异。其各个组成部分的自回归系数分别降为0.043、0.248、0.082、0.192，持续性较低，并且投资收益与营业外收入两阶段的回归系数存在显著性差异，从而支持本文假说H1a。但值得注意的是，补贴收入、营业外支出在第二阶段仍具有很强的持续性，回归系数变化较小，这也与我国上市公司长期存在大量地方政府的财政补贴(陈晓和李静，2001；魏涛等，2007)及

表3 不同阶段下各盈余项目的持续性

变量	PHASE = 0		PHASE = 1		混合样本			
	$\alpha_1$	R <sup>2</sup>	$\alpha_1$	R <sup>2</sup>	$\alpha_1$	$\alpha_2$	$\alpha_3$	R <sup>2</sup>
NI	0.614***	0.276	0.234***	0.032	0.614***	-0.010*	-0.380***	0.050
	13.58		3.37		13.58	-1.92	-4.54	
OI	0.717***	0.378	0.335***	0.069	0.717***	-0.003	-0.383***	0.100
	16.68		3.65		16.69	-0.68	-3.79	
BI	0.237***	0.048	0.025	0.000	0.237***	-0.016***	-0.212**	0.007
	4.52		0.40		4.52	-8.28	-2.48	
INV	0.313***	0.097	0.043	0.001	0.313***	-0.006***	-0.269***	0.008
	4.29		0.94		4.30	-5.31	-3.14	
SUB	0.383***	0.122	0.248**	0.060	0.383***	-0.001*	-0.136	0.074
	5.86		2.21		5.87	-1.74	-1.05	
NOI	0.330***	0.060	0.082	0.005	0.330***	-0.001*	-0.249***	0.018
	5.78		1.57		5.78	-1.82	-3.66	
NOE	0.229**	0.039	0.192***	0.024	0.229**	-0.006***	-0.037	0.026
	2.30		2.63		2.30	-5.56	-0.30	
OTH	-0.035	0.001	0.137	0.021	-0.035	0.000	0.172	0.005
	-0.91		1.08		-0.91	0.85	1.30	
N	1902		5730		7632			

其中，各变量定义如表1；PHASE = 0表示1996年至1998年，PHASE = 1表示2000年至2004年。当下文各表涉及多个年度样本的混合数据时，回归模型中的回归系数t值均采用群集标准误 (clustered standard errors) 进行计算。

长期运用处置资产损益、减值准备及其他营业外收支等项目进行盈余管理的特殊制度背景相符(魏涛等, 2007)。表4 Panel A中，根据F-检验可以发现，在各时期营业利润都比线下项目(BI)都具有更高的回归系数(F检验均在1%的水平上显著)，表明营业利润与未来盈余具有更强的相关性，即更具预测性，经验数据与理论相符。考察线下项目在两阶段的回归系数，我们发现，在第一阶段，线下项目回归系数为0.274(在1%的水平上显著)，具有很强的预测能力，同时模型的拟合优度较高，与Chen and Wang(2004)的结论相同，表现出线下项目的“预测能力”异象；在第二阶段，线下项目的回归系数为-0.107(在5%的水平上显著)，与未来盈余的负相关系数较小，并且两阶段线下项目的预测能力存在显著性差异，从而支持假说H1b。

但我们也发现，尽管线下项目总体的预测能力消失，但却表现出新的异象——反向预测能力<sup>9</sup>，也与其理论属性相反。为了更清楚地看到线下项目预测能力的变化

<sup>9</sup> 当期盈余与未来盈余的负相关关系(Chen and Wang, 2004)。这种反向预测能力主要体现在费用跨期转移，如具有“洗大澡”动机的公司在本期披露大量的费用，使得盈余巨亏，而在下一期通过费用的转回等手段实现盈利，从而两期的盈余之间存在负相关关系。

过程，我们分年度观察盈余组成部分的预测能力。表4 Panel C的回归结果表明：从1996年至1998年中线下项目与未来盈余显著正相关，具有较强的预测能力。而在2000年与2001年间的回归系数较小且不显著，不具有预测性，此时反映出其正常的理论属性。然而，与Panel A中的第二阶段结果一致，样本的线下项目在2002至2004年开始呈现出负的回归系数，且显著，而在这期间伴随著营业利润回归系数的不断增大。尽管线下项目的持续性不断降低是件令人振奋的事，但是线下项目的负回归系数不断增大，却不得不令人担心，让我们怀疑上市公司为了提高或保证营业利润的持续性而采用新的操纵线下项目的盈余管理方式，从而使线下项目呈现出这一新异象，似乎表现出政策监管效果的降低、体现出以“政策为导向”的不良经济后果。

## 2. 线下项目预测能力变化分析

然而，通过线下项目分解，本文从表4 Panel B的回归结果中发现，在第一阶段投资收益、补贴收入、营业外收入、营业外支出的回归系数分别0.272、0.646、0.753、-0.867（均显著），其他项目与未来盈余无关（回归系数不显著）。由此，可以看出，线下项目与未来盈余的负相关关系并非是从第二阶段开始产生，而是在非经常性损益信息披露政策出台前早已存在，说明这不是政策监管产生的不良经济后果。对于这种负相关关系，DeAngelo *et al.* (1992)，Burgstahler *et al.* (2002)，McVay (2004) 及Chen and Wang (2004) 认为这是由于暂时性盈余跨期转移 (interperiod transfer) 的盈余管理方式，从而使暂时性盈余具有了反向预测能力。结合表2 Panel B可以发现，1999年前，我国上市公司更为注重利润总额，存在大量通过营业外收入等非经常发生的损益来提高利润总额的盈余管理行为（魏刚和蒋义宏，1998；陆建桥，1998），从而分别使投资收益、补贴收入和营业外收入等项目呈现出正的可持续特征，也相应具有预测能力。另一方面，上市公司也存在着“洗大澡”的跨期调整 (interperiod transfer) 行为（陆建桥，1999），从而使得营业外支出呈现出反向预测能力（Chen and Wang，2004）。又由于众多监管中将净利润作为重要指标，使得调增利润的盈余管理更为重要，从而线下项目总体呈现出正的预测能力（模型（2）中第一阶段线下项目BI的回归系数为0.274且在1%的水平上显著）。

在第二阶段，投资收益、补贴收入、营业外收入的回归系数变小，分别为0.035、0.129、0.290，且不显著，体现出不明显的预测能力，营业外支出的回归系数绝对值变小，与未来盈余的负相关关系有所降低，而其他线下项目在两阶段中回归系数均不显著，不具有预测能力，符合其理论属性。我们认为这是因为中国证监会关于非经常性损益信息披露规定出台，增强了“扣除非经常性损益后净利润”指标的重要性，使得上市公司的盈余管理动机相应改变，即通过操纵营业外收入等非经常发生的损益来提高利润总额的行为无法满足监管规定，从而降低了投资收益、补贴收入、营业外收入等线下项目的持续性及预测能力，使得线下项目的各个组成部分的可持续异象得到了改善，表明了该政策在恰当反映各盈余预测能力方面具有有效性。针对营业外支出反向预测能力的降低，我们认为是因为信息披露的有效性，使得上市公司的营业外支出项目更加规范，而以其作为盈余管理工具的可能性受到监管，大大减少了“洗大澡”的跨期调整现象，线下项目各组成部分的可持续异象尽

管没有完全消除，却有了很大程度的降低，也体现了政策监管的有效性，<sup>10</sup>从而进一步支持本文的假说H1b。

表4 各盈余项目的预测能力

Panel A：不同阶段下各盈余项目的预测能力

变量	PHASE = 0		PHASE = 1		混合样本	
	系数	t统计量	系数	t统计量	系数	t统计量
<i>OI</i>	0.667***	14.41	0.495***	3.98	0.667***	14.42
<i>BI</i>	0.274***	2.98	-0.107**	-2.25	0.274***	2.98
<i>PHASE</i>					-0.018***	-3.02
<i>OI*PHASE</i>					-0.172	-1.32
<i>BI*PHASE</i>					-0.382***	-3.58
Constant	0.015***	4.10	-0.003	-0.65	0.015***	4.10
N	1902		5730		7632	
Model F-statistic	103.99***		8.25***		91.06***	
R <sup>2</sup>	0.287		0.054		0.071	
F-test	17.89***		16.35***		17.91***	

Panel B：线下项目各组成部分的预测能力

变量	PHASE = 0		PHASE = 1		混合样本	
	系数	t统计量	系数	t统计量	系数	t统计量
<i>OI</i>	0.700***	14.55	0.551***	3.97	0.700***	14.56
<i>INV</i>	0.272**	2.24	0.035	0.58	0.272**	2.24
<i>SUB</i>	0.646***	3.39	0.129	0.54	0.646***	3.39
<i>NOI</i>	0.753***	3.70	0.290	1.48	0.753***	3.70
<i>NOE</i>	-0.867*	-1.70	-0.319**	-1.97	-0.867*	-1.71
<i>OTH</i>	0.238	1.08	-0.744	-0.32	0.238	1.08
<i>PHASE</i>					-0.015**	-2.07
<i>OI*PHASE</i>					-0.149	-1.03
<i>INV*PHASE</i>					-0.237*	-1.89
<i>SUB*PHASE</i>					-0.516	-1.60
<i>NOI*PHASE</i>					-0.463	-1.63
<i>NOE*PHASE</i>					0.548	1.03
<i>OTH*PHASE</i>					-0.982	-0.42
Constant	0.007*	1.77	-0.008	-1.29	0.015**	2.42
N	1902		5730		7632	
Model F-statistic	39.91***		3.72***		45.29***	
R <sup>2</sup>	0.301		0.057		0.074	

<sup>10</sup> 营业外支出反向预测能力的降低也有可能是因为上市公司为了提高核心利润，将持续性的损失转移到非经常性损失中(classification shifting)，从而营业外支出项目的持续性提高，进而表现出与未来盈余的负相关关系降低，这一原因仍有待于进一步研究。但不可否认的是尤其是线下项目的收益项目持续性消失。

Panel C : 各年度各盈余项目的预测能力

年度	OI		BI		N	F-statistic	Adj. R <sup>2</sup>
	系数	t统计量	系数	t统计量			
1996	0.736***	16.67	0.323***	2.97	470	141.39***	0.375
1997	0.849***	18.71	0.300***	2.82	666	177.78***	0.347
1998	0.552***	14.32	0.276**	2.35	766	114.40***	0.229
2000	0.666***	6.66	-0.067	-0.31	992	23.61***	0.044
2001	0.396***	5.14	0.178	1.01	1073	28.74***	0.049
2002	0.208***	6.91	-0.049**	-2.07	1143	24.18***	0.039
2003	0.454***	7.00	-0.152*	-1.68	1213	24.47***	0.037
2004	0.808***	10.98	-0.264**	-2.17	1309	67.25***	0.092

其中,各变量定义如表1;  $PHASE = 0$  表示1996年至1998年,  $PHASE = 1$  表示2000年至2004年; F-test是OI与BI的回归系数是否相等的检验; Panel B中为了简化表格,不予以列示模型中常数项回归系数。

### (三) 政策监管对盈余管理行为的限制

根据前文预测模型在政策实施前后两阶段的对比,非经常性损益政策对于降低线下项目的预测能力发挥了重要的作用,然而许多文献指出长期以来线下项目等暂时性盈余都是我国上市公司的重要盈余管理工具(蒋义宏和王丽琨,2003;魏涛等,2007;Chen and Yuan,2004;Haw *et al.*,2005;高雷和宋顺林,2008等)。为了更清楚地看出监管政策对上市公司的盈余管理行为是否具有监管效果,本文设计变量CP和BB,分别表示连续盈利与洗大澡两种情况,<sup>11</sup>其中当 $NI_{t-1} > 0$ 且 $NI_t > 0$ 时, $CP_t = 1$ ,否则为0;<sup>12</sup>当 $OI_t < 0$ 且 $BI_t < 0$ 时, $BB_t = 1$ ,否则为0。<sup>13</sup>针对盈余管理对线下项目的影 响,加入两种盈余管理动机到持续性模型与预测模型中,得到如下模型:

$$BI_{t+1} = \alpha_0 + \alpha_1 BI_t + \alpha_2 CP_t + \alpha_3 BB_t + \alpha_4 PHASE + \alpha_5 BI_t * CP_t + \alpha_6 BI_t * BB_t + \alpha_7 BI_t * CP_t * PHASE + \alpha_8 BI_t * BB_t * PHASE + \varepsilon \quad (7)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 CP_t + \beta_4 BB_t + \beta_5 PHASE + \beta_6 BI_t * CP_t + \beta_7 BI_t * BB_t + \beta_8 BI_t * CP_t * PHASE + \beta_9 BI_t * BB_t * PHASE + \varepsilon \quad (8)$$

<sup>11</sup> 这两种情况下的盈余动机都和操纵净利润有关,而不强调扣除非经常性损益后的净利润。

<sup>12</sup> 与魏涛等(2007)对连续盈利的判定相同,并对变量设计做了稳健性检验。当将 $CP_t = 1$ 设计为表示利润总额在第t-1年、第t年及第t+1年均大于零时,不影响数据结论。

<sup>13</sup> 与Chen and Wang(2004)对甄别洗大澡动机的变量设计相同,并对变量设计做了稳健性检验。当将 $BB = 1$ 设计为表示 $NI_t < 0$ 且 $NI_{t+1} > 0$ 时,不影响数据结论。



表5 盈余管理动机公司的线下项目盈余属性

Panel A : 盈余管理动机公司的线下项目持续性

变量	PHASE = 0		PHASE = 1		混合样本	
	系数	t统计量	系数	t统计量	系数	t统计量
<i>BI</i>	0.088	0.78	-0.472**	-2.35	-0.445**	-2.19
<i>CP</i>	-0.002	-0.45	-0.001	-0.37	-0.004	-0.93
<i>BB</i>	0.003	0.48	-0.056***	-3.50	-0.049***	-3.49
<i>PHASE</i>					-0.014***	-7.55
<i>BI*CP</i>	0.360***	2.94	0.811***	7.28	0.772***	3.75
<i>BI*BB</i>	-0.311**	-2.20	0.460*	1.89	-0.200	-0.81
<i>BI*CP*PHASE</i>					0.029	0.22
<i>BI*BB*PHASE</i>					0.638***	4.81
Constant	0.009**	1.84	0.001	0.22	0.016***	3.40
N	1902		5730		7632	
Model F-statistic	35.16***		27.43***		57.07***	
R <sup>2</sup>	0.116		0.030		0.033	
F( <i>BI</i> + <i>BI*CP</i> )	148.30***		6.87***		42.10***	
F( <i>BI</i> + <i>BI*BB</i> )	6.06**		0.04		19.66***	
F( <i>BI</i> + <i>BI*CP</i> + <i>BI*CP*PHASE</i> )					7.27***	
F( <i>BI</i> + <i>BI*BB</i> + <i>BI*BB*PHASE</i> )					0.01	

Panel B : 盈余管理动机公司的线下项目预测能力

变量	PHASE = 0		PHASE = 1		混合样本	
	系数	t统计量	系数	t统计量	系数	t统计量
<i>OI</i>	0.695***	12.13	0.322**	2.32	0.355***	2.68
<i>BI</i>	0.533***	2.75	0.062	0.30	0.097	0.51
<i>CP</i>	0.032**	2.04	0.037***	4.79	0.036***	5.02
<i>BB</i>	0.023	1.01	-0.114***	-3.73	-0.097***	-3.53
<i>PHASE</i>					-0.025***	-5.31
<i>BI*CP</i>	0.047	0.22	0.163	1.10	0.120	0.70
<i>BI*BB</i>	-1.255***	-3.84	-0.210	-0.82	-1.288***	-3.38
<i>BI*CP*PHASE</i>					0.049	0.43
<i>BI*BB*PHASE</i>					1.036***	3.32
Constant	-0.023	-1.56	-0.018**	-2.50	0.004	0.48
N	1902		5730		7632	
Model F-statistic	48.14***		18.85***		32.91***	
R <sup>2</sup>	0.310		0.087		0.100	

变量	PHASE = 0		PHASE = 1		混合样本	
	系数	t统计量	系数	t统计量	系数	t统计量
$F(BI + BI*CP)$	56.74***		3.50*		2.90*	
$F(BI + BI*BB)$	7.87***		4.09**		15.00***	
$F(BI + BI*CP + BI*CP*PHASE)$					5.24**	
$F(BI + BI*BB + BI*BB*PHASE)$					4.40**	

其中,  $OI$ 与 $BI$ 定义如表1;  $PHASE = 0$ 表示1996至1998年,  $PHASE = 1$ 表示2000年至2004年;  $CP$ 为虚拟变量,  $CP_t = 1$ 表示 $NI_{t-1} > 0$ 且 $NI_t > 0$ , 否则为0;  $BB$ 为虚拟变量,  $BB_t = 1$ 表示 $OI_t < 0$ 且 $BI_t < 0$ , 否则为0。

针对于连续盈利的公司, 表5 Panel A的回归结果显示, 在政策实施之前,  $F(BI + BI*CP)$ 检验表明, 当上市公司连续盈利时, 其线下项目的持续系数为0.448 ( $0.088 + 0.360 = 0.448$ ), 且在1%的水平上显著, 预测能力方面, 线下项目与未来盈余的相关系数为0.580 ( $0.533 + 0.047 = 0.580$ ), 且在1%有水平上显著, 反映了较大程度的盈余管理。而第二阶段,  $F(BI + BI*CP)$ 检验表明, 连续盈利的公司线下项目的持续系数为0.339 ( $-0.472 + 0.811 = 0.339$ ), 在1%的水平上显著。对于线下项目的预测能力, 其与未来盈余的正相关系数为0.225 ( $0.062 + 0.163 = 0.225$ ), 且在10%有水平上显著。可以看出, 相比于第一阶段连续盈利的公司的线下项目持续性与预测能力有所降低, 也反映其盈余管理程度有所缓解, 然而Panel A和Panel B混合样本中 $BI*CP*PHASE$ 的回归系数显示, 两阶段连续盈余公司的线下项目持续能力和预测能力不存在显著差异, 回归结果只能在一定程度上支持假说H2a。

针对于“洗大澡”的公司, 在非经常性损益信息披露政策实施之前,  $F(BI + BI*BB)$ 检验表明, 具有洗大澡动机的上市公司其线下项目的持续能力为-0.223 ( $0.088 - 0.311 = -0.223$ )且在5%的水平上显著, 其与未来盈余的负相关系数为-0.722 ( $0.533 - 1.255 = -0.722$ )且在1%的水平上显著, 表现出较强的盈余管理程度; 而在第二阶段,  $F(BI + BI*BB)$ 检验表明, 具有“洗大澡”动机的公司线下项目不具有持续性(回归系数不显著), 与未来盈余的负相关系数分别为-0.148 ( $0.062 - 0.210 = -0.148$ )且在5%的水平上显著, 表现为上市公司利用洗大澡的方式进行盈余管理的程度大大降低, 体现了政策在降低盈余管理的监管有效性。并且Panel A和Panel B混合样本中 $BI*BB*PHASE$ 的回归系数显示, 两阶段“洗大澡”公司的线下项目持续能力和预测能力具有显著差异, 从而支持本文假说H2b。

#### (四)《企业会计制度》对政策监管效果的影响

在探讨两阶段线下项目持续性和预测能力的变化时, 我们也注意到于2000年12月29日颁布、自2001年1月1日起执行的《企业会计制度》, 对1998年颁布实施的《股份有限公司会计制度》进行了重大改革。其中一项重要的变化是要求在原有应收款项、存货、短期投资和长期投资计提减值准备的基础上, 将减值范围扩大到固定资产、在建工程、无形资产和委托贷款项目(本文简称“新四项资产减值”)。而这些新的减值项目的计提使得本文研究的政策两阶段中的线下项目产生“系统性”变更, 从

而可能影响到线下项目的持续性与预测能力。<sup>14</sup>为了消除该会计准则变化对线下项目属性的影响,我们设计了变量 $WR$ 和 $BI\_WR$ ,分别表示“新四项资产减值”总和<sup>15</sup>与总资产之比及将“新四项资产减值”从线下项目总额中扣除后的线下项目与总资产之比。并且对于政策两阶段,在1999年之前 $BI\_WR$ 与 $BI$ 完全相同,两者仅在第二阶段不相等。由此,本文在模型(4)和模型(5)的基础上得到模型(9)和模型(10)。

$$BI\_WR_{t+1} = \alpha_0 + \alpha_1 BI\_WR_t + \alpha_2 PHASE + \alpha_3 BI\_WR_t * PHASE + \varepsilon \quad (9)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI\_WR_t + \beta_3 WR_t + \beta_4 PHASE + \beta_5 OI_t * PHASE + \beta_6 BI\_WR_t * PHASE + \varepsilon \quad (10)^{16}$$

表6 考虑会计准则变迁影响的线下项目盈余属性

Panel A: 扣除资产减值新四项后线下项目持续性

变量	PHASE = 0		PHASE = 1		混合样本	
	系数	t 统计量	系数	t 统计量	系数	t 统计量
$BI\_WR$	0.237***	4.52	0.016	0.30	0.237***	4.52
$PHASE$					-0.018***	-9.13
$BI\_WR * PHASE$					-0.221***	-2.80
Constant	0.011***	12.42	-0.007	-4.19	0.011***	12.43
N	1902		5730		7632	
Model F-statistic	20.45***		0.09		61.07***	
R <sup>2</sup>	0.048		0.000		0.008	

Panel B: 扣除资产减值新四项后线下项目预测能力

变量	PHASE = 0		PHASE = 1		混合样本	
	系数	t 统计量	系数	t 统计量	系数	t 统计量
$OI$	0.667***	14.41	0.486***	3.54	0.667***	14.42
$BI\_WR$	0.275***	2.98	-0.110**	-2.11	0.275***	2.98
$WR$			-0.343	-0.62	-0.343	-0.62
$PHASE$					-0.017***	-2.62
$OI * PHASE$					-0.182	-1.27
$BI\_WR * PHASE$					-0.385***	-3.54
Constant	0.015***	4.10	-0.002	-0.42	0.015***	4.10

<sup>14</sup> 会计上的稳健原则的运用会降低盈余的持续性与预测能力(Basu, 1997; Ball and Shivakumar, 2006)。

<sup>15</sup> 本文采用期末期初四项资产减值准备的变动作为本期计提的资产减值准备(代冰彬等, 2007)。

<sup>16</sup> 由于 $WR$ 在1999年之前对于所有的上市公司均为零,所以该模型中不需要加入 $WR * PHASE$ 变量。

变量	PHASE = 0		PHASE = 1		混合样本	
	系数	t统计量	系数	t统计量	系数	t统计量
N	1902		5730		7632	
Model F-statistic	103.99***		9.27***		75.83***	
R <sup>2</sup>	0.287		0.054		0.071	
F-test	17.89***		15.05***		17.90***	

其中,  $OI$  定义如表 1;  $BI\_WR$  表示扣除《企业会计准则》要求计提的新四项资产减值准备后的线下项目/总资产,  $WR$  表示《企业会计准则》要求计提的新四项资产减值准备之和/总资产;  $PHASE = 0$  表示 1996 至 1998 年,  $PHASE = 1$  表示 2000 年至 2004 年。

从表 6 中 Panel A 可以看出, 将线下项目扣除“新四项资产减值”后,  $BI\_WR$  在第二阶段的自回归系数为 0.016 且不显著, 并且  $BI\_WR*PHASE$  的回归系数为 -0.221, 在 1% 的水平上显著, 说明政策前后的两阶段存在显著性差异, 并与由表 3 得出的线下项目持续性在第二阶段降低的结论相同; 在表 6 Panel B 中,  $BI\_WR$  在第二阶段的回归系数为 -0.110 且在 5% 的水平上显著, 并且  $BI\_WR*PHASE$  的回归系数 -0.385, 在 1% 的水平上显著, 说明政策前后的两阶段存在显著差异, 也与表 4 Panel A 得出的线下项目预测能力降低的结论相同。说明尽管非经常性损益信息披露政策前后两个阶段援引的会计准则在资产减值方面存在的重大差异, 但并不影响本文的研究结论。

同时, 考虑到 2000 年前后市场层面发生的其他与上市公司信息披露质量相关联的法律、规章及政策等也可能影响线下项目的盈属性, 下文将从公司层面去分析非经常性损益的信息披露是否能提高监管效果。第五部分通过设计“非经常性损益是否披露”、“非经常性损益与线下项目是否符号相同”、“两者金额是否完全一致”等三个变量, 考察非经常性损益信息披露对线下项目持续性和预测能力的影响, 并以期找到非经常性损益信息披露提高盈余质量的作用机制。

## 六、非经常性损益信息披露政策的影响机制

以上研究, 我们仅以政策年度为界观测线下项目的持续性和预测能力的变化, 为了进一步排除了线下项目持续性和预测能力降低的“制度背景”归属问题, 我们将研究样本锁定在第二阶段, 即 1999 年中国证监会要求披露非经常性损益信息之后。首先, 我们从 Wind 数据库取得了非经常性损益的总金额, 然后再从各上市公司年报中获得非经常性损益的明细数据, 并与 Wind 数据库中总金额数据进行核对, 并设定非经常性损益的手工数据与数据库数据相差在 1000 元以内为可容忍值, 经剔除不一致值后, 共得到 4569 个观测值, 作为进一步的研究对象。

### (一) 非经常性损益信息披露特点

在 4569 个观测值中, 我们发现披露非经常性损益信息的观测值共有 4424 个上市公司, 年, 没有披露的共有 145 个, 占 3.17%。由于 1999 年起上市公司才开始披露该数据, 故 2000 年执行该政策仍存在著较大的不规范性, 不披露非经常性损益信息的

公司最多，为111个，而伴随着非经常性损益信息披露的不断规范，2001年至2003年不披露非经常性损益的上市公司数目大大降低，分别有20、12和2个，2004年降至最低，没有不披露公司。

从上市公司披露的非经常性损益项目名称来看，上市公司非经常性损益项目的披露项目名称不规范，与证监会要求的披露并不完全一致，而且有些项目并没有披露实质内容，仅将利润表中的“营业外收入”或“营业外支出”重复列示。

由于上市公司的非经常性损益披露名称较为混乱，本文将这些非经常性损益项目分为两大类：金额为正值的项目（即非经常性收益）与金额为负值的项目（即非经常性损失），简称为正项目与负项目。从表7 Panel A的统计数据中，我们可以看出，从2000年至2004年，非经常性损益正项目与负项目的平均次数（/上市公司·年）逐渐增大，表明非经常性损益的信息披露项目在不断规范化，信息内容不断明确化。与此同时，非经常性损益正项目的平均金额（/上市公司·年）在五年中变化不大，而负项目的平均金额波动较大，其绝对值呈增长趋势，而非经常性损益的总金额的平均值因负项目的变化而呈现降低的趋势。

如表7 Panel B所示，在披露非经常性损益的4424个上市公司中，非经常性损益正项目的披露数平均为2.4326个/上市公司·年，而负项目披露数平均为1.6521个/上市公司·年，而且，两者存在显著性差别（t检验、Mann-Whitney检验均在1%的水平上显著），平均每个上市公司每年披露4.0848个非经常性损益项目。从金额讲，平均每个公司每年度披露的非经常性损益正项目金额占总资产的比为0.0083，负项目金额占总资产的比均值为-0.0075，尽管两者的绝对值的均值不存在显著性差异，但两者的Mann-Whitney检验却在1%的水平上显著。另外，从非经常性损益的总金额占总资产的比例来看，其均值为0.0008，其中大于零的非经常性损益有2979个观测值，而小于零的为1445个观测值，两者的均值分别为0.0093和-0.0166。我们可以发现，从非经常性损益的披露各项目来看，上市公司更倾向于披露金额为正值的非经常性损益，然而当上市公司非经常性损益总额为负值时，也将伴随着绝对值更大的金额。

表7 非经常性损益描述性统计

Panel A：非经常性损益各年度披露情况						
是否披露	年份	2000	2001	2002	2003	2004
披露	样本数量	648	826	916	958	1076
	NUM_NRE	2.6960	3.5981	3.7631	4.9436	4.8039
	NUM_POS_NRE	1.7762	2.0896	2.0546	3.0898	2.8281
	NUM_NEG_NRE	0.9198	1.5085	1.7085	1.8539	1.9758
	NRE	0.0063	0.0013	-0.0087	0.0037	0.0028
	POS_NRE	0.0088	0.0081	0.0064	0.0094	0.0088
	NEG_NRE	-0.0025	-0.0068	-0.0151	-0.0057	-0.0060
不披露	样本数量	111	20	12	2	0

Panel B：非经常性损益总体披露情况

变量	数量	均值	标准差	最小值	中位数	最大值
<i>NUM_NRE</i>	4424	4.0848	2.0066	1	4	14
<i>NUM_POS_NRE</i>	4424	2.4326	1.4187	0	2	10
<i>NUM_NEG_NRE</i>	4424	1.6521	1.1443	0	1	9
<i>NRE</i>	4424	0.0008	0.0963	-5.6504	0.0012	0.8237
<i>POS_NRE</i>	4424	0.0083	0.0246	0.0000	0.0028	0.8315
<i>NEG_NRE</i>	4424	-0.0075	0.0943	-5.6531	-0.0010	0.0000
<i>NRE (NRE&gt;0)</i>	2979	0.0093	0.0262	0.0000	0.0035	0.8237
<i>NRE (NRE&lt;0)</i>	1445	-0.0166	0.1629	-5.6504	-0.0013	0.0000
<i>NUM_POS_NRE</i> 与 <i>NUM_NEG_NRE</i> 检验				t=32.09***	z=9.95***	
<i>POS_NRE</i> 与 <i>NEG_NRE</i> 绝对值检验				t=0.58	z=27.16***	

其中：*NUM\_NRE*表示非经常性损益项目的总披露项目数；*NUM\_POS\_NRE*表示非经常性损益项目金额为正值的披露项目数；*NUM\_NEG\_NRE*表示非经常性损益项目金额为负值的披露项目数；*NRE*表示非经常性损益项目金额的总合计/总资产；*POS\_NRE*表示非经常性损益项目金额为正值的合计/总资产；*NEG\_NRE*表示非经常性损益项目金额为负值的合计/总资产。

## (二)非经常性损益与线下项目的关系

### 1. 两者的金额关系

从包含内容讲，非经常性损益通常是反映在投资收益、补贴收入、营业外收入、营业外支出等项目中，但也可能会反映在其他业务利润、管理费用、财务费用等项目中，而线下项目也不一定完全是非经常性损益。由此可见，非经常性损益与利润表内的线下项目有着密切的关系，但两者又不尽相同。

从数值上讲，上市公司披露的非经常性损益(*NRE*)比线下项目(*BI*)均值与中位数都较小，而且存在显著性差异(*t*检验、Mann-Whitney检验均在1%的水平上显著)；非经常性损益的正项目之和与线下项目的正项目之和相比，均值与中位数也都较小，而且存在显著性差异(*t*检验、Mann-Whitney检验均在1%的水平上显著)；两者的负项目相比，却可以发现非经常性损益披露的负项目金额比线下项目的负项目金额绝对值小，并存在显著性差异(*t*检验、Mann-Whitney检验均在1%的水平上显著)，表现出上市公司相对于线下项目更倾向于披露较少的非经常性损益。相关系数表明，两者的负项目的相关性比正项目相关性高，两者总体Pearson系数与Spearman系数分别为0.971和0.600，从金额角度体现了两者的密切关系，见表8 Panel A。

### 2. 两者的符号关系

另外，我们通过设计变量“非经常性损益总额/线下项目总额”(*NRE/BI*)作为两者的比较对象，我们发现，有3309个观测值为正，而1015个观测值为负，相对应的*NRE/BI*的平均值分别为3.6167和-13.7089，中位数分别为0.7689和-0.4148，意味着74.8%的公司披露的非经常性损益数据与其表内的线下项目的正负符号是相同的，对盈余的影响方向一致。

同时，分两种情况对比两者的差异，结果如表8 Panel B所示。我们发现当两者对盈余影响方向不同时，非经常性损益与线下项目占总资产比例的均值不具有显著性差异，而中值存在着显著性差异(Mann-Whitney检验在1%的水平上显著)。特别的是，当非经常性损益与线下项目符号相同时，两者的均值与中值均存在显著性差异(t检验与Mann-Whitney检验均在1%的水平上显著)，说明即使两者符号相同，也依然存在着较大的差异。

表8 非经常性损益与线下项目比较

Panel A：非经常性损益与线下项目金额比较						
	正项目		负项目		总金额	
	<i>POS_BI</i>	<i>POS_NRE</i>	<i>NEG_BI</i>	<i>NEG_NRE</i>	<i>BI</i>	<i>NRE</i>
均值	0.0113	0.0083	-0.0094	-0.0075	0.0020	0.0008
t-statistic	12.88***		-6.70***		3.04***	
中值	0.0040	0.0028	-0.0015	-0.0010	0.0018	0.0012
Z-statistic	17.31***		-22.47***		5.54***	
Pearson 系数	0.820		0.982		0.971	
Spearman 系数	0.555		0.601		0.600	

  

Panel B：非经常性损益与线下项目符号比较							
	变量	数量	均值	标准差	最小值	中位数	最大值
全样本	<i>NRE/BI</i>	4424	-0.3583	101.2718	-4962.3120	0.5328	1379.2290
	<i>NRE/BI</i>	3409	3.6167	42.5779	0.0000	0.7689	1379.2290
	<i>NRE</i>	3409	0.0007	0.1096	-5.6504	0.0017	0.8237
<i>NRE/BI</i> > 0	<i>BI</i>	3409	0.0023	0.1146	-5.6350	0.0029	0.8237
	<i>NRE</i> 与 <i>BI</i> 检验			t=-4.16***	z=-8.90***		
	<i>NRE</i> 与 <i>BI</i> 相关系数			Pearson:	0.982	Spearman:	0.845
<i>NRE/BI</i> < 0	<i>NRE/BI</i>	1015	-13.7089	195.9882	-4962.3120	-0.4148	-0.0001
	<i>NRE</i>	1015	0.0013	0.0101	-0.1665	0.0003	0.0706
	<i>BI</i>	1015	0.0009	0.0283	-0.5082	-0.0003	0.1728
<i>NRE</i> 与 <i>BI</i> 检验			t=0.36	z= 2.58***			
<i>NRE</i> 与 <i>BI</i> 相关系数			Pearson:	-0.183	Spearman:	-0.760	

其中：各变量如表7；*NRE/BI*表示非经常性损益总额/线下项目总额。

### (三)非经常性损益信息披露的影响机制检验

#### 1. 披露与不披露的影响

首先，本文考察非经常性损益的披露与否对盈属性质的影响。前文提到尽管中国证监会要求上市公司必须披露非经常性损益的项目与金额，然而我们注意到，在4569个观测值中，披露非经常性损益信息的上市公司共有4424个，没有披露的共有

145个,为了比较非经常性损益信息不披露对线下项目预测能力的影响,我们设计变量 $NON\_NRE$ 表示,当上市公司不披露非经常性损益时, $NON\_NRE_t=1$ ,否则为0。

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 NON\_NRE_t + \beta_4 BI_t * NON\_NRE_t + \varepsilon \quad (11)$$

表9 Panel A的数据结果表明,当上市公司不披露非经常性损益时,其线下项目与未来盈余的负相关关系为-0.913且在1%的水平上显著,表现出极强的反向预测能力,然而,当上市公司披露非经常性损益时,线下项目的反向预测能力大大降低,体现了非经常性损益信息披露在遏制“洗大澡”的盈余管理方式中发挥较好的政策监管效果,从而支持本文假说H3a。

## 2. 方向与一致性的影响

为了检验假说H3b和H3c,我们设计两个虚拟变量 $SIGN\_NB$ 和 $CON\_NB$ ,分别表示非经常性损益与线下项目方向是否相同及两者的披露金额是否完全一致,以代表性研究非经常性损益信息披露不当与无效的两种情况。其中, $SIGN\_NB_t=1$ 表示 $NRE_t/BIt > 0$ ,即非经常性损益与线下项目方向一致; $CON\_NB_t=1$ 表示 $NRE_t/BIt=1$ ,即非经常性损益与线下项目金额完全相同。在 $SIGN\_NB_t=1$ 的3409个观测值中,共有56个观测值的非经常性损益与线下项目完全相同,即 $SIGN\_NB_t$ 和 $CON\_NB_t$ 两个虚拟变量存在交叉性。为了分别分析其影响,我们得到如下两个回归模型:

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 SING\_NB_t + \beta_4 BI_t * SIGN\_NB_t + \varepsilon \quad (12)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 SIGN\_NB_t + \beta_4 CON\_NB_t + \beta_5 BI_t * SIGN\_NB_t + \beta_6 BI_t * CON\_NB_t + \varepsilon \quad (13)$$

表9 Panel B中模型(12)的回归结果显示,线下项目的回归系数为0.479,且在5%的水平上显著,表明当非经常性损益与线下项目方向不一致时,非经常性损益的披露无法帮助线下项目降低预测能力,而此时,线下项目仍然存在着“预测能力”异象。交叉变量 $BI*CON\_NB$ 的回归系数为-0.601(在5%的水平上显著),说明当披露的非经常性损益信息与线下项目对盈余的影响方向一致时,有利于降低线下项目的预测能力、提高盈余质量,与我们的预期相同,<sup>17</sup>支持本文假说H3b。

模型(13)的进一步分析了非经常性损益与线下项目完全一致对线下项目持续性的影响。交叉变量 $BI*SIGN\_NB$ 的回归系数为-0.581(在5%的水平上显著),与模型(12)的结论相同。然而,不同的是,交叉变量 $BI*CON\_NB$ 的系数为-2.808(在1%的水平上显著), $F(BI + BI*SIGN\_NB + BI*CON\_NB)$ 检验表明,当两者完全一致时, $BI$ 的回归系数 $(0.454-0.581-2.808 = -2.935)$ 显著为负。这说明,尽管非经常性损益与线

<sup>17</sup> 此外,本研究的经验数据表明非经常性损益与线下项目的方向一致时,其影响主要是降低投资收益的预测能力。鉴于篇幅的限制,不再列示数据结果。



下项目的方向一致，但如果非经常性损益对于线下项目没有提供增量信息时，使得线下项目的正的预测能力转为另一个极端，与未来盈余产生极强的负相关关系，<sup>18</sup>说明了非经常性损益的无效披露，是非经常性损益信息披露政策实施后线下项目呈现反向预测能力的一个重要原因。这种情况下很可能上市公司因存在洗大澡的盈余管理方式而不愿披露更多信息，以期达到投资者不能准确把握其盈余构成的目的，从而在一定程度上支持本文假说H3c。

这一分析帮助我们进一步理解了表外的披露非经常性损益信息与表内线下项目的关系，也帮助我们初步厘清了非经常性损益信息披露政策监管的作用机制，即只有非经常性损益信息与线下项目方向一致且提供增量信息时，才能提高盈余质量，恰当反映盈余的预测能力。

表9 非经常性损益披露对线下项目预测能力的影响

变量	披露		不披露		混合样本	
	系数	t统计量	系数	t统计量	系数	t统计量
<i>OI</i>	0.652***	2.95	0.693***	3.95	0.653***	2.98
<i>BI</i>	-0.111**	-2.03	-0.913***	-3.81	-0.112**	-2.05
<i>NON_NRE</i>					0.003	0.29
<i>BI*NON_NRE</i>					-0.749***	-2.80
Constant	-0.007	-1.00	-0.006	-0.43	-0.007	-1.00
N	4424		145		4569	
Model F-statistic	4.46**		10.41***		2.46**	
R <sup>2</sup>	0.067		0.112		0.068	
$F(BI + BI*NON\_NRE)$					8.62***	

Panel B：非经常性损益信息对线下项目的影响

变量	模型(12)		模型(13)	
	系数	t统计量	系数	t统计量
<i>OI</i>	0.652***	2.95	0.750***	3.03
<i>BI</i>	0.479**	2.01	0.454*	1.85
<i>SIGN_NB</i>	-0.011*	-1.78	-0.010*	-1.72
<i>CON_NB</i>			0.028	0.89
<i>BI*SIGN_NB</i>	-0.601**	-2.52	-0.581**	-2.38
<i>BI*CON_NB</i>			-2.808***	-2.68

<sup>18</sup> 本研究的经验数据也表明这种极强的负相关关系主要产生于对线下项目中的营业外支出的影响。鉴于篇幅的限制，不再列示数据结果。

变量	模型 (12)		模型 (13)	
	系数	t统计量	系数	t统计量
Constant	0.001	0.08	-0.003	-0.29
N		4424		4424
Model F-statistic		6.49***		4.53**
R <sup>2</sup>		0.068		0.080
F(BI + BI*SIGN_NB)		4.64**		4.61**
F(BI + BI*SIGN_NB + BI*CON_NB)				8.54***

其中,  $OI$ 与 $BI$ 定义如表1;  $NON\_NRE$ 为虚拟变量,  $NON\_NRE=1$ 表示上市公司不披露非经常性损益信息, 否则为0;  $SIGN\_NB$ 和 $CON\_NB$ 均为虚拟变量,  $SIGN\_NB=1$ 表示 $NRE/BI > 0$ , 否则为0;  $CON\_NB = 1$ 表示 $NRE/BI = 1$ , 否则为0;  $NRE/BI$  = 非经常性损益总额/线下项目总额。其中, 当 $NON\_NRE=1$ 时, 样本数量为145; 当 $SIGN\_NB=1$ 时, 样本数量为3409; 当 $CON\_NB = 1$ 时, 样本数量为56。

## 七、不同盈余分层模式下的盈余预测能力探讨

由于构成会计盈余的不同盈余项目存在着不同的持续性和盈余预测能力, 区分不同盈余项目在盈余持续性上的差异可以提高当期盈余信息的盈余预测能力 (Ohlson, 1999)。针对于我国盈余构成, 一方面, 我国会计准则要求上市公司披露的利润表中将盈余分为营业利润与线下项目, 另一方面, 我国证监会在其颁布的信息披露规范中要求上市公司在表外单独披露非经常性损益信息, 并规定了非经常性损益的构成内容及披露扣除非经常性损益后的净利润。证监会的做法表明了其认为财政部制定的会计规范虽然对非经常性的盈余项目 (即表内的线下项目) 进行了确认, 但并不直接单独反映在会计报表中的做法无法满足投资者对会计盈余持续性判断的要求, 也间接表达了其对现行利润表按业务性质而不是持续性进行分层的模式无法满足监管部门的会计监管目标的观点。

由此为了比较两种分层模式下各盈余组成部分的预测能力, 我们首先按持续性分层将盈余分为核心盈余与非经常性损益部分, 选用预测模型 (14) 进行回归, 并与利润表内将盈余按业务性质分层模式进行对比。由于在本期盈余对未来盈余的基本预测模型中引入预测能力存在差异的盈余项目信息后, 可以得到相对于基本预测模型更好的盈余预测模型 (Sloan, 1996), 因此我们又将非经常性损益与线下项目分别分为正项目与负项目, 选用扩展的预测模型 (15) 进行回归, 数据结果见表10 Panel A 和 Panel B。

$$NI_{t+1} = \beta_0 + \beta_1 CE_t + \beta_2 NRE_t + \varepsilon$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \varepsilon \quad (14)$$

$$NI_{t+1} = \gamma_0 + \gamma_1 CE_t + \gamma_2 POS\_NRE_t + \gamma_3 NEG\_NRE_t + \varepsilon$$

$$NI_{i,t+1} = \gamma_0 + \gamma_1 OI_t + \gamma_2 POS\_BI_t + \gamma_3 NEG\_BI_t + \varepsilon \quad (15)$$

其中,  $CE$  表示按持续性划分的核心盈余, 即利润总额扣除非经常性损益的部分;  $POS\_NRE$  表示非经常性损益组成中金额为正值的项目之和, 即非经常性收益;  $NEG\_NRE$  表示非经常性损益组成中金额为负值的项目之和, 即非经常性损失; 相应的,  $POS\_BI$  与  $NEG\_BI$  分别表示线下项目组成中金额为正值的项目之和与负值的项目之和。

表10 Panel A的回归结果表明, 按持续性分层的模式与按业务性质分层的模式, 两种模式下盈余各组成部分的回归系数基本相同, 从整体构成上不存在明显区别。然而当将非经常性损益与线下项目分别分解为正负项目构成时, 表10 Panel B的回归结果却表明, 按持续性分层的模式下, 正的非经常性损益的回归系数为-0.110, 而在业务性质的分层模式下, 正的线下项目回归系数为0.320, 尽管均不显著, 但在一定程度上能说明按持续性分层的模式有助于正暂时性盈余的正常属性的表达。而考察负项目的回归系数, 我们可以发现两种分层模式下的负暂时性盈余都呈现出显著的反向预测能力异象, 但按持续性分层的模式下的回归系数的绝对值更小。究其原因, 我们认为这与非经常性损益信息披露政策更关注于要求上市公司披露非经常性收益项目, 而长期忽视对损失项目的详细披露有关。但总的来说, 按持续性分层模式, 更有助于暂时性盈余的理论属性的恰当表达, 帮助投资者提供更有利于盈余预测的信息, 也给我们有关盈余披露模式的新启示。此外, 对比新旧会计准则在利润报告方面的变化, 我们可以发现2007年的新会计准则取消了主营业务与其他业务的划分, 而将这些业务产生的收入和成本统一在营业收入和营业成本中列示, 并将投资收益纳入营业利润中, 强调了从持续性的角度划分利润结构, 可以看出, 2007年新会计准则有关利润表的变化与我们的经验证据具有一致性。

## 八、结论及未来研究方向

本文的研究中再次指出了政策监管前线下项目具有持续性异象与预测能力异象 (Chen and Wang, 2004), 并且随着非经常性损益信息披露政策的不断深化与广泛执行, 政策监管在降低线下项目的持续性及预测能力方面发挥了重要的作用, 并针对于线下项目长期存在的盈余管理现象具有一定的约束效果。此外, 本文初步厘清了该监管政策的作用机制, 即当上市公司所披露非经常性损益信息与线下项目方向一致且提供增量信息时, 有助于提高盈余质量, 恰当反映盈余的持续性。然而, 我们也发现, 针对于线下项目表现出预测异象, 尽管相关政策在降低暂时性收益持续性方面发挥了其应有的监管效果, 但暂时性损失与未来盈余的负相关关系在现有监管制度下仍是一个重要的问题, 非经常性损益政策的实施无法使其消除, 并且即使将盈余按持续性分层暂时性盈余, 也无法克服这一问题。而对于这种反向预测能力, DeAngelo *et al.* (1992)、Burgstahler *et al.* (2002)、Chen and Wang (2004) 认为是这反映了暂时性盈余的跨期转移 (interperiod transfer) 的盈余管理方式。

表 10 不同分层模式下的盈余预测能力

Panel A：不同分层模式下的盈余预测能力					
变量	系数	t 统计量	变量名称	系数	t 统计量
<i>CE</i>	0.592***	3.10	<i>OI</i>	0.652***	2.95
<i>NRE</i>	-0.115**	-2.57	<i>BI</i>	-0.111**	-2.03
Constant	-0.007	-0.96	Constant	-0.008	-1.00
N	4424		N	4424	
Model F-statistic	5.67***		Model F-statistic	4.46**	
R <sup>2</sup>	0.065		R <sup>2</sup>	0.067	

  

Panel B：进一步分解后两种分层模式下的盈余预测能力					
变量	系数	t 统计量	变量	系数	t 统计量
<i>CE</i>	0.592***	2.94	<i>OI</i>	0.682***	2.84
<i>POS_NRE</i>	-0.110	-0.36	<i>POS_BI</i>	0.320	1.50
<i>NEG_NRE</i>	-0.115*	-1.94	<i>NEG_BI</i>	-0.154*	-1.82
Constant	-0.007	-0.76	Constant	-0.014	-1.34
N	4424		N	4424	
Model F-statistic	5.48***		Model F-statistic	2.99**	
R <sup>2</sup>	0.065		R <sup>2</sup>	0.069	

其中, *OI* 定义如表 1; *CE* 表示核心盈余,  $CE = (\text{利润总额} - \text{非经常性损益}) / \text{总资产}$ , *NRE* 表示非经常性损益项目金额的总合计/总资产; *POS\_NRE* 表示非经常性损益中正项目金额总和/总资产, *NEG\_NRE* 表示非经常性损益中负项目金额总和/总资产; *POS\_BI* 表示线下项目中正项目金额总和/总资产, *NEG\_BI* 表示线下项目中负项目金额总和/总资产。

另外值得讨论的是,在我国非经常性损益信息披露的监管环境下,暂时性损失反向预测能力的缓解,本文认为这是因为信息披露的有效性,使得上市公司的营业外支出项目更加规范,而不可否认的是如果“扣除非经常性损益后的净利润”的重要性使得上市公司为了提高核心利润,将持续性的损失转移到非经常性损失中(McVay, 2006),这种盈余管理方式也可降低暂时性盈余的反向预测能力。另一方面,我们也发现,伴随着线下项目持续性和预测能力的降低,经常性盈余的持续性和预测能力也在政策出台后的阶段也有所下降,我们推测这可能也与“特定的制度化引发上市公司的盈余管理手段转向更隐蔽的方式(吴溪, 2006)”有关。然而这种以政策为导向的盈余管理方式改变是否存在,仍有待于进一步深入分析,以新的视角研究非经常性损益政策监管的多重影响,而更重要地是在此基础上进一步探讨盈余属性异象产生的原因及提出应对措施。

此外,针对我国上市公司根据不同监管机构要求进行双重盈余分层的现状,本文的证据指出将盈余按持续性分层更有助于暂时性盈余的理论属性的恰当表达,尤其是可以降低暂时性收益的预测能力。然而,需要指出的是,非经常性损益仅是表外信息披露指标,尽管非经常性损益的信息披露增强了监管效用,但也带来了诸多

不便。一方面，非经常性损益的规定没有涉及和改变会计准则关于收入、费用确认计量的标准；另一方面，讨论某一项目是否应作为非经常性损益披露，也应以该项目符合会计准则中损益类项目的认定标准为前提，而中国的企业会计准则并没有要求企业对非经常性损益信息进行披露。这样使得暂时性盈余的信息披露同时受到两套标准监管，容易引起监管混乱，公司在运用过程中不能将非经常性损益与线下项目明确区分，也导致投资者需要同时通过利润表与表外披露关于盈余构成的两套体系理解公司的盈余质量，进而损失了监管效率。因此，我们认为在未来的研究中有必要进行重构利润表的研究，以避免监管效率缺失，并进一步增强财务报表的有用性。

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## Earnings Persistence and the Regulatory Effect of the CSRC Policy of Disclosing Non-recurring Items

Yan Meng, Chun Yuan, and Yu Gao

### Abstract

This paper presents an empirical study of the role of the CSRC policy of disclosing non-recurring items in earnings persistence and predictability, as well as how it works. After analysing the earnings of listed companies within one phase from 1996 to 1998 and another from 2000 to 2004, we find that in the first phase, below-the-line items show great positive persistence and positive predictive ability, which we call a persistence and prediction anomaly. But it is possible that the CSRC regulation on disclosing non-recurring items would help reduce the persistence and predictability of below-the-line items, especially for companies with earnings management. We also discover that improper disclosure of non-recurring items compared with below-the-line items does not eliminate the prediction anomaly or improve earnings quality. Furthermore, invalid disclosure produces another anomaly, namely the negative predictability of below-the-line items, which lessens the regulatory effect of the related CSRC disclosure policy. Finally, we compare the predictability of earnings in different disclosure modes for disaggregating earnings and find that the mode of differentiating core earnings between non-recurring earnings better shows the predictive ability of earnings. In a word, the research in this paper will not only help investors better understand the earnings quality of listed companies in China, but also benefit regulators in evaluating the current system of information disclosure.

**Keywords:** Non-recurring Items, Earnings Persistence, Information Disclosure, Regulatory Effect

**CLC codes:** F230, F275

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## I. Introduction

Earnings persistence is a key characteristic of earnings quality (Dechow and Dichev, 2002), on which basis the pricing of each earnings component may be explored. Lipe (1990) defines persistence in terms of the autocorrelation in earnings: regardless of the magnitude and sign of an earnings innovation, persistence captures the extent to which the current period innovation becomes a permanent part of the earnings series (e.g. a random walk is highly persistent, whereas a mean-reverting series has no persistence). Earnings can be disaggregated into recurring earnings and non-recurring items based on their different time-series properties. Accordingly, different earnings components have different predictability, namely the ability of past earnings to predict future earnings (Lipe, 1990). Theoretically, non-recurring items are transitory, unpredictable, and value irrelevant (Ohlson, 1999). Burgstahler *et al.* (2002) demonstrate that special items are less persistent than other earnings components; they also show significant differences between the time-series properties of positive-versus-negative special items in that negative items are more than completely transitory, reflecting interperiod transfers, whereas positive items are less than completely transitory. Gu and Chen (2004) draw similar conclusions that some non-recurring items are indeed persistent. Burgstahler *et al.* (2002), Moehrle (2002), and McVay (2004) consider that what misleads investors is that many listed companies shift recurring expenses to the non-recurring component.

Chen and Wang (2004) find that below-the-line items<sup>2</sup> of Chinese listed companies presented significant persistence and predictive ability from 1997 to 1999; they believe this anomaly is related to earnings management as well as to China's special institutional background. But their empirical results also show that in 2000, below-the-line items showed no predictability but were consistent with theoretical attributes. They do not explain this change, which greatly attracts our attention. What we find is a great change in the disclosure environment set by the China Securities Regulatory Commission (CSRC) for listed companies. In December 1999, the CSRC required listed companies to add the information of net income after deducting non-recurring items, as well as the details and sums of non-recurring items in the notes of their financial reports. In April 2001, the CSRC issued another special regulation on non-recurring items, which it later further revised. Is the policy related to non-recurring items disclosure the reason for the 2000 change? If it is, then could separate disclosure of non-recurring items improve earnings quality, and if so, how does it work? These unanswered questions have attracted us to dig more deeply.

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<sup>2</sup> In US literature, earnings are always disaggregated according to GAAP-specified lines in the income statement. Similarly, in China, the above-the-line item is operating income, while the below-the-line items are investment, government subsidies, non-operating income, and non-operating expenses.

With respect to other requirements on deducting non-recurring items from net income,<sup>3</sup> Xu *et al.* (2002), Wu (2006), and Meng *et al.* (2008) all find that the related policies have a positive effect on regulating companies' behaviour. Meanwhile, whether net income after deducting non-recurring items is value relevant and able to help investors in correct pricing has become another key issue (Li and Zhang, 2003; Meng and Yuan, 2005). However, the said literature overlooks one crucial matter. Although the policies play a role only in some companies that are in need of initial public offerings, seasoned equity offerings, or withdrawal of the "ST" status (the symbol marked for special treatment), the researchers fail to note that non-recurring items are still a tool of earnings management for many other companies. For example, the criterion of whether a company should be specially treated is not based on net income after deducting non-recurring items; therefore, the policies related to deducting these items are incapable of affecting earnings management motivated by other means, such as manipulating the non-recurring items to smooth earnings or avoid losses. Net income after deducting non-recurring items is thus not a universal regulatory guideline. Comparatively, the policy on disclosing non-recurring items separately has a much greater regulatory effect, because it can help inform users in differentiating the persistence and predictability of different earnings components, and thereby in pricing them correctly.

In view of the above considerations, we believe that the new institutional background provides a new perspective for reviewing the properties of below-the-line items as well as a great chance to observe and evaluate the policy's regulatory effect, thereby extending Chen and Wang's (2004) study. Thus, we focus on the role of the CSRC policy on disclosing non-recurring items in earnings persistence and predictive ability as well as on how it works. We find that (1) the CSRC policy on disclosing non-recurring items helps to show the inherent earnings persistence and predictive ability; (2) the policy prevents earnings management to a certain extent; (3) only with proper and valid disclosure of non-recurring items can the CSRC policy have a regulatory effect; and (4) differentiating between core earnings and non-recurring earnings shows better the predictive ability of earnings. On the one hand, our study provides empirical evidence for the effectiveness of the policy on disclosing non-recurring items; on the other hand, it helps us confirm the earnings persistence and predictability of Chinese listed companies in exploring further the pricing mechanism of each earnings component. Moreover, the discussion of the two modes for disaggregating earnings components supports the reformulation of the income statements of Chinese companies, which could enhance the usefulness of financial reports and avoid a loss of regulatory effectiveness.

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<sup>3</sup> Since 2001, the CSRC has applied definite requirements in earnings quality for companies that want to initiate public offerings, refinance (including seasoned equity offerings, rights issues, and convertible company bonds), or withdraw the "ST" status. In short, all relevant criteria are based on the lower of net income after deducting non-recurring items or net income.

The remainder of the paper is organised as follows. The next section discusses related literature, followed in the third section by a description of the institutional environment in China surrounding the policy on disclosing non-recurring items and by the development of the hypotheses. The fourth section describes the sample selected and relevant data. The fifth section contains a preliminary analysis of the effect of disclosing non-recurring items on the properties of below-the-line items. We further discuss the mechanism of this effect in the sixth section, followed in the seventh by a comparison between the two modes of disaggregating earnings. Finally, we draw our conclusions and make conjectures about future studies.

## II. Literature Review

Many US-based studies document that clear disclosure of special items helps investors see through earnings persistence and better understand a company's growth. Hanna (2001) examines the impact of special items on analyst forecasts of earnings and finds an increasing error in these forecasts when special items exist. Gu and Chen (2004) investigate the controversy over deviations of street earnings from GAAP earnings and find that the non-recurring items analysts include in street earnings are more persistent and have higher valuation multiples than the items they exclude. In addition, they suggest that since the primary use of street earnings is to value a stock, analysts do have expertise in processing earnings information, and certain items appear justifiably excluded. On the other hand, relevant literature also discusses whether special items can persist into the future. Burgstahler *et al.* (2002) provide more evidence by simultaneously examining the time-series properties and stock market pricing of recurring earnings versus special items. Focusing on quarterly earnings, they demonstrate that special items are less persistent than other earnings components; they also show significant differences between the time-series properties of positive-versus-negative special items in that negative items are more than completely transitory, reflecting interperiod transfers, whereas positive items are less than completely transitory.

Clearly, security markets in developed countries are more mature than those in China, and so is the information disclosure environment. But when investigating the characteristics of transitory items, we should bear in mind that companies that have an advantage on information may be driven to disclose their favoured "earnings", which is a universal rule. Therefore, some companies may manipulate transitory earnings to achieve certain purposes. Walsh *et al.* (1991) find that Australia-listed companies use special items as a tool for Big-Bath earnings management by transferring current profit to the following period. Craig and Walsh (1989) find that some companies also manage special items to smooth earnings within a period, such as by using some non-recurring losses to lower net income when it goes up, and that big companies are more likely to do so. Kinney and Trezvant (1997) document the differential reporting behaviour of firms with

respect to positive-versus-negative special items. They find that negative items are more likely to be reported separately in the income statement to emphasise their transitory nature, while positive items tend to be reported together with other items and discussed in notes to weaken their transitory nature. Jaggi and Baydoun (2001) investigate disclosure of extraordinary and exceptional items in the Hong Kong securities market and find that such disclosure is more likely to be a result of catering to market anticipation.

It is well known that special items are value-irrelevant and that analysts always treat them as transitory earnings. But if companies disclose these items in a disciplined manner, they might become part of permanent earnings. After examining the time-series properties of special items, McVay (2004) finds that 7 per cent of special items are persistent, which he thinks is a fake phenomenon resulting from some companies transferring recurring expenses to non-recurring losses. Similarly, Burgstahler *et al.* (2002) and Moehrlé (2002) find the same evidence. McVay (2006) finds direct evidence that earnings management by shifting classification exists in the US securities market. For example, managers may opportunistically shift expenses from core expenses (cost of goods sold and selling, general and administrative expenses) to special items. This vertical movement of expenses does not change bottom-line earnings, but does overstate core earnings. Therefore, earnings management is an important factor to consider when we investigate the characteristics of transitory earnings.

Transitory earnings always take up a high proportion of the income statements of Chinese listed companies, making them one of the most popular tools for manipulating earnings. To present company performance comprehensively and authentically, as well as to standardise the information disclosure of listed companies, in December 1999 the CSRC required all listed companies to append the information of net income after deducting non-recurring items as well as their details and sums to their financial reports. The policy drew much interest from both academics and practitioners, prompting much literature to discuss the recognition and disclosure of non-recurring items. Meng (2003) investigates the recognition criteria for, contents of, and disclosure status of non-recurring items, and calls on regulators to make the recognition criteria more definite in order to restrain earnings management. Wu and Cheng (2001) examine the disclosure of non-recurring items in the first implementation year. Their evidence shows that the items classified as non-recurring gains and losses by listed companies vary greatly, some of which do not even comply with the theoretical and regulatory characteristics. They also indicate that much of disclosure behaviour is substandard. Meng and Zhang (2003) further discuss the items that non-recurring earnings might include, and point out some problems of the existing policy in detail. They find that the non-recurring items disclosed by Chinese listed companies are quite complicated and disordered; they also report evidence for Big-Bath earnings management using non-recurring losses as a tool.

Because transitory items are more vulnerable to earnings management in Chinese listed companies (Wei and Jiang, 1998; Lu, 1999; Meng, 2003), the government always keeps an eye on the capital market. Literature on the impact of non-recurring items on earnings quality, however, is quite rare. Chen and Wang (2004) investigate the persistence, predictive ability, and value relevance of operating income versus below-the-line items in the Chinese securities market. From 1997 to 1999, below-the-line items showed significant persistence and predictability, while in 2000 the predictability disappeared, consistent with these items' inherent properties. This change in predictability before and after 1999 makes us wonder whether something important is being ignored. When we explore the institutional environment that might result in some anomalies (such as those found by Chen and Wang, 2004), we notice that more than one regulator is in charge of the earnings classification and disclosure of Chinese listed companies. But whereas Chen and Wang (2004) focus mainly on below-the-line items, which are regulated by the China Accounting Standards, we bring in the CSRC as another crucial regulator whose policies might affect earnings quality. Therefore, in the following sections we discuss whether the CSRC policy of separately disclosing non-recurring items has a regulatory effect on the properties of below-the-line items.

### **III. Institutional Background and Hypotheses Development**

According to the concept of persistence put forward by Ramakrishnan and Thomas (1998), different income components have different degrees of persistence. A company's core earnings are always the permanent components, which represent the company's profitability, operating status, and growing capability, while its occasional income is of a transitory nature, which is always vulnerable to earnings management. Since persistence is a proxy of earnings quality, the more persistent the earnings, the higher their quality. A company's permanent earnings should also come from its main business and regular operations. If a company's main business is more stable, then the earnings related to regular operations will be more persistent.

From the perspective of information on decision usefulness, investors use accounting information to help predict the future or correct their existing expectations. Because earnings of different persistence have different predictive ability, it is important to help investors tell transitory earnings from the permanent ones. For example, if the more persistent earnings are the source of high growth for a company, it will be able to sustain growth, and the earnings of the following periods will be more predictable. In contrast, if a business company's growth depends on its transitory earnings, such as securities investment, government subsidies, or non-operating gains, then growth will be more temporary and the earnings less predictable. Hence, if investors are able to gain good knowledge about the exact components of a company's earnings, they will be better able

to foretell a company's future and determine a correct price, which is fundamental to allocating resources in the capital market.

To make earnings more predictive, the key is to improve the earnings disclosure of listed companies by clearly differentiating recurring from non-recurring items. Investors should also clearly know the persistence of different items. As stated in the Objectives of Financial Reporting by the Financial Accounting Standards Board (FASB), financial reporting is intended to provide information that is useful to present and potential equity investors, lenders, and other creditors in making decisions in their capacity as capital providers, and one type of information concerns earnings and its components. Strong and Walker (1993) find that the return-earnings relationship is improved if it is able to differentiate extraordinary and exceptional items from the other earnings components. Therefore, transitory items should not be mixed with recurring items, since this will mislead investors in predicting a company's future performance. Previously in the income statements of Chinese listed companies, earnings were disaggregated into operating income, investment income, government subsidies, and non-operating gains and losses in accordance with the old China Accounting Standards. This rough disaggregation was based mainly on the different sources of earnings, such as their business nature, but neglected the persistence of earnings. Even after the concept of persistence was introduced into China, the old China Accounting Standards did not consider it a criterion for disaggregating earnings. Instead, it was another important regulator in the Chinese capital market, the CSRC, who defined non-recurring items for the first time and caused them to be compulsorily disclosed in the notes of financial reports as supplementary information on earnings persistence. The requirements indicated that regulators were giving additional attention to earnings persistence and predictability.

On 8 December 1999, the CSRC required all listed companies to append the information on net income, after deducting non-recurring items, and the details and sums of these items to their financial reports, in order to present a comprehensive and authentic picture of company performance as well as to standardise the accounting information disclosure of listed companies. Further, on 25 April 2001, the CSRC defined non-recurring items in detail in the *Information Disclosure Standardisation for Public Listed Companies Q&A1: On Non-recurring Items* (hereinafter "Q&A1"), stating that non-recurring earnings are gains or losses which are not related to a company's main business or whose nature, sum, and frequency prevent fair evaluation of a company's operating results and profitability. Moreover, this version of Q&A1 lists six items that should be included as non-recurring earnings and four items that might be non-recurring earnings. In January 2004, February 2007, and October 2008, the CSRC issued some additional series of regulations related to non-recurring items which revised the definition of non-recurring earnings and the list of items.

The 2004 revised Q&A1 provides a clearer definition of non-recurring earnings. The list of these earnings has changed from six to 14 items, deleting the four items previously listed as may-be-included. The 2007 revised Q&A1 lists 15 items according to changes in the new China Accounting Standards. Compared with the 2004 edition, the 2007 edition adds four new items, deletes three, and modifies six, with five items remaining unchanged, which greatly reduces the freedom of listed companies to classify non-recurring items. Seeking to resolve problems raised in the 2007 revised Q&A1, the CSRC issued another regulation, the *Explanation to Information Disclosure of Public Listed Companies: On Non-recurring Items No. 1*, which redefines non-recurring earnings and supplements the list of items. In the new regulation, non-recurring earnings are defined as transactions or gains/losses that are not related to a company's regular business or whose nature and frequency prevent fair evaluation of a company's operating results and profitability.

Theoretically, below-the-line items regulated by the China Accounting Standards and non-recurring items defined by the CSRC are all transitory in nature. But if listed companies use them as a tool to manipulate earnings, their inherent nature may be distorted, as shown in Chen and Wang (2004). That is to say, transitory earnings might take on persistence and predictability as a result of earnings management. But from the perspective of regulators, it would help listed companies to better differentiate permanent components and the transitory components of earnings, so as to mitigate earnings management, if they required compulsory and standardised disclosure of non-recurring items. As a result, the transitory components would show their theoretical character. Therefore, we develop the following hypotheses:

**H1a: After the CSRC regulation on compulsory disclosure of non-recurring items was promulgated, below-the-line items became less persistent.**

**H1b: After the CSRC regulation on compulsory disclosure of non-recurring items was promulgated, below-the-line items became less predictive.**

As for the anomalous nature of transitory components, some literature finds evidence that this is connected with earnings management. Burgstahler *et al.* (2002) find significant differences between the time-series properties of positive-versus-negative special items: negative items are more than completely transitory, reflecting interperiod transfers, whereas positive items are less than completely transitory. The evidence shown by Chen and Wang (2004) is consistent with this phenomenon. Since below-the-line items form a high proportion of earnings in most Chinese listed companies, they are more likely to be used as a tool to achieve the companies' earnings goals (Jiang and Wang, 2003; Wei *et al.*, 2007; Chen and Yuan, 2004; Haw *et al.*, 2005; Gao and Song, 2008). Since 2001, the definite earnings quality criteria that the CSRC has asked listed companies to achieve if they want to refinance (including seasoned equity offerings, rights issues,

and convertible company bonds) or to apply to withdraw ST status have been based on the lower of net income after deducting non-recurring items or net income. Although Meng *et al.* (2008) find that the motivation to manipulate below-the-line items has been weakened by those regulations, Wei *et al.* (2007) think that some fields remain without regulation in which earnings management motivated by earnings smoothing and loss avoiding still exists.

Companies with motivation to smooth earnings are more likely to manipulate below-the-line items, especially those companies achieving positive net income for two consecutive years and expecting net income to be positive in the third year; this is because they can more easily meet the requirements of refinancing in the Chinese stock markets, and because in the Chinese stock markets, investors also favour this type of company more. Wei *et al.* (2007) show that non-recurring items are significantly positive for companies with consecutive net income, which indicates that companies with good performance will also manage earnings through non-recurring items for certain purposes. Therefore, we consider that below-the-line items of good-performing companies motivated by posting net income for consecutive periods will take on positive persistence and predictability, because this type of company is more likely to “produce” positive non-recurring items over several years. For loss companies who do not want to be specially treated, they must assure they will not incur another year of loss. If they post a loss in the current year, they will probably use negative below-the-line items to increase the extent of the loss. Then in the following year, those items will revert to turn the loss into profit. As a result, they successfully avoid loss for two consecutive years, which would cause them to be specially treated in the stock market. We call this type of behaviour as taking a Big Bath, and it always involves interperiod transfers of expenses. For this type of company, below-the-line items will show negative persistence and predictability (Chen and Wang, 2004).

Considering the two types of earnings management using below-the-line items as a tool, we believe that the CSRC’s compulsory disclosure of non-recurring earnings, particularly the definite list of items, will help to lessen earnings management because the disclosure will make the cost of managing earnings much higher. Therefore, we suppose that the regulation on disclosing non-recurring items will have an impact on restraining manipulation of below-the-line items, and we develop the following two hypotheses:

**H2a: After the CSRC promulgated the regulation on compulsory disclosure of non-recurring items, the positive persistence and predictability of below-the-line items were reduced for companies with consecutive net income motivation.**

**H2b: After the CSRC promulgated the regulation on compulsory disclosure of non-recurring items, the negative persistence and predictability of below-the-line items were mitigated for companies with a Big-Bath motivation.**



Considering the relationship between non-recurring items and below-the-line items, both are transitory earnings and should be much but not exactly the same for a company; this is highly expected by the regulator, who requires compulsory disclosure of non-recurring items. If the two transitory earnings are of different signs, meaning that the impact on net income runs in different directions, this is not what the CSRC intends, and we call this improper disclosure of non-recurring items.<sup>4</sup> On the other hand, if the sums of two transitory earnings are exactly the same for many companies, we consider the disclosure of non-recurring items to be a conceptual conversion of below-the-line items, which plays no role in providing additional useful information. We call this invalid disclosure of non-recurring items.

From the perspective of information disclosure, regulations on compulsory disclosure of non-recurring items are intended to provide additional useful earnings information in order to help investors better evaluate the performance of listed companies. But, as the advantageous side of insider information, listed companies will always make their favoured disclosures based on their own interests (Kinney and Trezevant, 1997). In particular, under unsound regulation, if the company does not disclose non-recurring items according to regulations, it can probably hide some non-recurring items at will and as a result manipulate below-the-line items more easily. In our opinion, earnings management happens more often in companies with improper and invalid disclosure of non-recurring items, which distorts the inherent properties of below-the-line items and makes the policy less effective. Therefore, we develop the following hypotheses:

**H3a: In the years under the CSRC regulations, below-the-line items of companies with disclosure of non-recurring items show a lower predictive ability.**

**H3b: In the years under the CSRC regulations, when the two transitory earnings are both income-increasing/decreasing, the anomalous predictability of below-the-line items can be reduced.**

**H3c: In the years under the CSRC regulations, when disclosure of non-recurring items provides additional useful information, the predictability of below-the-line items can be reduced.**

## **IV. Sample Selection and Descriptive Statistics**

### **4.1 Sample Selection**

Although the CSRC issued the regulation in December 1999 requiring all listed companies to disclose information about non-recurring earnings, Wu and Cheng (2001)

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<sup>4</sup> Below-the-line items and non-recurring items belong to two different definitions. Because it might be normal for them to be of different signs for a company, “improper disclosure” does not apply to every company. But if this should happen to many companies, it would be a more universal proxy for the mechanism that describes the effect of disclosing non-recurring items on the properties of below-the-line items. The same is also true for the proxy of invalid disclosure.

find that many kinds of items are deemed non-recurring by the listed companies, most of which are not in accordance with the theoretical characteristics of non-recurring items. Moreover, a variety of substandard disclosure behaviours greatly weakens the reliability, comparability, and effectiveness of non-recurring items disclosure. Hoffman and Zimmer (1994) additionally prove the ineffectiveness of a policy in its first year of implementation. Therefore, we define the year 2000 as the first year of effective implementation of the non-recurring earnings disclosure policy, and mainly analyse the difference in earnings properties before and after 1999.

It is noticeable that Chinese listed companies began to implement the new Accounting Standards in 2007, which weakens the comparability of earnings between 2006 and 2007 and other accounting periods. Thus, we remove the observations in 1999 and finally select the observations from 1996 to 1998 (before the policy) and those from 2000 to 2004 (after the policy) of all A-share non-financial listed companies as the sample. After excluding missing data, we obtain 7,632 observations in total. All data are taken from the Wind database and analysed with software package STATA 10.0.

In addition to the four below-the-line items (investment income, government subsidy, non-operating income, and non-operating expense) listed in the Enterprise Accounting System,<sup>5</sup> the Wind database also provides two other items: prior-period adjustments and other gains/losses. Because the two items are smaller in sum and lower in frequency, we define them together as “other below-the-line items”. To eliminate the impact of different company sizes, we scale all variables, such as net income, operating income, and below-the-line items, by total assets at the end of the year. A positive variable stands for income and a negative variable for expense.

## 4.2 Descriptive Statistics

### 4.2.1 Overview of Earnings Components

Table 1 shows the descriptive statistics of all variables. The means of net income, operating income, and total below-the-line items scaled by total assets are respectively 0.0324, 0.0286, and 0.0038; operating income is also the major component of net income. The median and mean of *BI* (total below-the-line items) are both significantly above zero, indicating great transitory earnings that increase income, which is attributable to the unique institutional background of China (Chen and Wang, 2004).<sup>6</sup> In addition, although *BI* is smaller than *OI* (operating income) and takes a smaller percentage in

<sup>5</sup> The period of the selected sample is from 1996 to 2004, during which listed companies reported their income statements according to the old China Accounting Standards despite the new China Accounting Standards.

<sup>6</sup> Unlike managers in China, Kinney and Trezvant (1997) point out that managers of US firms are more likely to report income-decreasing special items than income-increasing special items, and always emphasise their transitory nature.

*NI* (net income), its maximum of 0.8237 is close to that of *OI*, while its minimum of -5.6530 is significantly smaller than that of *OI*. After analysing all components of *BI*, we easily see that *NOE* (non-operating expense) is the main reason for a negative *BI*; also, the median and mean of *INV* (investment income) and *NOE* are relatively larger with greater variance, while the sum of other below-the-line items is quite small.

**Table 1** Descriptive Statistics of the Whole Sample

Variable	N	Mean	Std Dev	Min	Median	Max
<i>NI</i>	7632	0.0324	0.1670	-6.3377	0.0461	0.5135
<i>OI</i>	7632	0.0286	0.1117	-3.4834	0.0364	1.0074
<i>BI</i>	7632	0.0038	0.0886	-5.6350	0.0033	0.8237
<i>INV</i>	7632	0.0045	0.0528	-4.1163	0.0008	0.4603
<i>SUB</i>	7632	0.0024	0.0082	-0.0059	0.0000	0.4035
<i>NOI</i>	7632	0.0032	0.0143	-0.0005	0.0006	0.7888
<i>NOE</i>	7632	-0.0063	0.0533	-1.8281	-0.0010	0.0000
<i>OTH</i>	7632	-0.0001	0.0040	-0.1344	0.0000	0.1258

*NI*: income before taxes; *OI*: operating income; *BI*: total below-the-line items; *INV*: investment income; *SUB*: government subsidy; *NOI*: non-operating income; *NOE*: non-operating expense; *OTH*: prior-period adjustments and other gains/losses. All variables are scaled by total assets at the end of the year.

#### 4.2.2. Description of Earnings Components in Each Year<sup>7</sup>

In Panel A of Table 2, the median of the percentage of *OI* in *NI* shows an increasing trend, with 0.8066 in 1996 and 0.9705 in 2004, whereas *BI* shows just the opposite, with the median of its percentage in *NI* being 0.1934 in 1996 and 0.0295 in 2004.

Among *BI*'s components, *INV* and *NOI* (non-operating income) act almost the same as *BI*, representing a descending trend from 1996 to 2004. *SUB* (government subsidy) takes a small percentage in *NI*, with a median of nearly 0 for most years; exceptions are found for 2003 and 2004, in which the values are 0.0006 and 0.0002, respectively. The proportion of *NOE* in *NI* varies from year to year, and *OTH* (other items) takes a tiny percentage with a median of 0 for every year.

<sup>7</sup> According to the signs, calculating the proportions of each component in net income can be classified into one of four situations: (1) the component and net income are both positive; (2) the component is positive while net income is negative; (3) the component is negative while net income is positive; (4) both are negative. Among the four situations, only the proportions calculated in situations (1) and (4) are meaningful. Since there are many variables, if we delete all observations that fall into situations (2) and (4) when calculating each component, we will lose many of them; as a result, the test in the latter sections will be impaired. Considering that the purpose of calculating the proportions of each component is to draw an approximate picture, we choose the median as the main statistic to achieve this goal.

**Table 2** Description of Earnings Components

Panel A: Median of Each Earnings Component by Year

	1996	1997	1998	2000	2001	2002	2003	2004
<i>OI/NI</i>	0.8066	0.8555	0.8423	0.8702	0.9087	0.9456	0.9533	0.9705
<i>BI/NI</i>	0.1934	0.1445	0.1577	0.1298	0.0913	0.0544	0.0467	0.0295
<i>INV/NI</i>	0.1151	0.0709	0.0328	0.0452	0.0344	0.0075	0.0076	0.0013
<i>SUB/NI</i>	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0006	0.0002
<i>NOI/NI</i>	0.0327	0.0267	0.0171	0.0195	0.0083	0.0065	0.0067	0.0067
<i>NOE/NI</i>	-0.0126	-0.0084	-0.0115	-0.0126	-0.0170	-0.0216	-0.0215	-0.0189
<i>OTH/NI</i>	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
N	470	666	766	992	1073	1143	1213	1309

Panel B: Comparison of Earnings Components between the Two Phases

Median	<i>OI/NI</i>	<i>BI/NI</i>	<i>INV/NI</i>	<i>SUB/NI</i>	<i>NOI/NI</i>	<i>NOE/NI</i>	<i>OTH/NI</i>
<i>PHASE</i> = 0	0.8410	0.1590	0.0624	0.0000	0.0238	-0.0104	0.0000
<i>PHASE</i> = 1	0.9331	0.0669	0.0122	0.0000	0.0083	-0.0182	0.0000
z-test	-14.01***	14.01***	14.36***	-9.76***	13.16***	8.92***	0.41

The earnings variables are defined in Table 1; *PHASE* = 0 stands for years 1996 to 1998 with 1902 observations; *PHASE* = 1 stands for years 2000 to 2004 with 5730 observations; \*, \*\*, and \*\*\* denote significance at the 10%, 5%, and 1% levels in two-tailed T tests, respectively. The same denotations apply in the following tables.

## V. The Regulatory Effect of Disclosing Non-recurring Items

### 5.1 The Effect on Income Structure

To test the effect of compulsory disclosure of non-recurring earnings required by the CSRC in 1999, we divide the sample into two phases to examine the changes in income structure before and after 1999. That is to say, *PHASE* 0 represents the period before 1999, and *PHASE* 1 the period after 1999.

Panel B of Table 2 describes the median of the proportion of each variable in NI. In the second phase, the percentage of *OI* in *NI* significantly improves (at the level of 1 per cent, Mann-Whitney test), while the percentage of *BI* in *NI* significantly declines (at the level of 1 per cent, Mann-Whitney test). In detail, *INV* and *NOI* are consistent with *BI*, while *SUB* and *NOE* indicate an opposite trend, and *OTH* shows no obvious trend. Regarding income structure, following the regulation, we see that the income-increasing below-the-line items decline, while the income-decreasing ones abnormally increase. We think, based on this phenomenon, that the importance of the income-increasing below-the-line items has been greatly reduced since the earnings quality criterion related to

net income, after deducting non-recurring earnings, has an increasingly greater influence on the listed companies. This reflects the policy orientation effect of the regulations on accounting information disclosure.<sup>8</sup>

## 5.2 The Effect on Earnings Properties

### 5.2.1 Preliminary Test of the Policy's Effectiveness

Some literature (Kormendi and Lipe, 1997; Easton and Zmijewski, 1989; Collins and Kothari, 1989) defines earnings persistence as the coefficient of earnings responding to the stock price. Lipe (1990), on the other hand, defines it in terms of the autocorrelation in earnings: regardless of the magnitude and sign of an earnings innovation, persistence captures the extent to which the current period innovation becomes a permanent part of the earnings series (a random walk is highly persistent, while a mean-reverting series has no persistence). He also defines predictability as the ability of past earnings to predict future earnings. We borrow these definitions from Lipe (1990) and build new models based on the autocorrelation model and prediction model (Chen and Wang, 2004), disaggregating the components of *BI*, to analyse the predictive ability of each component.

$$X_{t+1} = \alpha_0 + \alpha_1 X_t + \varepsilon \quad (1)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \varepsilon \quad (2)$$

$$NI_{t+1} = \gamma_0 + \gamma_1 OI_t + \gamma_2 INV_t + \gamma_3 SUB_t + \gamma_4 NOI_t + \gamma_5 NOE_t + \gamma_6 OTH_t + \varepsilon \quad (3)$$

To examine the differences in the persistence and predictive ability of *BI* between *PHASE 0* and *PHASE 1*, we extend the above models by adding two variables: a dummy variable *PHASE* and its interactive variable with *BI*.

$$X_{t+1} = \alpha_0 + \alpha_1 X_t + \alpha_2 PHASE + \alpha_3 X_t * PHASE + \varepsilon \quad (4)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 PHASE + \beta_4 OI_t * PHASE + \beta_5 BI_t * PHASE + \varepsilon \quad (5)$$

$$NI_{t+1} = \gamma_0 + \gamma_1 OI_t + \gamma_2 INV_t + \gamma_3 SUB_t + \gamma_4 NOI_t + \gamma_5 NOE_t + \gamma_6 OTH_t + \gamma_7 PHASE + \gamma_8 OI_t * PHASE + \gamma_9 INV_t * PHASE + \gamma_{10} SUB_t * PHASE + \gamma_{11} NOI_t * PHASE + \gamma_{12} NOE_t * PHASE + \gamma_{13} OTH_t * PHASE + * \varepsilon, \quad (6)$$

where  $X_t$  represents each component of earnings, and each variable is scaled by total assets at the end of the year. Tables 3 and 4 show the regression results.

<sup>8</sup> This paper does not rule out the possibility that the manner of earnings management varies with the policy.

**Table 3** Persistence of Each Earnings Component in Two Phases

Variable	PHASE = 0		PHASE = 1		Pooled Sample			
	$\alpha_1$	R <sup>2</sup>	$\alpha_1$	R <sup>2</sup>	$\alpha_1$	$\alpha_2$	$\alpha_3$	R <sup>2</sup>
<i>NI</i>	0.614***	0.276	0.234***	0.032	0.614***	-0.010*	-0.380***	0.050
	13.58		3.37		13.58	-1.92	-4.54	
<i>OI</i>	0.717***	0.378	0.335***	0.069	0.717***	-0.003	-0.383***	0.100
	16.68		3.65		16.69	-0.68	-3.79	
<i>BI</i>	0.237***	0.048	0.025	0.000	0.237***	-0.016***	-0.212**	0.007
	4.52		0.40		4.52	-8.28	-2.48	
<i>INV</i>	0.313***	0.097	0.043	0.001	0.313***	-0.006***	-0.269***	0.008
	4.29		0.94		4.30	-5.31	-3.14	
<i>SUB</i>	0.383***	0.122	0.248**	0.060	0.383***	-0.001*	-0.136	0.074
	5.86		2.21		5.87	-1.74	-1.05	
<i>NOI</i>	0.330***	0.060	0.082	0.005	0.330***	-0.001*	-0.249***	0.018
	5.78		1.57		5.78	-1.82	-3.66	
<i>NOE</i>	0.229**	0.039	0.192***	0.024	0.229**	-0.006***	-0.037	0.026
	2.30		2.63		2.30	-5.56	-0.30	
<i>OTH</i>	-0.035	0.001	0.137	0.021	-0.035	0.000	0.172	0.005
	-0.91		1.08		-0.91	0.85	1.30	
N	1902		5730		7632			

The earnings variables are defined in Table 1; *PHASE* = 0 stands for years 1996 to 1998, and *PHASE* = 1 for years 2000 to 2004; for the pooled sample, the t-statistics of the regression coefficients are calculated based on clustered standard errors; the same is presented in the next few tables.

In Table 3, compared with *BI*, *OI* shows a higher persistence in both *PHASE* 0 and *PHASE* 1, and the model has a high R<sup>2</sup>. When we divide the sample into two phases, we find that, before 1999, *BI* and its components (except for *OTH*) all have high autocorrelation coefficients, with values of 0.237, 0.313, 0.383, 0.330, and 0.229 (all significant); each autocorrelation model also has high goodness of fit, indicating high earnings persistence. This is just the opposite of the viewpoint of the nature of transitory earnings (Ohlson, 1999), but is the same as the anomaly found by Chen and Wang (2004). After 1999, however, when the CSRC required all listed companies to disclose non-recurring items, the coefficient of *BI* is reduced to 0.025 and is insignificant, indicating that it is no longer persistent. Using the pooled sample data, we see a significant difference in the coefficient of *BI* between the two phases; the coefficients of each component of *BI* are respectively 0.043, 0.248, 0.082, and 0.192, showing lower persistence. Moreover, the coefficients of *SUB* and *NOI* are both significantly different between the two phases, which supports H1a. It is noticeable that *SUB* and *NOI* are still persistent in *PHASE* 1, with small changes in coefficients. This accords with the fact that Chinese listed companies enjoy lots of fiscal subsidies from local governments (Chen

and Li, 2001; Wei *et al.*, 2007), and that they manipulate earnings through disposing or writing off assets and through other non-operating income or expenses (Wei *et al.*, 2007).

In both phases in Panel A of Table 4, *OI* has a larger coefficient than *BI* (significant at the 1 per cent level, F-test), indicating that *OI* is more closely related to future earnings and thus more predictive in accordance with the theory. Analysing the coefficients of *BI* in both phases, we find that in *PHASE 0* *BI* shows stronger predictability with a coefficient of 0.274 (significant at the 1 per cent level), which accords with the conclusion of Chen and Wang (2004), representing the anomaly of *BI*. In *PHASE 1*, on the other hand, *BI* has a small negative coefficient of -0.107 (significant at the 5 per cent level). The predictive ability of *BI* in both phases is thus significantly different, thereby supporting H1b.

But we also find that although the predictability of *BI* disappears, a new anomaly emerges – negative predictability,<sup>9</sup> which is in contrast to its theoretical properties. To see clearly how the predictive ability of *BI* varies, we examine predictability from year to year. The results in Panel C of Table 4 show that *BI* has a significantly positive relationship with future earnings from 1996 to 1998, indicating strong predictability, but an insignificant relationship from 2000 to 2001, which is the inherent theoretical property of *BI*. Consistent with the results in Panel A, the coefficient of *BI* turns out to be significantly negative from 2002 to 2004, along with a growing coefficient of *OI*. Although the fact that *BI*'s persistence keeps declining arouses much interest, its growing negative coefficient concerns us. We have to doubt that it is likely because companies are using new means of earnings management to ensure the persistence of *OI*. If so, the regulatory effect of disclosing non-recurring items is lessened, indicating a bad economic consequence of policy orientation.

### 5.2.2 Analysis of the Change in *BI*'s Predictability

After disaggregating *BI*, we find some rules from Panel B of Table 4. In *PHASE 0*, the coefficients of *INV*, *SUB*, *NOI*, and *NOE* are 0.272, 0.646, 0.753, and -0.867, respectively (all significant), while *OTH* is unrelated to future earnings (an insignificant coefficient). Hence, the negative correlation between *BI* and future earnings begins as early as before the regulation, rather than only in *PHASE 1*, indicating that it is not a bad economic consequence of policy orientation. DeAngelo *et al.* (1992), Burgstahler *et al.* (2002), McVay (2004), and Chen and Wang (2004) demonstrate that transitory earnings have predictability as a result of interperiod transfers of expenses. Chinese listed companies placed greater importance on *NI* before 1999, and thus they tended to improve it by manipulating transitory earnings (Wei and Jiang, 1998; Lu, 1999), resulting in the

<sup>9</sup> This is the negative correlation between current earnings and future earnings (Chen and Wang, 2004). Such negative predictability is reflected mainly in the cross-period transfer of expenses. For example, companies with Big-Bath motivation tend to disclose a large amount of expenses to show a huge loss in the current period, and reverse the expenses in the following period to record a profit, resulting in a negative relationship between earnings before and after.

positive persistence and predictability of *INV*, *SUB*, and *NOI*. On the other hand, Lu (1999) finds interperiod transfers in Big-Bath–motivated listed companies, resulting in a reversal of *NOE* (Chen and Wang, 2004). In addition, because many regulations use net income as an important indicator, companies regularly manipulate earnings through *BI* to improve performance, causing *BI* to have a positive predictive ability (*BI*'s coefficient in *PHASE* 0 of Model 2 is 0.274, significant at the 1 per cent level).

In *PHASE* 1, the coefficients of *INV*, *SUB*, and *NOI* decrease to 0.035, 0.129, and 0.290, respectively, and are all insignificant, indicating an unobvious predictability. The absolute value of *NOE*'s coefficient diminishes, showing a diminished negative correlation with future earnings. *OTH*'s coefficients are insignificant in both phases, indicating a non-predictive ability consistent with its inherent properties. We believe that implementing the disclosure of non-recurring items results in increasingly greater importance of the earnings quality criterion related to net income after deducting non-recurring items, and it then changes the companies' motivation to manage earnings. That is to say, companies find that they can no longer meet the requirements of regulators by improving profits only through transitory earnings, which reduces the persistence and predictability of *BI* such as *INV*, *SUB*, and *NOI* and hence ameliorates the anomaly of *BI*. As for the reduced negative predictability of *NOE*, we believe that this results from increases in the costs of earnings management as a result of implementing the policy on disclosing non-recurring items, which greatly reduces the interperiod transfer of the Big Bath. Moreover, the anomaly of the persistence of each component of *BI* has greatly diminished, also indicating the effectiveness of the regulations,<sup>10</sup> and so supports H1b.

**Table 4** Predictability of Each Earnings Component

Panel A: Predictability of *OI* and *BI* in Two Phases

Variable	<i>PHASE</i> = 0		<i>PHASE</i> = 1		Pooled Sample	
	coefficient	t-statistic	coefficient	t-statistic	coefficient	t-statistic
<i>OI</i>	0.667***	14.41	0.495***	3.98	0.667***	14.42
<i>BI</i>	0.274***	2.98	-0.107**	-2.25	0.274***	2.98
<i>PHASE</i>					-0.018***	-3.02
<i>OI*PHASE</i>					-0.172	-1.32
<i>BI*PHASE</i>					-0.382***	-3.58
Constant	0.015***	4.10	-0.003	-0.65	0.015***	4.10
N	1902		5730		7632	
Model F-statistic	103.99***		8.25***		91.06***	
R <sup>2</sup>	0.287		0.054		0.071	
F-test	17.89***		16.35***		17.91***	

<sup>10</sup> Another possibility for the reduction of the negative predictability of *NOE* is that companies tend to shift recurring expenses as non-recurring items in order to improve core earnings. Therefore, the persistence of *NOE* improves, indicating the reduction of its negative relationship to future earnings. The effectiveness of the regulation cannot, however, be denied because the persistence of the income-increasing below-the-line items does disappear.



Panel B: Predictability of Each Below-the-line Item

Variable	<i>PHASE</i> = 0		<i>PHASE</i> = 1		Pooled Sample	
	coefficient	t-statistic	coefficient	t-statistic	coefficient	t-statistic
<i>OI</i>	0.700***	14.55	0.551***	3.97	0.700***	14.56
<i>INV</i>	0.272**	2.24	0.035	0.58	0.272**	2.24
<i>SUB</i>	0.646***	3.39	0.129	0.54	0.646***	3.39
<i>NOI</i>	0.753***	3.70	0.290	1.48	0.753***	3.70
<i>NOE</i>	-0.867*	-1.70	-0.319**	-1.97	-0.867*	-1.71
<i>OTH</i>	0.238	1.08	-0.744	-0.32	0.238	1.08
<i>PHASE</i>					-0.015**	-2.07
<i>OI*PHASE</i>					-0.149	-1.03
<i>INV*PHASE</i>					-0.237*	-1.89
<i>SUB*PHASE</i>					-0.516	-1.60
<i>NOI*PHASE</i>					-0.463	-1.63
<i>NOE*PHASE</i>					0.548	1.03
<i>OTH*PHASE</i>					-0.982	-0.42
Constant	0.007*	1.77	-0.008	-1.29	0.015**	2.42
N	1902		5730		7632	
Model F-statistic	39.91***		3.72***		45.29***	
R <sup>2</sup>	0.301		0.057		0.074	

Panel C: Predictability of *OI* and *BI* by Year

Year	<i>OI</i>		<i>BI</i>		N	F-statistic	Adj. R <sup>2</sup>
	coefficient	t-statistic	coefficient	t-statistic			
1996	0.736***	16.67	0.323***	2.97	470	141.39***	0.375
1997	0.849***	18.71	0.300***	2.82	666	177.78***	0.347
1998	0.552***	14.32	0.276**	2.35	766	114.40***	0.229
2000	0.666***	6.66	-0.067	-0.31	992	23.61***	0.044
2001	0.396***	5.14	0.178	1.01	1073	28.74***	0.049
2002	0.208***	6.91	-0.049**	-2.07	1143	24.18***	0.039
2003	0.454***	7.00	-0.152*	-1.68	1213	24.47***	0.037
2004	0.808***	10.98	-0.264**	-2.17	1309	67.25***	0.092

The earnings variables are defined in Table 1; *PHASE* = 0 stands for years 1996 to 1998, and *PHASE* = 1 for years 2000 to 2004; the F-test is a test of coefficient equality between *OI* and *BI*. To simplify Panel B, we present the results without the constant variable.

### 5.3 Restriction on Earnings Management from Regulations

From comparing the two phases above, we see that the regulation has played an important role in reducing the predictability of  $BI$ . But plenty of literature points out that transitory earnings such as  $BI$  are an important tool of earnings management in China (Jiang and Wang, 2003; Wei *et al.*, 2007; Chen and Yuan, 2004; Haw *et al.*, 2005; Gao and Song, 2008). To see clearly the regulatory effect of the policy, we add two dummy variables  $CP$  and  $BB$ , respectively, representing the consecutive net income motivation and the Big-Bath motivation.<sup>11</sup> In detail, when  $NI_{t-1} > 0$  and  $NI_t > 0$ ,  $CP_t = 1$ , and 0 otherwise;<sup>12</sup> when  $OI_t < 0$  and  $BI_t < 0$ ,  $BB_t = 1$ , and 0 otherwise.<sup>13</sup> Considering the effect of earnings management on  $BI$ , we add the two motivations and their interaction terms with  $BI$  into the persistence model and the prediction model. The extended models are as follows:

$$BI_{t+1} = \alpha_0 + \alpha_1 BI_t + \alpha_2 CP_t + \alpha_3 BB_t + \alpha_4 PHASE + \alpha_5 BI_t * CP_t + \alpha_6 BI_t * BB_t + \alpha_7 BI_t * CP_t * PHASE + \alpha_8 BI_t * BB_t * PHASE + \varepsilon \quad (7)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 CP_t + \beta_4 BB_t + \beta_5 PHASE + \beta_6 BI_t * CP_t + \beta_7 BI_t * BB_t + \beta_8 BI_t * CP_t * PHASE + \beta_9 BI_t * BB_t * PHASE + \varepsilon \quad (8)$$

**Table 5** Properties of  $BI$  with Earnings Management

Panel A: Persistence of  $BI$  with Earnings Management

Variable	$PHASE = 0$		$PHASE = 1$		Pooled Sample	
	coefficient	t-statistic	coefficient	t-statistic	coefficient	t-statistic
$BI$	0.088	0.78	-0.472**	-2.35	-0.445**	-2.19
$CP$	-0.002	-0.45	-0.001	-0.37	-0.004	-0.93
$BB$	0.003	0.48	-0.056***	-3.50	-0.049***	-3.49
$PHASE$					-0.014***	-7.55
$BI*CP$	0.360***	2.94	0.811***	7.28	0.772***	3.75
$BI*BB$	-0.311**	-2.20	0.460*	1.89	-0.200	-0.81
$BI*CP*PHASE$					0.029	0.22
$BI*BB*PHASE$					0.638***	4.81
Constant	0.009**	1.84	0.001	0.22	0.016***	3.40
N		1902		5730		7632
Model F-statistic		35.16***		27.43***		57.07***
R <sup>2</sup>		0.116		0.030		0.033
$F(BI + BI*CP)$		148.30***		6.87***		42.10***
$F(BI + BI*BB)$		6.06**		0.04		19.66***
$F(BI + BI*CP + BI*CP*PHASE)$						7.27***
$F(BI + BI*BB + BI*BB*PHASE)$						0.01

<sup>11</sup> The motivations in these situations are both related to earnings manipulation, without emphasising net income after deducting non-recurring items.

<sup>12</sup> This is consistent with the judgment on consecutive profit in Wei *et al.*, (2007); we have also tested the variable's robustness. When  $CP_t = 1$  represents  $NI_{t-1} > 0$ ,  $NI_t > 0$ , and  $NI_{t+1} > 0$ , it does not influence the conclusion.

<sup>13</sup> This is consistent with the variable designed in Chen and Wang (2004); we have also tested its robustness. If  $BB = 1$  represents  $NI_t < 0$  and  $NI_{t+1} > 0$ , it does not influence the conclusion.

Panel B: Predictability of *BI* with Earnings Management

Variable	<i>PHASE</i> = 0		<i>PHASE</i> = 1		Pooled Sample	
	coefficient	t-statistic	coefficient	t-statistic	coefficient	t-statistic
<i>OI</i>	0.695***	12.13	0.322**	2.32	0.355***	2.68
<i>BI</i>	0.533***	2.75	0.062	0.30	0.097	0.51
<i>CP</i>	0.032**	2.04	0.037***	4.79	0.036***	5.02
<i>BB</i>	0.023	1.01	-0.114***	-3.73	-0.097***	-3.53
<i>PHASE</i>					-0.025***	-5.31
<i>BI*CP</i>	0.047	0.22	0.163	1.10	0.120	0.70
<i>BI*BB</i>	-1.255***	-3.84	-0.210	-0.82	-1.288***	-3.38
<i>BI*CP*PHASE</i>					0.049	0.43
<i>BI*BB*PHASE</i>					1.036***	3.32
Constant	-0.023	-1.56	-0.018**	-2.50	0.004	0.48
N	1902		5730		7632	
Model F-statistic	48.14***		18.85***		32.91***	
R <sup>2</sup>	0.310		0.087		0.100	
F( <i>BI</i> + <i>BI*CP</i> )	56.74***		3.50*		2.90*	
F( <i>BI</i> + <i>BI*BB</i> )	7.87***		4.09**		15.00***	
F( <i>BI</i> + <i>BI*CP</i> + <i>BI*CP*PHASE</i> )					5.24**	
F( <i>BI</i> + <i>BI*BB</i> + <i>BI*BB*PHASE</i> )					4.40**	

The earnings variables are defined in Table 1; *PHASE* = 0 stands for years 1996 to 1998, and *PHASE* = 1 for years 2000 to 2004; *CP* and *BB* are dummy variables, respectively, representing the consecutive net income motivation and the Big-Bath motivation. In detail, when  $NI_{t-1} > 0$  and  $NI_t > 0$ ,  $CP_t = 1$ , and 0 otherwise; when  $OI_t < 0$  and  $BI_t < 0$ ,  $BB_t = 1$ , and 0 otherwise.

In Panel A of Table 5, the F-test of ( $BI + BI*CP = 0$ ) shows that before the regulation, the persistence coefficient of *BI* for companies with the consecutive net income motivation is 0.448 ( $0.088 + 0.360 = 0.448$ ), significant at the 1 per cent level, while its coefficient for predicting future earnings is 0.580 ( $0.533 + 0.047 = 0.580$ ), also significant at the 1 per cent level, both of which reflect high-level earnings management. Comparatively, after the regulation, the coefficients of the two models are reduced to 0.339 ( $-0.472 + 0.811 = 0.339$ ) and 0.225 ( $0.062 + 0.163 = 0.225$ ), with significance at the 1 per cent and 10 per cent levels. The results indicate that compared with *PHASE* 0, the persistence and predictability of below-the-line items in *PHASE* 1 are reduced, reflecting mitigated earnings management. But the interaction term *BI\*CP\*PHASE* in the two models also shows that the differences in persistence and predictability of below-the-line items are insignificant between the two phases. As a result, the evidence supports H2a only to a certain extent.

For companies with the Big-Bath motivation, the F-test of  $(BI + BI*BB = 0)$  shows that before the regulation, the coefficient for persistence of  $BI$  is  $-0.223$  ( $0.088 - 0.311 = -0.223$ ), significant at the 5 per cent level, while its coefficient for predicting future earnings is  $-0.722$  ( $0.533 - 1.255 = -0.722$ ), significant at the 1 per cent level, also reflecting high-level earnings management. But after the regulation, the F-test of  $(BI + BI*BB = 0)$  shows that the persistence of below-the-line items is no longer significant in that the coefficient for predictive ability becomes  $-0.148$  ( $0.062 - 0.210 = -0.148$ ) with significance at the 5 per cent level, showing a great reduction in Big-Bath-motivated earnings management. The results thus indicate that the regulation on disclosing non-recurring items is effective. Moreover, the interaction term  $BI*BB*PHASE$  in the two models expresses a significant difference in the persistence and predictability of below-the-line items between the two phases, thus supporting H2b.

#### 5.4 Impact of the Enterprise Accounting System

When discussing changes in the persistence and predictability of below-the-line items, we also notice another transformation in the institutional environment, namely, the Enterprise Accounting System, which was implemented on 1 January 2001. Compared with the Accounting System for Limited Corporations promulgated in 1998, one of its most important changes is its requirement that companies apply the write-off rule to property, plant, and equipment, constructions in progress, intangible assets, and entrust loans (hereinafter “four new write-off items”), apart from the four old write-off items, which are accounts receivable, inventory, short-term investment, and long-term investment. The four new write-off items may have a systemic influence on below-the-line items and further affect their persistence and predictability.<sup>14</sup> To eliminate the influence of accounting system transformation, we design two more variables,  $WR$  and  $BI\_WR$ , which stand for the sum of the four new write-off items<sup>15</sup> scaled by total assets, and the new  $BI$  after deducting  $WR$ , respectively. In  $PHASE$  0, the sums of  $BI$  and  $BI\_WR$  are exactly the same, while they differ in  $PHASE$  1. Therefore, we obtain the new Models 9 and 10 based on Models 4 and 5.

$$BI\_WR_{t+1} = \alpha_0 + \alpha_1 BI\_WR_t + \alpha_2 PHASE + \alpha_3 BI\_WR_t * PHASE + \varepsilon \quad (9)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI\_WR_t + \beta_3 WR_t + \beta_4 PHASE + \beta_5 OI_t * PHASE + \beta_6 BI\_WR_t * PHASE + \varepsilon \quad (10)^{16}$$

<sup>14</sup> Applying the conservatism principle may make earnings persistence and predictability decline (Basu, 1997; Ball and Shivakumar, 2006).

<sup>15</sup> We calculate the sum of the four new write-off items by deducting their beginning balance from their ending balance.

<sup>16</sup> Since  $WR$  is 0 for the companies before 1999, there is no need to bring  $WR*PHASE$  into the models.

**Table 6** Properties of *BI* with Impact of the Enterprise Accounting System

Panel A: Persistence of <i>BI</i> after Deducting the Four New Write-off Items						
Variable	<i>PHASE</i> = 0		<i>PHASE</i> = 1		Pooled Sample	
	coefficient	t-statistic	coefficient	t-statistic	coefficient	t-statistic
<i>BI_WR</i>	0.237***	4.52	0.016	0.30	0.237***	4.52
<i>PHASE</i>					-0.018***	-9.13
<i>BI_WR*PHASE</i>					-0.221***	-2.80
Constant	0.011***	12.42	-0.007	-4.19	0.011***	12.43
N	1902		5730		7632	
Model F-statistic	20.45***		0.09		61.07***	
R <sup>2</sup>	0.048		0.000		0.008	

  

Panel B: Predictability of <i>BI</i> after Deducting the Four New Write-off Items						
Variable	<i>PHASE</i> = 0		<i>PHASE</i> = 1		Pooled Sample	
	coefficient	t-statistic	coefficient	t-statistic	coefficient	t-statistic
<i>OI</i>	0.667***	14.41	0.486***	3.54	0.667***	14.42
<i>BI_WR</i>	0.275***	2.98	-0.110**	-2.11	0.275***	2.98
<i>WR</i>			-0.343	-0.62	-0.343	-0.62
<i>PHASE</i>					-0.017***	-2.62
<i>OI*PHASE</i>					-0.182	-1.27
<i>BI_WR*PHASE</i>					-0.385***	-3.54
Constant	0.015***	4.10	-0.002	-0.42	0.015***	4.10
N	1902		5730		7632	
Model F-statistic	103.99***		9.27***		75.83***	
R <sup>2</sup>	0.287		0.054		0.071	
F-test	17.89***		15.05***		17.90***	

The earnings variables are defined in Table 1; *PHASE* = 0 stands for years 1996 to 1998, and *PHASE* = 1 for years 2000 to 2004; *WR* stands for the four new write-off items required by the 2001 Enterprise Accounting System; *BI\_WR* stands for new *BI* after deducting *WR*.

As we see from Panel A in Table 6, after deducting the four new write-off items from below-the-line items, the autocorrelation coefficient of *BI\_WR* is 0.016, without significance, and that of *BI\_WR\*PHASE* is -0.221, which is significant at the 1 per cent level. This indicates a significant difference in the persistence of below-the-line items between the two phases, even after deducting the influence of the accounting standards change, which is consistent with the results in Table 3. Similarly, as shown in Panel B of Table 6, the coefficients of *BI\_WR* and *BI\_WR\*PHASE* in Model 10 are -0.110 and -0.385, with significance at the 1 per cent and 5 per cent levels, indicating a significantly lower predictability of *BI\_WR* in *PHASE* 1, consistent with the results in Panel A of

Table 4. In a word, despite the difference in accounting standards, the tests on the effectiveness of the regulation on disclosing non-recurring items are robust.

Meanwhile, considering that other institutional environment changes around 2000 might also affect earnings properties, such as the law related to improving the quality of disclosure information for listed companies, we analyse the regulatory effect at the firm level. We therefore design another three dummy variables for the following three situations: whether non-recurring items are disclosed, whether the signs of below-the-line items and non-recurring items are the same, and whether the sum of the two transitory earnings are exactly the same, to further explore the effect of disclosing non-recurring items on earnings persistence and predictability, and in hopes of finding more evidence about how it works.

## VI. Further Tests of the Regulatory Effect

In view of the above, we discuss only changes in the persistence and predictability of below-the-line items between the two phases. To eliminate the effect of other institutional changes, we focus on *PHASE 1*, which is the period after the CSRC required listed companies to disclose non-recurring items. Firstly, we obtain the total sums of non-recurring items from the Wind database. Then we collect the detailed sums of each item from the listed companies' financial reports and check with those taken from the Wind database. After deleting those observations for which the difference in the two sums does not meet our criterion of less than 1000 renminbi, we finally obtain 4569 observations over a five-year period from 2000 to 2004 as our further sample.

### 6.1 Description of Non-recurring Items Disclosed

Among the 4569 observations, there are 4424 observations with disclosed non-recurring items and 145 observations without, forming a proportion of 3.17 per cent. Since listed companies were required to disclose non-recurring items from 1999, the 2000 disclosure is still not very standardised. Looking at the distribution of the 145 observations, we find most of them in 2000, for which there are 111 observations of non-disclosure of non-recurring items; this number declines dramatically after 2000. There are respectively 20, 12, and 2 observations from 2001 to 2003, while none is found in 2004.

The details of the non-recurring items disclosed vary from one company to another, and are quite different from what the CSRC requires. It even happens that some companies disclose non-recurring items only as non-operating income or expenses in their income statements without any new information. Because there are so many kinds of non-recurring items, we split them into two categories, namely positive items (non-recurring gains) and negative items (non-recurring loss). As we can see from Panel A of Table 7, the mean numbers of the two categories both increase gradually from 2000

to 2004, which implies that the non-recurring items disclosed by listed companies are becoming increasingly standardised and clearer in content. Meanwhile, the mean sum of positive non-recurring earnings per item per company is quite stable during the five years, while that of the negative fluctuates and its absolute mean shows a growing trend. This fluctuation of negative items might be the reason for the trend of a decline in the total number of non-recurring items per company.

**Table 7** Description Statistics of Non-recurring Items

Panel A: Disclosure of Non-recurring Items by Year						
	Year	2000	2001	2002	2003	2004
Disclosure	N	648	826	916	958	1076
	<i>NUM_NRE</i>	2.6960	3.5981	3.7631	4.9436	4.8039
	<i>NUM_POS_NRE</i>	1.7762	2.0896	2.0546	3.0898	2.8281
	<i>NUM_NEG_NRE</i>	0.9198	1.5085	1.7085	1.8539	1.9758
	<i>NRE</i>	0.0063	0.0013	-0.0087	0.0037	0.0028
	<i>POS_NRE</i>	0.0088	0.0081	0.0064	0.0094	0.0088
	<i>NEG_NRE</i>	-0.0025	-0.0068	-0.0151	-0.0057	-0.0060
Non-disclosure	N	111	20	12	2	0

**Panel B: Description of Non-recurring Items Disclosed**

Variable	N	Mean	Std Dev	Min	Median	Max
<i>NUM_NRE</i>	4424	4.0848	2.0066	1	4	14
<i>NUM_POS_NRE</i>	4424	2.4326	1.4187	0	2	10
<i>NUM_NEG_NRE</i>	4424	1.6521	1.1443	0	1	9
<i>NRE</i>	4424	0.0008	0.0963	-5.6504	0.0012	0.8237
<i>POS_NRE</i>	4424	0.0083	0.0246	0.0000	0.0028	0.8315
<i>NEG_NRE</i>	4424	-0.0075	0.0943	-5.6531	-0.0010	0.0000
<i>NRE (NRE &gt; 0)</i>	2979	0.0093	0.0262	0.0000	0.0035	0.8237
<i>NRE (NRE &lt; 0)</i>	1445	-0.0166	0.1629	-5.6504	-0.0013	0.0000
Test of ( <i>NUM_POS_NRE</i> = <i>NUM_NEG_NRE</i> )				t = 32.09*** z = 9.95***		
Test of ( <i>POS_NRE</i> = absolute <i>NEG_NRE</i> )				t = 0.58 z = 27.16***		

*NUM\_NRE*: the number of total non-recurring items disclosed; *NUM\_POS\_NRE*: the number of positive non-recurring items disclosed; *NUM\_NEG\_NRE*: the number of negative non-recurring items disclosed; *NRE*: total sum of non-recurring items scaled by total assets; *POS\_NRE*: sum of positive non-recurring items scaled by total assets; *NEG\_NRE*: sum of negative non-recurring items scaled by total assets.

As shown in Panel B of Table 7, for the 4424 observations with disclosure, the mean number of positive non-recurring items per company per year is 2.4326, and that

of negative non-recurring items is 1.6521. In addition, there are significant differences between the two categories (both the t-test and Mann-Whitney test are significant at the 1 per cent level). The mean sum of positive non-recurring earnings scaled by total assets is 0.0083, while that of the negative is -0.0075. Although there is no significant difference between their absolute means, their absolute medians differ significantly at the 1 per cent level according to the Mann-Whitney test. Furthermore, considering the value of total non-recurring earnings scaled by total assets, the mean is 0.0008 for the 4424 observations, 0.0093 for the 2979 observations with positive total non-recurring earnings, and -0.0166 for the 1445 observations with negative total non-recurring earnings. From these, we can state that listed companies are more likely to disclose positive non-recurring items, but when they disclose negative non-recurring items, the absolute value is often high.

## 6.2 Relationship between *NRE* and *BI*

### 6.2.1 Relationship of Sums

In view of their content, non-recurring earnings are mostly included in below-the-line items, although some may be reflected in other operating income, administrative expenses, or financial expenses. In this sense, non-recurring items and below-the-line items are quite closely related but not exactly the same.

As we investigate the sum, the mean and median of non-recurring earnings (*NRE*) are both smaller than those of *BI*, with the t-test and Mann-Whitney test both significant at the 1 per cent level. Furthermore, the mean and median of positive non-recurring items are also significantly smaller (t-test and Mann-Whitney test at the 1 per cent level) when compared with those of positive below-the-line items, whereas the opposite is seen when comparing the absolute means and medians between the two negative items. It is not a coincidence that the absolute sums of positive and negative non-recurring items are both smaller than those of below-the-line items. Thus we conclude that listed companies would rather disclose fewer non-recurring items than below-the-line items. Panel A of Table 8 also shows that the relationship between the two negative items is stronger than that between the positive ones; the Pearson coefficient and Spearman coefficient for their total sums are 0.971 and 0.600, respectively.

### 6.2.2 Relationship of Signs

We design another variable  $NRE/BI$  for the ratio of total non-recurring earnings divided by below-the-line items. We find that among the 4424 companies disclosing non-recurring items, there are 3309 observations with positive  $NRE/BI$  and 1015 with negative  $NRE/BI$ . The means for the two categories (positive and negative  $NRE/BI$ ) are



3.6167 and -13.7089, with medians of 0.7689 and -0.4148. The results also show that 74.8 per cent of observations have non-recurring items and below-the-line items in the same sign, meaning that both of them are either income-increasing or income-decreasing.

Meanwhile, as Panel B of Table 8 shows, we find that when the signs of non-recurring items and below-the-line items differ, their means are insignificantly different, whereas the medians are significantly different at the 1 per cent level under the Mann-Whitney test. But when they are of the same sign, the means and medians are both significantly different at the 1 per cent level under the t-test and Mann-Whitney test, indicating that even both of the transitory items are either income-increasing or income-decreasing, and so a huge difference does exist.

**Table 8** Comparison of Non-recurring Items and Below-the-line Items

Panel A: Comparison of Sums of <i>NRE</i> and <i>BI</i>						
	Positive		Negative		Total	
	<i>POS_BI</i>	<i>POS_NRE</i>	<i>NEG_BI</i>	<i>NEG_NRE</i>	<i>BI</i>	<i>NRE</i>
Mean	0.0113	0.0083	-0.0094	-0.0075	0.0020	0.0008
t-statistic	12.88***		-6.70***		3.04***	
Median	0.0040	0.0028	-0.0015	-0.0010	0.0018	0.0012
z-statistic	17.31***		-22.47***		5.54***	
Pearson	0.820		0.982		0.971	
Spearman	0.555		0.601		0.600	

  

Panel A: Comparison of Signs of <i>NRE</i> and <i>BI</i>							
	Variable	N	Mean	Std Dev	Min	Median	Max
Sample	<i>NRE/BI</i>	4424	-0.3583	101.2718	-4962.3120	0.5328	1379.2290
	<i>NRE/BI</i>	3409	3.6167	42.5779	0.0000	0.7689	1379.2290
	<i>NRE</i>	3409	0.0007	0.1096	-5.6504	0.0017	0.8237
<i>NRE/BI</i> > 0	<i>BI</i>	3409	0.0023	0.1146	-5.6350	0.0029	0.8237
	Test of ( <i>NRE</i> = <i>BI</i> )			t = -4.16*** z = -8.90***			
	Correlation of <i>NRE</i> and <i>BI</i>			Pearson:	0.982	Spearman:	0.845
<i>NRE/BI</i> < 0	<i>NRE/BI</i>	1015	-13.7089	195.9882	-4962.3120	-0.4148	-0.0001
	<i>NRE</i>	1015	0.0013	0.0101	-0.1665	0.0003	0.0706
	<i>BI</i>	1015	0.0009	0.0283	-0.5082	-0.0003	0.1728
Test of ( <i>NRE</i> = <i>BI</i> )			t = 0.36 z = 2.58***				
Correlation of <i>NRE</i> and <i>BI</i>			Pearson:	-0.183	Spearman:	-0.760	

The earnings variables are defined in Table 7; *NRE/BI*: the ratio of *NRE* divided by *BI*.

### 6.3 How Disclosure of *NRE* Impacts the Properties of *BI*

#### 6.3.1 Disclosure versus Non-disclosure

First, we investigate whether disclosure of non-recurring items affects the properties of below-the-line items. As mentioned above, although the CSRC requires all listed companies to disclose non-recurring items in their financial reports, there are still 145 observations out of 4569 that do not disclose non-recurring items. To determine any significant differences in the effects on earnings properties between disclosure and non-disclosure, we design a dummy variable *NON\_NRE*. If the company discloses non-recurring items, the dummy variable *NON\_NRE* equals 1, and 0 otherwise.

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 NON\_NRE_t + \beta_4 BI_t * NON\_NRE_t + \varepsilon \quad (11)$$

As Panel A of Table 9 shows, we find that *BI* has a coefficient of -0.913 for predicting future earnings with significance at the 1 per cent level, when companies do not disclose non-recurring items. In contrast, when companies disclose these items, the negative predictability of below-the-line items is substantially ameliorated. This implies that disclosure of non-recurring items does play a role in improving earnings quality, especially for the Big-Bath-motivated companies. Therefore, the results support H3a.

#### 6.3.2 Proper and Valid disclosure

To test H3b and H3c, we design two more dummy variables, *SIGN\_NB* and *CON\_NB*, to identify whether the disclosure of non-recurring items is proper and valid, that is, whether it is the same in sign and consistent in sum with below-the-line items. In detail, if *SIGN\_NB<sub>t</sub>* = 1, then *NRE/BI<sub>t</sub>* > 0, meaning that the non-recurring items and below-the-line items are both income-increasing or income-decreasing, and 0 otherwise; if *CON\_NB<sub>t</sub>* = 1, then *NRE/BI<sub>t</sub>* = 1, meaning that the two transitory earnings are exactly the same in sum, and 0 otherwise. Among the 3409 observations which meet *SIGN\_NB<sub>t</sub>* = 1, there are 56 observations whose non-recurring items are equal to below-the-line items. That is to say, there is some kind of interaction between the two dummy variables. To investigate them separately, we develop the following two models:

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 SING\_NB_t + \beta_4 BI_t * SING\_NB_t + \varepsilon \quad (12)$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \beta_3 SIGN\_NB_t + \beta_4 CON\_NB_t + \beta_5 BI_t * SIGN\_NB_t + \beta_6 BI_t * CON\_NB_t + \varepsilon \quad (13)$$

As Panel B of Table 9 shows, the regression coefficient of *BI* is 0.479 and significant at the 5 per cent level, which indicates that disclosure of non-recurring items does not help to improve earnings quality when it is improper. Instead, in that situation, below-the-line items still have an anomalous positive predictability. Fortunately, the coefficient of *BI\*CON\_NB* is -0.601 (significant at the 5 per cent level), indicating that when the

two transitory items are both income-increasing or income-decreasing, disclosure of non-recurring items can lower the predictive ability of *BI*, consistent with our expectation and supporting H3b.<sup>17</sup>

With Model 13, we further analyse the impact of sameness of the two transitory earnings. We find that the regression coefficient of the interaction term *BI\*SIGN\_NB* is -0.581 (significant at the 5 per cent level), which is consistent with the results of Model 12. But the coefficient of *BI\*CON\_NB* is -2.808 (significant at the 1 per cent level), and the F-test of ( $BI + BI*SIGN_BB + BI*CON_BB = 0$ ) indicates that the predictability of below-the-line items is substantially and significantly negative ( $0.454 - 0.581 - 2.808 = -2.935$ ) when non-recurring items are exactly the same. It shows that if disclosure of non-recurring items does not provide more information than duplication of below-the-line items, it may turn the predictive ability of *BI* from positive to another anomaly, namely negative predictability for future earnings.<sup>18</sup> We conjecture that this kind of invalid disclosure of non-recurring items might be an important reason why below-the-line items have negative predictability after the regulation was promulgated. It is probable that the Big-Bath-motivated companies are reluctant to disclose more information about their transitory earnings, thus making their earnings management very shady. Therefore, the results support H3c.

The analysis above helps us better understand the relationship between non-recurring and below-the-line items, giving us a clearer picture of how the regulation on disclosure of non-recurring items has worked in improving earnings quality; that is, only when non-recurring items provide consistent and additional information does their disclosure help reflect the inherent properties of below-the-line items.

**Table 9** Effect of Disclosure of Non-recurring Items on Earnings Properties

Panel A: Disclosure vs. Non-disclosure						
Variable	Disclosure		Non-disclosure		Pooled Sample	
	coefficient	t-statistic	coefficient	t-statistic	coefficient	t-statistic
<i>OI</i>	0.652***	2.95	0.693***	3.95	0.653***	2.98
<i>BI</i>	-0.111**	-2.03	-0.913***	-3.81	-0.112**	-2.05
<i>NON_NRE</i>					0.003	0.29
<i>BI*NON_NRE</i>					-0.749***	-2.80
Constant	-0.007	-1.00	-0.006	-0.43	-0.007	-1.00
N	4424		145		4569	
Model F-statistic	4.46**		10.41***		2.46**	
R <sup>2</sup>	0.067		0.112		0.068	
$F(BI + BI*NON\_NRE)$					8.62***	

<sup>17</sup> We also find that the decline in predictability of below-the-line items happens mainly to investment. For simplicity, we do not report the related results.

<sup>18</sup> We find that the stronger negative predictability of below-the-line items happens mainly to non-operating expenses. For simplicity, we do not report the related results.

Panel B: Proper and Valid Disclosure

Variable	Model (12)		Model (13)	
	coefficient	t-statistic	coefficient	t-statistic
<i>OI</i>	0.652***	2.95	0.750***	3.03
<i>BI</i>	0.479**	2.01	0.454*	1.85
<i>SIGN_NB</i>	-0.011*	-1.78	-0.010*	-1.72
<i>CON_NB</i>			0.028	0.89
<i>BI*SIGN_NB</i>	-0.601**	-2.52	-0.581**	-2.38
<i>BI*CON_NB</i>			-2.808***	-2.68
Constant	0.001	0.08	-0.003	-0.29
N		4424		4424
Model F-statistic		6.49***		4.53**
R <sup>2</sup>		0.068		0.080
$F(BI + BI*SIGN_NB)$		4.64**		4.61**
$F(BI + BI*SIGN_NB + BI*CON_NB)$				8.54***

*OI* and *BI* are defined in Table 1; *NON\_NRE*, *SIGN\_NB*, and *CON\_NB* are dummy variables; in detail, when the company discloses non-recurring items, *NON\_NRE* = 1, and 0 otherwise; when  $NRE/BI_t > 0$ ,  $SIGN\_NB_t = 1$ , and 0 otherwise; when  $NRE/BI_t = 1$ ,  $CON\_NB_t = 1$ , and 0 otherwise; when *NON\_NRE* = 1, there are 145 observations; when *SIGN\_NB* = 1, there are 3409 observations; when *CON\_NB* = 1, there are 56 observations.

## VII. Discussion of Different Modes of Earnings Disaggregation

Because components of accounting earnings vary in persistence and predictability, Ohlson (1999) believes that distinguishing the differences in earnings persistence among different components helps to improve earnings predictability. In China, there are two regulatory systems governing earnings disclosure. The Chinese Accounting Standards requires companies to disaggregate earnings as operating income and *BI* in the income statement, whereas the CSRC requires companies to separately disclose non-recurring earnings and net income after deducting non-recurring items in the notes; it also specifies the list of non-recurring items. The regulation of the CSRC indicates that the demands of investors cannot be met if companies recognise only transitory earnings as *BI* in income statements instead of disclosing the earnings in more detail. It also indicates that the CSRC considers the current mode of earnings disaggregation to be incapable of achieving its regulatory objectives because the disaggregation is based on the nature of a business rather than persistence.

To compare earnings predictability in different modes, we first disaggregate earnings into core earnings and non-recurring items according to their persistence, and then compare this mode with that based on the nature of the business in the income statement using Model 14. Sloan (1996) finds a better prediction model by adding components

of earnings that differ in predictability, and so we disaggregate non-recurring earnings and *BI* into positive items and negative items. Panels A and B of Table 10 show the regression results of Model 15.

$$NI_{t+1} = \beta_0 + \beta_1 CE_t + \beta_2 NRE_t + \varepsilon$$

$$NI_{t+1} = \beta_0 + \beta_1 OI_t + \beta_2 BI_t + \varepsilon \quad (14)$$

$$NI_{t+1} = \gamma_0 + \gamma_1 CE_t + \gamma_2 POS\_NRE_t + \gamma_3 NEG\_NRE_t + \varepsilon$$

$$NI_{t+1} = \gamma_0 + \gamma_1 OI_t + \gamma_2 POS\_BI_t + \gamma_3 NEG\_BI_t + \varepsilon \quad (15)$$

where *CE* represents core earnings, which are net income after excluding non-recurring earnings; *POS\_NRE* stands for the sum of all positive non-recurring items, and *NEG\_NRE* for the sum of negative non-recurring items; correspondingly, *POS\_BI* and *NEG\_BI* respectively represent the sum of the positive and negative items of *BI*.

**Table 10** Earnings Predictability in Different Modes

Panel A: Comparison of Earnings Predictability

Variable	coefficient	t-statistic	Variable	coefficient	t-statistic
<i>CE</i>	0.592***	3.10	<i>OI</i>	0.652***	2.95
<i>NRE</i>	-0.115**	-2.57	<i>BI</i>	-0.111**	-2.03
Constant	-0.007	-0.96	Constant	-0.008	-1.00
N	4424		N	4424	
Model F-statistic	5.67***		Model F-statistic	4.46**	
R <sup>2</sup>	0.065		R <sup>2</sup>	0.067	

Panel B: Earnings Predictability after Disaggregating Transitory Earnings

Variable	coefficient	t-statistic	Variable	coefficient	t-statistic
<i>CE</i>	0.592***	2.94	<i>OI</i>	0.682***	2.84
<i>POS_NRE</i>	-0.110	-0.36	<i>POS_BI</i>	0.320	1.50
<i>NEG_NRE</i>	-0.115*	-1.94	<i>NEG_BI</i>	-0.154*	-1.82
Constant	-0.007	-0.76	Constant	-0.014	-1.34
N	4424		N	4424	
Model F-statistic	5.48***		Model F-statistic	2.99**	
R <sup>2</sup>	0.065		R <sup>2</sup>	0.069	

*OI* and *BI* are defined in Table 1; *CE*: net income after excluding non-recurring earnings; *NRE*, *POS\_NRE*, and *NEG\_NRE* are defined in Table 7; *POS\_BI* and *NEG\_BI* respectively represent the sum of the positive and negative items of *BI*. All variables are scaled by total assets at the end of the year.

As Panel A of Table 10 shows, the coefficients of each earnings component in the two modes are almost the same. But when divided into positive and negative items, we may see differences from Panel B. For the mode of persistence, *POS\_NRE* has a coefficient of -0.110, whereas for the mode of business nature, *POS\_BI* has a coefficient of 0.320. Although both coefficients are not significant, we still find that the persistence mode better expresses the inherent properties of transitory gains. The coefficients of the negative items all indicate strong negative predictability in both modes, with a smaller absolute value of the coefficient for the persistence mode. We suppose this may be caused by the regulations, which have always focused on requiring companies to disclose positive non-recurring items while long neglecting the disclosure of negative non-recurring items. But overall, the persistence mode contributes to better expression of the theoretical properties of transitory earnings and provides investors with more useful information about earnings. Moreover, the empirical evidence in this paper is consistent with the new China Accounting Standards of 2006. According to these standards, the income statement puts more emphasis on the persistence of earnings by cancelling the distinction between the main business and other business and incorporating investment income into operating income.

## VIII. Conclusions and Further Research

Again, this paper points out the anomaly of the persistence and predictability of *BI* (Chen and Wang, 2004). Since implementation of the disclosure of non-recurring earnings, the policy has played an important role in reducing the persistence and predictability of *BI* and in reining in earnings management. In addition, this paper has discussed how the policy has worked in improving earnings quality; that is, when companies disclose non-recurring items consistent with below-the-line items and provide additional information, this helps to properly reflect earnings predictability. As for the anomalous predictability of *BI*, however, although the regulation has helped reduce the persistence of transitory gains, big problems remain with the relationship between transitory losses and future earnings. DeAngelo *et al.* (1992), Burgstahler *et al.* (2002), and Chen and Wang (2004) deem negative predictability to be the result of the interperiod transfer of transitory earnings.

It is interesting that in the Chinese regulatory environment of disclosing non-recurring earnings, we find that the negative predictability of transitory losses is reduced, which we attribute to the effectiveness of the policy. But of course, another likely explanation is that the importance of net income after deducting non-recurring earnings drives companies to shift recurring expenses to transitory losses in order to improve their core earnings (McVay, 2006). Meanwhile, we also find that with the decrease in the persistence and predictability of *BI* comes a reduction in the persistence and

predictability of recurring earnings, which may be connected with a more subtle way of managing earnings resulting from the particular institutional background in China (Wu, 2006). It remains to be examined whether policy-oriented earnings management occurs. Furthermore, we need to investigate the regulatory effect of disclosing non-recurring items by considering additional factors and to find more evidence to explain the anomaly.

As for the status quo that companies disaggregate earnings according to the requirements from different regulators, we point out that the mode based on earnings persistence contributes to a proper expression of the theoretical properties of transitory earnings; in particular, it helps to reduce the predictability of transitory gains. But although the disclosure of non-recurring earnings strengthens regulatory effectiveness, it also leads to some trouble. On the one hand, the regulations on non-recurring earnings do not change the criteria for recognising and measuring income and expenses. On the other hand, disclosure of an item as non-recurring earnings should be based on recognition according to accounting principles, but the China Accounting Standards do not require companies to disclose such information. In this case, the disclosures of transitory earnings are regulated by two different regulators, which may cause confusion in regulation. Moreover, companies find it difficult to distinguish non-recurring earnings from *BI*, and thus investors must take into account both the income statement and the components of earnings disclosed in the notes, inevitably leading to regulatory ineffectiveness. Thus, to avoid such ineffectiveness and to further enhance the usefulness of financial reports, we believe it is necessary to carry out further research on reformulation of the income statement.

## References

Please refer to pp. 29-31.