

THE INCOME STATEMENT RESET:

EVALUATING IFRS 18' PURSUIT OF DECISION-USEFULNESS

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Master Thesis

Stockholm School of Economics

2025

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Abstract

The extent to which accounting numbers explain firm market values remains an ongoing debate. While prior studies have focused heavily on earnings and book value of equity, operating income has largely flown under the radar. The release of IFRS 18 Presentation and Disclosure in Financial Statements, offered an opportunity to test whether a standardized approach to reporting operating profit adds usefulness for investors. In this study, annual, quarterly, and semi-annual data from 169 large European firms covering 2023 and 2024 was analyzed. The paper restated the company-reported operating income figures following IFRS 18 guidelines and matched them with stock market valuations. Using the Ohlson (1995) valuation model, the analysis explored whether the IFRS-defined operating income provides a stronger association with share prices than the corresponding reported measure. The findings suggest that IFRS 18 operating income does not offer reliable and statistically significant improvements to value relevance, posing questions as to whether the IASB's intended outcome of better decision usefulness is achieved.

Keywords:

IFRS, Value Relevance, Operating Income

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Master Thesis

Master Program in Accounting, Valuation and Financial Management

Stockholm School of Economics

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Contents

1.	INTRODUCTION	4
2.	EMPIRICAL CONTEXT	7
2.1.	Historical Backdrop	7
2.2.	IASB's Response	8
2.3.	Introduction of IFRS 18.....	8
3.	LITERATURE REVIEW	12
3.1.	IASB's Interest.....	12
3.2.	Value Relevance.....	13
3.2.1.	Normative and Positivistic Accounting.....	13
3.2.2.	The Modern Debate Around Value Relevance	14
3.2.3.	The Interaction of Value Relevance and Accounting Standards.....	17
3.3.	Selecting the Relevant Line Items from the Statement of Profit and Loss	19
3.4.	Empirical Approaches	20
3.5.	Hypothesis Development.....	21
4.	DATA.....	22
4.1.	Sample Selection	22
4.2.	Data Collection	24
4.3.	Data Classification.....	25
4.4.	Descriptive Statistics	27
4.5.	Limitations of the Data	29
5.	METHOD.....	31
5.1.	Timeframe Selection.....	31
5.2.	Valuation Model	31
5.3.	Operating Income Measures: Company-Reported vs IFRS 18	32
5.4.	Regression Estimation and Controls	33
5.5.	Outlier Detection	33
5.6.	Statistical Tests for Model Comparison	34
5.7.	Data Alignment.....	35
6.	RESULTS AND DISCUSSION.....	36
6.1.	Results for the Interim Regressions.....	36

6.2.	Robustness Check.....	38
6.3.	Annual Sample.....	39
6.4.	Discussion of findings.....	39
7.	CONCLUSION.....	41
8.	LIMITATIONS AND FUTURE RESEARCH.....	42
9.	REFERENCES.....	44
10.	APPENDIX.....	48

1. Introduction

The value relevance of accounting information remains one of the most widely explored yet continuously debated topics in accounting and capital markets research. Investors rely heavily on financial statements to assess a company's performance and predict its future potential. Thus, the extent to which individual accounting measures explain firm market value continues to be a fruitful area for exploration. In the context of standard setting, the value relevance of these individual accounting numbers draws substantial attention from various parties: critics, proponents, and standard setters themselves alike.

Since its effective adoption by the European Union in 2005, the International Financial Reporting Standard (IFRS) has become the dominant financial reporting framework for listed companies in Europe and many other jurisdictions worldwide. The objective of IFRS is to ensure reliability, decision-usefulness, and comparability of financial statements across countries and industries. With the introduction of the International Financial Reporting Standard 18 *Presentation and Disclosure in Financial Statements* (IFRS 18), replacing International Accounting Standard 1 (IAS 1), standard setters take a major step toward reaching that objective. Under IAS 1, the classification and labelling of subtotals such as operating profit are largely at the discretion of the reporting entity, leading to reduced comparability across firms and industries. IFRS 18, effective from January 1st, 2027, addresses these concerns by pre-determining a structured income statement format, including a standardized definition of operating profit. According to the International Accounting Standards Board (IASB), this change is expected to increase the decision-usefulness of financial information by providing investors with a clearer view of a company's core operating performance (IASB, 2024a).

This thesis examines the mentioned change in accounting standards, particularly whether operating income reported under IFRS 18 provides greater value relevance compared to operating income as reported under IAS 1. Using a dataset that encompasses firms from major European stock exchanges, this study presents a comprehensive analysis of the explanatory power of two alternative operating income measures for equity investors.

The analysis is grounded in the theoretical framework of the Ohlson (1995) model, which connects market value with accounting-based valuation-measures. Following the adaptations proposed by Brown and Sivakumar (2003), the model is extended to divide total earnings into operating income and the remaining difference to net income. On top of comparing the two different operating income measures (IFRS 18 vs. IAS 1), this approach allows for an investigation of whether the new, standardized IFRS measure of operating income offers better information content than the traditional values reported by firms. In contrast to many prior studies that focus solely on annual data, this paper also includes quarterly and semi-annual financial reporting periods, adding granularity and strengthening the robustness of the results. The sample was constructed with particular

attention to detail to ensure high data quality and methodological rigor. In addition to manual extraction from financial reports, Capital IQ was used for data collection. The focus of the sample was on large-cap companies from European developed markets – this is explained in the data section. In the end, we arrive at more than 1,000 firm-period observations. In the analysis, first, firm-specific accounting data were matched with market prices using a consistent three-month lag after fiscal period-end, which reflects the period in which most capital market participants incorporate reported financial information into pricing decisions (Brown & Sivakumar, 2003). Second, to ensure comparability and eliminate scale effects, all financial values were normalized on a per-share basis, using the number of shares outstanding. The baseline analysis employed heteroskedasticity-robust ordinary least squares (OLS) regressions. To further test the stability of the results, additional regressions with industry and country fixed effects were run, using firm-specific classifications from the dataset. These control for unobservable firm characteristics related to location or industry that might otherwise distort coefficient estimates.

This thesis makes three key contributions to the literature. Firstly, it responds to the call for early empirical research on the possible market effects of IFRS 18 ahead of its implementation (EAA et al., 2025). Secondly, it helps assess whether the introduction of a standardized operating profit subtotal is likely to meet the IASB’s objective of providing more useful information for investors. Thirdly, the thesis provides an extended test of the Brown and Sivakumar (2003) and Ohlson (1995) frameworks across multiple types of time periods and within the context of current European reporting practices. While prior research has established the relevance of book value of equity and earnings for valuation purposes (e.g., Barth et al., 2001), less focus has been placed on the role of subtotals in the income statement such as operating income.

The remainder of this thesis is structured as follows. Section 2 provides the empirical context of the study, offering a brief overview of the IFRS regulatory environment and the developments that led to the issuance of IFRS 18. Section 3 presents a comprehensive review of the existing literature, discussing prior research on value relevance, the application of the Ohlson model, and the debate surrounding the use of operating income as a valuation input. Section 4 describes the dataset employed, outlining the sample selection, data sources, and descriptive statistics of the variables used. Section 5 explains the research design and methodology, detailing the data processing steps, construction of key variables, model specifications, and the approach to outlier detection. Section 6 presents the results of the empirical analysis, comparing the value relevance of operating income under IAS 1 and IFRS 18. Section 7 concludes by discussing the main findings in the context of existing research and considers possible explanations for the observed results, outlining the implications for regulators, preparers, and users of financial statements. Finally, Section 8 reflects on the study’s limitations and proposes directions for future research to expand upon the findings of this paper. Throughout this thesis,

“operating income”, “operating profit”, and “operating earnings” are used interchangeably.

2. Empirical Context

The landscape of financial reporting is continually evolving to enhance the transparency and utility of financial statements for stakeholders. The introduction of the IFRS 18 *Presentation and Disclosure in Financial Statements*, which aims to refine how companies present their financial performance, is a significant development in this realm. In this section, we examine the empirical context in which the introduction of IFRS 18 became necessary for the International Accounting Standards Board (IASB) and discuss the standard itself to better position our study.

2.1. Historical Backdrop

In 2001, the IASB was created, taking over the torch from the International Accounting Standards Committee (IASC) and becoming the key standard-setting body for international reporting. IAS 1 *Presentation of Financial Statements* (IAS 1) was among the first standards adopted by the IASB, itself originating in 1997, still under IASC's rule. IAS 1 was a unifying force, updating three earlier standards: IAS 1 *Disclosure of Accounting Policies* (1975), IAS 5 *Information to be Disclosed in Financial Statements* (1977), and IAS 13 *Presentation of Current Assets and Current Liabilities* (1979). The standard established and summarised the general requirements for the presentation of financial statements.

IAS 1 has been amended multiple times over the years: updates in 2003 and 2007 introduced comprehensive income into the standard and improved the presentation of equity; the 2011 amendment strove to further improve the presentation of other comprehensive income, and the 2014 Disclosure Initiative encouraged the use of professional judgment. There were also a few recent amendments: the 2021 update on accounting policies and the 2022 clarification on liabilities with covenants (IASB - *IAS 1 Presentation of Financial Statements*, n.d.). Despite these updates, the core structure of the statement of profit or loss remained intact, allowing considerable flexibility in how companies grouped, labelled, and ordered line items.

This flexibility, initially introduced to accommodate the reporting preferences of companies from different industries, has come under scrutiny from investors (IASB, 2024b). The use of the profit and loss statement to assess performance and make insightful comparisons is complicated by the absence of specified and consistent subtotals, like "operating profit", under IAS 1. Income and expenses are also not categorised consistently. As a result, reporting entities have broad discretion in presenting performance metrics, often using custom measures without clear reconciliation or description.

These concerns were raised in stakeholder consultations and public feedback. As summarised in the IASB's *Project Summary and Feedback Statement* (IASB, 2024b), many users and market participants called for a more standardised and transparent approach to presenting financial results. The absence of a clearly defined structure for the statement of profit and loss under IAS 1 became a key limitation, and addressing this issue became a central focus of the IASB's agenda.

2.2. IASB's Response

The IASB was clearly aware of the limitations of IAS 1, leading to a formal addition of the standard to the research agenda in July 2014. The subsequent agenda consultation meeting reaffirmed that improving clarity and standardisation is an area of high priority, and hence the *Primary Financial Statements* project was initiated. The IASB was aiming to address the issues highlighted by financial statement users comprehensively (IASB, 2024a).

The project then moved to the standard-setting agenda in the natural IASB process with research into the key areas of contention. This process culminated in December 2019 when IASB published its *Exposure Draft on General Presentation and Disclosures*, setting out specific proposals to address users' concerns (IASB, 2024b). The draft introduced a completely reworked structure for the statement of profit and loss laying the groundwork for what would later become IFRS 18.

Between 2021 and 2023, the IASB held more than 80 public meetings to redeliberate the proposals considering the feedback received from stakeholders. The draft received over 200 comment letters from a diverse set of stakeholders. Feedback was, perhaps surprisingly, generally supportive of the standard's objectives, but some did raise a few concerns about practical implementation. Following the draft publication, the IASB also engaged in active stakeholder outreach, including 139 specialised events, field testing with 50 companies, and consultations with reporting-focused advisory groups. Notably, the board decided to abandon the proposed requirement to distinguish between integral and non-integral associates, due to feedback that the classification was conceptually unclear and difficult to apply consistently (IASB, 2024b). Instead, the standard now requires a single investing category for equity-accounted investments, with exceptions for entities whose main business activity involves such investments. Overall, the discussions allowed the IASB to refine the *Exposure Draft* and prepare for the final standard publication.

2.3. Introduction of IFRS 18

In April 2024, the IASB published IFRS 18 *Presentation and Disclosure in Financial Statements*, with the standard coming into effect on 1 January 2027, although earlier application is permitted. The purpose of IFRS 18 is to improve how companies

communicate their financial statements, with a focus on information about financial performance in the statement of profit or loss, where the most substantial changes are introduced compared to IAS 1. With this new standard, the IASB created a mandatory structure containing five categories (operating, investing, financing, income taxes, and discontinued operations) and two subtotals (operating profit and profit before financing and income taxes). This approach offers a more structured format, directly addressing investor concerns about the inconsistent presentation of the income statement under IAS 1.

The *investing* category includes asset returns generated independently of other business activities. For instance, all income from associates is classified in this category, regardless of whether company may consider them "integral" or not. Similarly, dividends from investments in associates and rental income are classified in this category. The *financing* category captures both income and expenses arising from liabilities incurred for the entity's financing purposes. For example, interest expenses on various loans, lease liabilities, and pension obligations are all part of this category. Finally, the *operating* category acts as a residual, including all income components that were not classified as financing or investing. Notably, the standard does not consider high volatility or non-recurrence to be relevant criteria with regard to classifying items as "operating". While some were calling for including only "core" or "recurring" items in the operating performance (IASB, 2024b), the IASB instead opted for an approach that limits management discretion in, for instance, defining what constitutes core earnings, to enhance comparability and consistency.

An important note here is that the classification above only holds true for entities that do not engage in investing or financing activities as their main line of business. In such cases, these activities would be classified as operating in their income statement. For instance, banks, which provide financing and invest in financial instruments as part of their core business, will classify related income and expenses within the operating category.

Beyond the three new categories, *income taxes* and *discontinued operations* remain unchanged, mirroring existing standards that formalize their reporting (IAS 12 and IFRS 5, respectively). Below is a visualisation of how IFRS 18 can affect the structure of the statement of profit or loss overall.

Figure 1. Possible effects of IFRS 18 on the statement of profit or loss. Figure created by the authors using IASB's presentation from *Emerging Economies Group* meeting (Cendon et al., 2023)

Possible Statement of Profit or Loss applying IAS 1		Statement of Profit or Loss applying IFRS 18	
Revenue	X	Revenue	X
Cost of goods sold	(X)	Cost of goods sold	(X)
Gross profit	X	Gross profit	X
Other operating income	X	Other operating income	X
Selling expense	(X)	Selling expense	(X)
Administrative expenses	(X)	Administrative expenses	(X)
R&D expenses	(X)	R&D expenses	(X)
Income from associates and joint ventures	X	Other operating expenses	(X)
Other operating expenses	(X)	Operating profit or loss	X
Operating profit or loss	X	Income from associates and joint ventures	X
Finance income	X	Other investment income	X
Finance costs	(X)	Profit before financing and income taxes	X
Profit or loss before tax	X	Interest expense on borrowings and leases	(X)
Income tax expense	(X)	Interest expense on pension liabilities	(X)
Profit or loss	X	Profit or loss before tax	X
		Income tax expense	(X)
		Profit or loss	X

Notes: (1) Gain or loss from sale of investment property moves to investing; (2) defined benefit liabilities are classified as financing; (3) all income from associates and joint ventures accounted for with the equity

method is also classified as investing; (4) interest income from cash and equivalents is classified as investing; (5) FOREX differences from trade receivables are classified as operating.

While the focus of this paper is specifically the structural changes to the face of the income statement, there are other substantial adjustments put forward by IFRS 18 that deserve a mention:

- 1) Introduction of management-defined performance measures (MPMs). MPMs are subtotals of income and expenses that a company might use for external communication with stakeholders (e.g., "adjusted EBITDA", etc.) These are often poorly defined, hence IASB added some guidance for the companies to follow. IFRS 18 requires a reconciliation to the nearest subtotal defined in the standard, along with disclosures outlining the purpose and calculation of each MPM, as well as any changes in their composition over time, ensuring that comparability is maintained.
- 2) Enhancement of principles for aggregation and disaggregation of information. While present in IAS 1, the guidance was quite general and largely principles-based (material versus non-material information) explicit requirements to assess whether information should be shown in the primary financial statements or only in the notes. Of particular interest is the IFRS 18 requirement that even when an entity presents operating expenses by function (e.g., cost of sales, selling expenses, etc.), it must still disclose some expenses by nature: depreciation, amortisation, employee benefits, impairment losses, and inventory write-downs. This approach ensures that users gain visibility into key cost components regardless of the entity's reporting choices.
- 3) Minor changes to the statement of financial position and the statement of cash flows. The former has only one difference of note - goodwill now has to be reported as a separate line item. Statement of cash flows is also largely unaffected with only minor amendments to IAS 7, aligning the terminology with the new income statement categories. Notably, while both the profit or loss statement and the cash flow statement use "investing" and "financing" categories, these serve completely different purposes and are not directly aligned.

The project summary published by IASB (IASB, 2024c) on their website, clearly indicates that IFRS 18 is focused on addressing the needs of investors. The standard setters hope that better information "will contribute to efficient and resilient capital markets by enabling investors to make better decisions" (p.4). This would mean that the new disclosure style ought to be relevant for making investment decisions - an outcome that merits further investigation.

3. Literature Review

By virtue of IFRS 18 *Presentation and Disclosure in Financial Statements* (IFRS 18) being published so recently, there is limited research conducted on it to date. For the most part, papers focus on the broad implications of the standard and offer a qualitative overview of it (e.g., Czajor, 2024; Neves, 2024). To our best knowledge, the literature has not yet investigated the effects of future adoption of IFRS 18 and whether the standard will succeed in achieving the objectives it set. This paper will fill this gap by presenting such an assessment.

The literature review delves into the implications of IFRS 18, highlighting the gap we aim to fill. We first underscore the demand from the International Accounting Standards Board (IASB) for this type of analysis in the context of IFRS 18. Afterwards, we move into the exploration of the appropriate approach for our purposes, settling on assessing the comparative value relevance. We then explore the literature that studies the value relevance of changes introduced by new accounting standards and discuss the choice of the best line item to focus on in our paper. Finally, we develop and propose our hypothesis

3.1. IASB's Interest

As outlined in Section 2.3, IFRS 18 was introduced largely to improve the informativeness of financial statements (statement of profit or loss in particular) and assist investors to make better decisions. Through many consultations with practitioners and field studies, the IASB itself has studied the effects that the new standard will generate, attempting to analyse whether the intended consequences will be reached. This process culminated with the publication of the *Effects Analysis* document, where the board evaluated all the likely outcomes of the implementation of IFRS 18 (IASB, 2024a). Although this analysis is extensive and well-conducted, the nature of it is purely qualitative, lacking any quantitative assessment. The reasoning provided in the document essentially asserted that quantifying both benefits and costs of the IFRS 18's introduction is empirically challenging due to a lack of proven approaches that are reliable and not excessively complicated.

However, despite a cautious approach in the official documents, the IASB's stance is slightly different in external communication with stakeholders and researchers. In February 2025, IASB, the European Accounting Association (EAA), and the European Financial Reporting Advisory Group (EFRAG) co-hosted an online conference titled "Identifying Research Opportunities on IFRS 18 Presentation and Disclosure in Financial Statements". During the conference, research ideas on IFRS 18 were discussed with IASB expressing interest in both Post-Implementation Review (PIR) contributions and ex-ante studies (EAA et al., 2025). Among other "requests", IASB's representatives have explicitly suggested the need for an ex-ante quantitative assessment of the effectiveness

of IFRS 18. In a very practical manner, this gap is what our thesis is attempting to contribute to, informing IASB about possible effects of IFRS 18 implementation through the means of a quantitative study. In particular, we aim to assess one of the fundamental goals of the new standard - whether the statement of profit or loss becomes more relevant for making investment decisions.

The choice of the specific facet of the IFRS 18's intended outcomes for research relates to empirical testability. There is little doubt that enhanced comparability or greater transparency of MPMs are no less important, yet there is a lack of empirical techniques to test these, as noted in the *Effects Analysis*. Usefulness for decision making, on the other hand, can be analysed through several different approaches (discussed below). Such an assessment will naturally not be devoid of limitations that prevent a wide generalisation. It is thus our ambition that this research will prove useful in conjunction with other studies in the area and inch the academic discussion closer to understanding the quantitative effects of IFRS 18.

3.2. Value Relevance

3.2.1. Normative and Positivistic Accounting

Modern accounting theory got its start as a purely *normative* discipline, it was originally thought that the purpose of accounting is to *prescribe* how the firms should eventually report on their financial performance (Kabir, 2005). Foundational normative theory works deliberated which way accounting ought to be done, attempting to optimize the format in which financial statements should be presented or discussing reporting issues such as historical cost versus fair value (MacNeal, 1939; Paton & Littleton, 1940). By the 1960s, the normative school increasingly embraced the decision-usefulness objective of accounting with the idea of ensuring accounting can be informative for investors and creditors. This shift was evidenced by the American Accounting Association's 1966 report titled *A Statement of Basic Accounting Theory* (ASOBAT) which explicitly advocated for decision-usefulness of accounting (American Accounting Association, 1966). These ideas were later enshrined into conceptual frameworks of standard-setting bodies. In fact, chapter 1 of IASB's current conceptual framework explicitly states that the reporting's main objective is to "...provide financial information about the reporting entity that is useful to existing and potential investors, lenders and other creditors in making decisions..." (IASB, 2018).

In contrast, *positive* accounting theory emerged in the late 1960s as a reaction to the normative approach, and in opposition to it. Pioneers like, most famously, Ball and Brown (1968), as well as Beaver (1968) found that the information content of annual reports and earnings contains *value relevance*. That is, these numbers are actually used in practice for making investment decisions (Ball & Brown, 1968; Beaver, 1968). Value relevance is defined as the extent to which an accounting amount has a predicted association with

equity market values (Barth et al., 2001). This empirical turn laid the groundwork for the Positive Accounting Theory (PAT), formalized by Watts and Zimmerman in the 1970s and 1980s (Watts & Zimmerman, 1978, 1986). In essence, the positivistic approach emphasizes *what is* rather than trying to prescribe what *should be* done. The “Rochester school” led by Watts and Zimmerman held a torch for this economics-based paradigm, arguing that accounting research should follow the scientific method and test hypotheses against real-world data, not merely setting norms the effectiveness of which remains unverified, but providing empirical evidence about the usefulness of accounting information in practice.

The academic debate around the two accounting theories has been fervent. Proponents of PAT contend that their approach is more “scientific”, focusing on hypotheses that align with broader neoliberal economic theory (Watts & Zimmerman, 1978, 1986). Critics, on the other hand, argue that PAT’s narrow focus on self-interest and markets neglects the broader social responsibilities of accounting and offers very little in terms of valuable contribution (Chambers, 1993; Sterling, 1990). Despite these differences, we argue that prescriptive and positivistic approaches are complementary in the specific context of standard setting and value relevance, especially when it comes to explicitly investor-oriented standards such as IFRS 18. Value relevance, in spite of being a positivist endeavor, aligns with the normative ideal of decision-usefulness, testing whether the accounting data influences investor decisions. Within an empirical evaluation of a standard that explicitly focuses on addressing the capital market participants’ concerns, such an investigation does not appear to be excessively narrow, like it might be in some different cases.

3.2.2. The Modern Debate Around Value Relevance

The concept of value relevance continued to generate disagreements into the 21st century. In the context of this vein of research, it is essential for us to acknowledge the debate between Barth et al. (2001) and Holthausen and Watts (2001) about the relevance of value relevance literature for the purposes of standard setting, as it directly relates to our study. On the one hand, Holthausen and Watts argue the research conducted on value relevance lacks a descriptive theory as its backbone, making the findings “mere associations”, hardly of use for the standard setters. The authors take a rather normative approach, criticizing the outcomes of positivistic research in accounting. In their view, these studies focus too narrowly on the equity valuation role of accounting, making an implicit assumption that informing investors is the sole (or at least key) objective of accounting research. This approach ignores other roles of accounting that are vital from the perspective of standard setters: facilitating debt contracting, regulatory compliance, litigation protection, and taxation considerations. Hence, such studies fail to capture the full context. Holthausen and Watts further contend that value relevance research rests on too many simplifying assumptions, worsening the usefulness of these studies even

further. For instance, they argue that the valuation models commonly used in value relevance studies (e.g., the regressions within the Ohlson (1995) model) rely on simplifications that do not reflect real-world complexities comprehensively. Additionally, these studies often presume that stock prices fully represent investors' information usage and that price-based tests directly measure the item's "relevance", another assumption that does not fully hold up in practice. The authors also note that the official accounting concepts deny that financial statements are designed purely to measure an entity's value, providing a reference to the Financial Accounting Standards Board (FASB) who state that reporting has not been designed with the objective of measuring the entity's equity value directly. Hence, such narrow focus on maximizing associations with market value threatens to undermine the broader objectives of financial reporting (Holthausen & Watts, 2001). Overall, Holthausen and Watts call for a more holistic and theory-driven approach that considers multiple stakeholders and uses of accounting. In their opinion, without such a descriptive theory encompassing factors like conservatism, contracting needs, and other user preferences, value relevance findings cannot confidently inform standard-setting decisions.

The paper published by Barth, Beaver, and Landsman (2001) is a reaction to the Holthausen and Watts (2001) critique. The authors maintain that value relevance research nevertheless provides meaningful insights for standard setters, despite its limitations. Acknowledging that value relevance papers are not the sole (and complete) source that will inform standard-setting policy decisions, Barth et al. (2001) argue that the accounting bodies (like FASB and IASB) focus on equity investor's information needs in practice. Thus, directly studying the relation between accounting amounts and equity market value addresses one of financial reporting's principal functions. The existence of other uses (e.g. stewardship or debt contracting) "in no way diminish[es]" the importance of research on usefulness to investors (Barth et al., 2001, p.1). Holthausen and Watts's methodological attacks are also in part disputed in Barth et al. (2001), who argue that empirical valuation models (like Ohlson, 1995) can successfully operationalize some of the key concepts from the conceptual frameworks that standard setters use. The authors contend that in the context of value relevance studies, such models effectively test whether an accounting measure is "relevant" (statistically significant relationship with returns) and "reliable" (if the information is trustworthy enough for investors to be reflected in the price); these are the same qualities both the IASB, and the FASB deem necessary for recognizing information in financial statements. Indeed, such research can often yield insights that are relevant for the debates within standard setting. For instance, the finding that fair value disclosures of loans, securities, and long-term debt on bank's balance sheet provide information that is significantly more useful for investors than related book values (Barth et al., 1996), directly contributes to this age-old historical cost versus fair value debate. Thus, Barth et al. (2001) argue that value relevance research does not, in fact, ignore real-world accounting issues, but rather acknowledges the presence of accounting conventions such as conservatism and directly examines their

effects on the price–accounting relationship. Another clarification made by Barth et al. (2001) is that value relevance studies do not aim to directly measure firm value. Instead, their purpose is to evaluate whether accounting numbers reflect information that investors use when valuing equity, thereby serving as inputs to the valuation process rather than outputs. In the authors' view, this approach provides useful empirical evidence for standard setters by assessing how well existing or proposed accounting treatments meet the information needs of investors. Barth et al. (2001) also argue that the empirical rigor of value relevance literature is high, as researchers apply well-established econometric methods to address issues such as correlated or omitted variables that could otherwise bias results. Finally, the relevance of VR research to standard setters is supported by the fact that roughly half of the academic articles cited in the FASB's research references were value relevance studies. Furthermore, standard setters have actively encouraged research in this area, including recent calls for value relevance evidence on IFRS 18, as expressed in the EAA/IASB/EFrag webinar held in February 2025 (EAA et al., 2025).

A supporting (and vital) point Barth et al. (2001) make in defense of value relevance literature is that there are varying recipients of this line of research such as, potentially, equity investors. Understanding how the general consensus moves, and which accounting measure is most used by their fellow investors, they might be able to develop strategies that will provide them with a competitive edge, generating surplus value as compared to the competition. The Post-Earnings Announcement Drift (PEAD) phenomenon is a famous example of this. Earnings data was found to be value relevant at the very initiation of this line of research (Beaver, 1968). Further academic investigation yielded a result that stock prices often continue to drift in the direction of an earnings surprise after the announcement for a long period, often up to two months (Bernard & Thomas, 1989, 1990). This finding led investors to actively incorporate PEAD-based strategies into their trading, helping some institutional investors to generate annualized abnormal returns of up to 22% (Ke & Ramalingegowda, 2005). Thus, while the research about value relevance might aim at standard setters as main benefactors, equity investors are an additional stakeholder group that potentially stands to benefit from the findings. In the context of our study, this is an additional argument in favor of utilizing value relevance methodology.

Ultimately, it is not our ambition to contribute to the boiling pot of contention around selecting the "correct" accounting theory. The arguments towards the over-emphasis on value relevance are very compelling in Holthausen and Watts (2001), yet it is hard to disagree with Barth et al. (2001) in their assessment that such research is nevertheless valuable. In this paper, the task is simplified by the empirical context. The research approaches suggested in Holthausen and Watts (2001) call for a more holistic assessment of standard-setting in accounting, one that includes a focus on multiple stakeholders, which is challenging in our context.

Although value relevance alone is not sufficient for a full evaluation of a standard, it remains a critical criterion that standard setters consider in practice. In the context of IFRS 18 specifically, the prescriptive goal of improving performance reporting will ultimately be evaluated using positivistic, value relevance evidence. Thus, in this paper, we focus on *value relevance assessment*, attempting to check directly if the intended goals of IFRS 18 are achieved. There is little doubt that including multiple stakeholder groups gives an opportunity for a fruitful ex-post assessment of the standard's implementation, yet it is hardly feasible to employ before the standard comes into effect. Value relevance, on the other hand, can be assessed even from an ex-ante perspective, given its relatively more straightforward and robust methodology, developed through many papers over the years (e.g., Barth et al., 1996; Brown & Sivakumar, 2003; Eng & Vichitsarawong, 2022). Such analysis, we hope, can be recognized as useful on both sides of the debate

3.2.3. The Interaction of Value Relevance and Accounting Standards

There is an abundance past research about the impact of accounting changes, which can broadly be divided in two categories: changes from national Generally Accepted Accounting Principles (GAAP) to IFRS and changes from accounting standards under IFRS to their replacement, like in the case examined in this paper - from IAS 1 to IFRS 18). Chalmers et al. (2011) investigated the transition from national GAAP to IFRS in Australia, and found that earnings gained in value relevance, but the book value of equity did not. This indicates that while the adoption of IFRS can make earnings a stronger predictor of firm value, its effect on value relevance is not consistent across all components of financial statements. In the context of this paper, these findings infer that sole structural improvement of the statement of profit and loss under IFRS 18 might not be enough to have an impact on value relevance – the change also needs to fundamentally change how investors interpret financial performance (Chalmers et al., 2011). Another paper examined the transition from NGAAP to IFRS for 145 Norwegian companies and found mixed results on value relevance (Øystein Gjerde et al., 2008). The study conversely shows that while the balance sheet information became more value relevant, the earnings showed a decline in relevance. These differences can be attributed to the structure of the national GAAP. If investors perceive information under national GAAP as more informative than under IFRS, value relevance decreases after the transition, and vice versa. Together, these two papers show that an accounting standard change that is supposed to improve information value does not guarantee an actual improvement in value relevance. Capkun et al., (2008) provided clearer results towards the value-enhancing function of a transition from national GAAP to IFRS. The authors find that the change to IFRS reconciliation disclosures provides value-relevant information to investors. The research investigating the value relevance in the context of changes within the same accounting regime is relatively limited. Onie et al. (2023) examined the adoption of IFRS 15 and the impact it has on investors. IFRS 15 was issued to clarify the nature, amount, timing, and uncertainty of revenue and cash flows from a contract with a

customer a company needs to report (IFRS, n.d.). The results were mixed, showing that for some firms, the adoption increased the relevance of earnings, while for others it did not. Another study investigated the value relevance of the change from IAS 17 to IFRS 16 (leases), finding that the new form of recognition for leases is relevant for investors and improves value relevance (Giner & Pardo, 2018). Mechelli and Cimini (2021) studied the value relevance of IFRS 9 Financial Instruments, which replaced IAS 39. They analyzed 316 banks and financial firms across 43 countries aiming to compare the association of stock prices with equity book values under old versus new standards. The authors found that both IAS 39 and IFRS 9 produced value relevant information, but IFRS 9 generally showed significantly higher value relevance in good governance environments.

Our thesis expands this vein of research offering additional insight into the value relevance of the new IFRS 18 standard. It is important to note, however, that the nature of our study differs from those described in the section above. All of those studies are conducted from an ex-post perspective, studying the *actual* effects of a change in accounting standard rather than *potential* effects, like in the case of IFRS 18, which was not yet implemented in practice. This is both a limitation and a potential strength. On the one hand, there are a few factors that limit the generalizability of the analysis conducted in this thesis. First, the restatements are driven by assumptions (detailed in section 4), which can introduce estimation error or bias. Second, ex-ante value relevance tests lack an actual investor response to the new reported figures. The statistical association between restated accounting line items and market values is, as a consequence, merely hypothetical, showing correlation and not causality (Michels, 2017). However, with some caution, it is possible to claim that the restated format captures the underlying economics better (worse), should the estimated value relevance be higher (lower). Third, ex-ante research implicitly assumes that firms' and investors' behavior remain static in the face of the new standard, which in reality is not the case. The behavioral responses can affect the reporting and its usefulness. For instance, before the introduction of IFRS 16, lessees shortened lease terms or shifted to variable payments to prevent capitalization (EFRAG, 2017). On the other hand, an ex-ante approach also gives a few advantages (in addition to the possibility of conducting a study before implementation). First, an ex-ante restatement helps to assess the "pure" impact of an accounting change, holding the underlying economics constant. When using historical data, differences in association can be attributed directly to the standard rather than the market reaction to it being implemented. Second, manual restatement enhances comparability since ex-ante approach avoids idiosyncratic decisions that management can make in reporting on a new standard (EFRAG, 2017). Thus, ex-ante restatement approach can be a powerful tool for estimating how IFRS 18 might affect the informational value for investors. The approach is also unique in that it has not yet been taken in the literature within our narrow context of value relevance of a change in a single standard.

In summary, this section shows that a change in accounting standards does not necessarily lead to enhanced value relevance of financial statements. Investigating results relating to IFRS 18 then provides an interesting addition to this growing body of research, especially considering our novel ex-ante analysis approach.

3.3. Selecting the Relevant Line Items from the Statement of Profit and Loss

In evaluating the impact of IFRS 18 on financial reporting, it is essential to focus on specific line items that significantly influence investors' decision-making. Operating income, reflecting earnings from core business activities and being widely regarded as a central performance indicator, is a critical metric in this context. Academic research underscores the value relevance of operating income. For instance, studies have demonstrated that operating earnings reported by managers and analysts are more closely associated with stock prices than measures that include non-operating items, suggesting that investors place greater emphasis on operating income when assessing a company's value (Brown & Sivakumar, 2003). Eng and Vichitsarawong (2022) show that splitting up non-core components from core earnings leads to greater predictive ability and improves the usefulness of financial statement information for investors. In general, both of these studies find a strong association between the operating income measure (or similar) and the stock price. These views are complemented by Cutillas-Gomariz et al. (2016), who investigate Spanish companies before and after IFRS adoption and find that operating income was value relevant even before the new standard was implemented. After implementing IFRS, the value relevance of operating income increased significantly, which was explained by the inclusion of additional special items in the paper (Cutillas-Gomariz et al., 2016).

While Eng & Vichitsarawong (2022) exclude non-recurring items per definition from their operating income, IFRS 18 includes them if they are related to the core operations of the company. Prior research indicates that incorporating non-recurring items into operating income can diminish its information content, as these items do not reflect the company's ongoing operational performance (Athanasakou et al., 2007). Additionally, managers, possessing insider information, often provide adjusted earnings figures that exclude non-recurring items to present a clearer picture of sustainable performance (Brown & Sivakumar, 2003). At the same time, Brown and Sivakumar (2003) acknowledge concerns about the managers' discretion when preparing operating income, referring to Turner, who described operating earnings reported by managers as “EBS” or “Everything but Bad Stuff” (Turner, 2000, as cited in Brown & Sivakumar, 2003, p.571). However, this study lessens the risk of diminishing information content because of including non-recurring items by applying a consistent classification framework based on the IFRS 18 Exposure Draft (IASB, 2024b).

Looking at IFRS 18, the main changes lie within the income statement, as mentioned earlier. In the income statement again, the main changes are within the operating income. Seeing that both Brown & Sivakumar (2003) and Eng & Vichitsarawong (2022) find that operating income has better explanatory power for stock price movements than non-operating subtotals and the net income, it becomes clear that out of the five subtotals defined in IFRS 18, operating income is the best one to choose for our value relevance study.

Our research aims to assess whether the income statement changes under IFRS 18 enhance the value relevance of operating income. By comparing the value relevance of operating income before and after the reclassification under IFRS 18 logic, we seek to determine whether the new standard achieves its objective of providing more useful information to investors

3.4. Empirical Approaches

After we clarified that value relevance is the right approach to assist the standard setters in assessing the efficacy of IFRS 18 we now need to find a suitable methodology to test for it. Methodologies for assessing value relevance vary quite substantially, a few key approaches have emerged over the years. There is a high-quality overview provided in Holthausen and Watts (2001), who studied 62 articles that focus on value relevance and identified three key approaches that are most often used in the literature. First, there are *Relative Association* studies, a method commonly used for comparing two different line items (or, alternatively, multiple different line items) and the extent to which they affect value relevance. In such studies, scholars typically compare the R^2 values from regressions that employ different bottom-line accounting figures. Whichever figure yields the higher R^2 is then deemed to be more value relevant. Second, in *Incremental Association* studies, researchers examine whether a particular accounting measure provides additional explanatory power for firm value or returns, over and above other commonly accepted variables. Finally, the third approach is classified as *Marginal Information Content* studies, which assess whether a specific accounting figure offers additional insights beyond what investors already know. These investigations typically employ short-window event studies to determine if disclosing an accounting number, given the release of other information, correlates with changes in firm value.

For the purposes of this study, we decided to conduct a *Relative Association* study to test the extent to which new format improves the value relevance. This approach proposes a methodology directly suitable for comparing two different accounting numbers, exactly matching our needs.

3.5. Hypothesis Development

The introduction of IFRS 18 is intended to improve the overall relevance of the statement of profit or loss for investors. Whether it achieves this intended outcome, and whether it is translated into a more value relevant operating income measure is not a trivial question.

As discussed in section 3.3, on the one hand, as discussed in section 2.3, the introduction of IFRS 18 brings significant changes to the classification and presentation of operating income, notably by incorporating items previously considered non-recurring (e.g., restructuring and M&A charges). The addition of non-recurring items might hinder the value relevance. On the other hand, the clearer definition of operating profit provided by the standard might aid with improving the consistency across entities. Higher homogeneity could lead to better value relevance.

Based on these considerations, the present study formulates a neutral hypothesis:

Hypothesis: The restated IFRS 18 operating income does not significantly improve the value relevance of operating income compared to the reported version

The study aims to empirically test this hypothesis by examining whether the revised definition of operating income under IFRS 18 affects its association with market values, thereby assessing the standard's effectiveness in enhancing financial reporting quality and improving decision-usefulness for investors.

4. Data

4.1. Sample Selection

Capital IQ was used as a database to obtain firm-level accounting data and market data for each fiscal quarter (FQ) between Q1 2023 and Q4 2024 as well as for fiscal half-years (FHs) and fiscal years (FYs) within the same period. Additionally, data was manually extracted from financial reports published by the respective companies. Depending on the company's reporting structure, FQs and FHs were selected as samples rather than FYs, as investors (i.e. the market) naturally react to the announcement of new information – which comes with the release of earnings calls together with the interim reports, quarterly or semi-annually.

Additionally, a reclassification of FY 2023 was made based on annual reports, because annual reports often contain more detailed information than quarterly or semi-annual ones and might therefore enhance the quality of the results. An extra regression was run for FY 2023 and compared to quarterly and semi-annually results, which will be discussed in the results section. For companies that do not report quarterly but half-yearly instead, those reports were studied, and if there were no FQ4 (Fiscal Quarter 4) or FH2 (Fiscal Half-Year 2) reports, the annual report was used. There are two reasons for choosing this period (2023 and 2024). Firstly, these years provide the most recent and accurate IFRS reporting data, including the introduction of IFRS 17 on January 1st, 2023. With this standard, insurance contracts that are also affected by IFRS 18 are now measured consistently and at present value. Thus, we can isolate the effect of IFRS 18 and remove additional noise. Secondly, the reclassification of each income statement requires a substantial amount of manual work (case-by-case classification and going through quarterly/half-year/annual reports; more detailed information will be given later in this section), therefore including more time periods would go beyond the scope of this paper.

To construct the sample, we applied the following selection criteria: Firstly, European developed markets were selected as a geographic location. IFRS is not used uniformly across the globe, but it is mandatory for listed companies within the European Union as well as the United Kingdom – therefore we believe that this selection is most reliable to consist of companies using IFRS as a primary standard for their reporting. Secondly, financial institutions and real estate companies were excluded, as those industries are subject to different treatment under IFRS 18. Companies that provide financing to customers as a main business activity will classify income and expenses that arise from the provision of finance to customers in the operating category. Following the same principle, companies that invest in assets as a main business activity will classify income and expenses arising from those assets in the operating category. All the income and expenses described would otherwise be classified in the investing or financing category, differentiating those industries from the rest of the sample and distorting possible

comparisons (IASB, 2024a). Thirdly, to narrow down the sample size, a minimum market capitalization of 10 billion USD was added – a commonly used threshold to characterize large-cap companies. The rationale behind this selection is that larger companies are likely to be more granular in their reporting and provide more extensive notes in their reporting, which allows for a more detailed restatement process.

After applying the criteria above, we arrived at a sample size of 237, which is our baseline sample. While working with the baseline sample, further exclusions were made: 24 firms were excluded because they are listed primarily at NYSE or NASDAQ and therefore report under US GAAP instead of IFRS. An additional 12 companies were excluded for the reason of having a substantial financial services function, which means they have financing as a core business and need therefore be treated differently, as mentioned earlier in this section. Furthermore, eight companies did not report an explicit “operating income”, or equivalent line item in their annual report, hence were excluded due to the lack of a reference value for our analysis. Another three firms were excluded for reporting in March 2023, which means that most of the numbers were from 2022 and that deviates from our sample period and the criterion to include data from after the introduction of IFRS 17. In addition to manual exclusions, the dataset was reviewed for inconsistencies and outliers. Those were cross-checked against the annual report, and if it could not be resolved, the company was excluded to maintain data integrity (e.g., one firm had a reported revenue of 0€, and another one had an asset write-down of 23 billion € displayed in Capital IQ instead of the real value of 23 million €), leading to the exclusion of further 21 firms - leaving us with a **final sample size of 169**. This sample comprises 85 companies reporting on a quarterly basis and 84 on a semi-annual basis. These firms are incorporated across 17 countries and span nine industries. Table 1 shows how the companies are distributed throughout countries and industries.

Table 1. Industries and Countries

Industry/Country	FRA	GBR	CHE	DEU	SWE	Other	Total
Communication Services	3	2	1	2	1	5	14
Consumer Discretionary	5	3	1	1	2	4	16
Consumer Staples	3	6	3	2	1	9	24
Energy	-	-	-	-	-	5	5
Health Care	4	4	8	3	-	7	26
Industrials	9	5	5	4	8	12	43
Information Technology	2	2	-	3	2	4	13
Materials	1	3	4	4	-	2	14

Utilities	2	2	-	1	-	9	14
Total	29	27	22	20	14	57	169

4.2. Data Collection

For companies reporting quarterly, income statement figures were collected for eight quarters: Q1 2023 to Q4 2024. For companies reporting semi-annually, income figures stem from the half-year and annual reports 2023 and 2024. Additionally, annual figures for FY 2023 were collected for all companies.

To be able to restate the income statement according to IFRS 18 logic and arrive at the operating income, a total of 18 relevant income statement line items were extracted from the S&P Capital IQ database for each company. These items were classified into either the operating, financing, or investing category, covering the range from total revenue to earnings before taxes (EBT), without including any other subtotals. By adding all income and subtracting all expenses classified as operating from total revenue, the new operating income (IFRS) can be calculated. This was executed for all FQs, FHs, and FY 2023. Furthermore, the actual "operating income" or its equivalent reported by companies was extracted from Capital IQ when available, and missing data was manually gathered from companies' financial reports. These reports were also used to find information by hand about line items that could not be classified by their name alone (See section 4.3 for the designations of those line items). To ensure comparability across firms and avoid currency-induced bias to allow meaningful regression analysis, all income figures were converted to Euros (€) using the historical exchange rate provided by Capital IQ. Furthermore, to enhance the description of the sample, information about industry classifications and country of incorporation were collected for each company.

Additionally, for the purpose of the regression analysis, the following variables were gathered for the whole period 2023-2024:

- Dividend adjusted day close price (€, daily)
- Shares outstanding (daily)
- Market cap (€, daily)
- Total common equity (€, quarterly + semi-annually)
- Net income (€, quarterly + semi-annually)
- Earnings announcements date (quarterly + semi-annually)
- Period end date (quarterly + semi-annually).

All data for the regression was collected using Capital IQ.

4.3. Data Classification

Capital IQ has its own presentation of the income statement, which unifies the structure of the statement across all companies and enables us to compare the firms with each other. While the presentation is different, Capital IQ uses both total revenue and earnings before taxes presented by the company, meaning the database only partly restructures the items in between those two. This provides the opportunity to uniformly classify the income and expenses into operating, investing and financing. The extracted line items were classified in the following way: [1] Cost of Goods Sold (COGS), Selling & General Administrative Expenses (SG&A), Research & Development Expenses (R&D), Depreciation & Amortization (D&A), Merger & Restructuring (M&A) Charges, and Impairment of Goodwill were always categorized as operating. [2] Interest and Investment Income, Income / (Loss) from Affiliates, and Gain (Loss) on Sale of Investments were always categorized as investing. [3] Interest Expenses were always categorized as financing. All named line items could unambiguously be determined to fully belong to their allocated category. This is in line with how most companies already classify those items, which means the possible difference in operating income under IFRS 18 stems from the residual line items.

Table 2. Fixed classified items

Fixed Category	Line Items
Operating	COGS, R&D, Selling & General Administrative Expenses, Depreciation & Amortization, M&A Charges, Goodwill Impairment
Investing	Interest & Investment Income, Income / Loss from Affiliates, Gains / Loss on Investments
Financing	Interest Expenses

Note: Table 2 shows the line items that are classified by default

The remaining 8 line items had to be manually classified in one of the three categories, individually for every single company and based on the following criteria: The investing category consists of all income and expenses from investments in associates, joint ventures and unconsolidated subsidiaries; cash and cash equivalents; and other assets that generate a return individually and largely independently of the company's other resources. The financing category includes all income and expenses from liabilities arising from transactions that involve only the raising of finance; and interest income and expenses and the effects of changes in interest rates from liabilities arising from transactions that do not involve only the raising of finance. Finally, the operating category functions as the default category, consisting of all income and expenses that are not classified in the investing or financing category, and including unusual and one-time events (IASB, 2024a). Those manually classified line items include Other Operating Expenses / (Income), Currency Exchange Gains / (Losses), Other Non-Operating Income

/ (Expenses), Gain / (Loss) on Sale of Assets, Asset Writedown, Insurance Settlements, Legal Settlements, and Other Unusual Items.

This section provides an overview of the classification. [1] Other Operating Expenses / (Income) were mainly classified as operating, including items like license income, impairment losses, or effects from personnel, legal and regulatory matters. There was one classification in the financing category, for Amortization of Discount on Provisions, as this is an implicit interest cost. [2] Currency Exchange Gains / (Losses) was mostly operating (foreign exchange effects on working capital, exchange differences as a result of hedging activities on trading transactions, but for some companies also investing (exchange differences on cash and cash equivalents) or financing (exchange differences on financing items). [3] As for Other Non-Operating Income / (Expenses), this line item was either classified as investing (e.g. discount in purchase of shares and investment gains) or as financing (financing costs, interest component from measurement of provisions and liabilities). [4] Gain / (Loss) on Sale of Assets was uniformly classified as investing for all the companies. [5] For the most part, Asset Writedown was classified as operating, including impairment of PPE, impairment of R&D assets, and impairments from continuing operations. In one instance it was classified as investing: remeasurement of a contingent consideration within a subsidiary. [6] [7] Both Insurance and Legal Settlements were very uncommon items and always classified operating. [8] Lastly, Other Unusual Items had appearances in all three categories: operating (e.g. purchase of shares by employee benefit trust), investing (e.g. gains on the disposal of assets), and financing (e.g. net fair value gains on foreign currency contracts - net financing). If the amount of a line item was determined as insignificant, it was assigned to a category by default, which was operating for all the items above – apart from Currency Exchange Gains / (Losses) (financing), Other Non-Operating Income / (Expenses) and Gain (Loss) on Sale of Assets (both investing). The threshold for insignificance was set at 5% of total revenues for quarterly and semi-annual reports and at 1% for annual reports. The decision to lower it for annual reports was made, because annual reports contain larger numbers, which already makes amounts significant at a lower percentage of total revenues. This extensive process of data gathering and classification was highly resource-intensive, which resulted in having to limit the data set to 2 FYs and respectively 8 FQs - as more periods would have gone beyond the scope of this thesis.

The manual classification inherently involves subjective judgment, which could introduce bias. However, throughout the whole process we followed a consistent framework informed by the IFRS 18 document, minimizing such risk and ensuring comparability of the data.

4.4. Descriptive Statistics

After the classification was made for all line items, the operating income under IFRS 18 was calculated for each company by subtracting all expenses and adding all income classified as operating from total revenues. Afterwards, the operating income reported by the company and the IFRS 18 operating income were compared. As a first step before looking at regressions, descriptive statistics for the final sample data were calculated and displayed in table 3. Panel A, B and C respectively show the results for quarterly, semi-annual and full-year data.

Table 3. descriptive statistics of operating income and differences

Panel A: Quarterly Results (n=680)

Statistic	Reported Op. Inc.	IFRS 18 Op. Income	Absolute Diff.	Relative Diff
Mean	803.32	779.72	-21.40	-2.85%
Median	370.00	352.57	-0.06	-0.01%
Std. Dev.	1321.04	1299.65	161.88	37.14%
Min	-2919.49	-3421.10	-2393	-357.14%
Max	11520.65	11508.66	876.99	593.33%

Panel B: Half-Year Results (n= 336)

Statistic	Reported Op. Inc.	IFRS 18 Op. Income	Absolute Diff.	Relative Diff
Mean	1681.47	1577.67	-55.41	-2.34%
Median	913.26	845.50	-3.00	-0.50%
Std. Dev.	2163.39	2076.50	231.26	22.14%
Min	-1548.43	-1620.52	-2209.00	-99.56%
Max	11564.00	11574.00	1143.00	316.62%

Panel C: Full-Year Results (2023) (n=169)

Statistic	Reported Op. Inc.	IFRS 18 Op. Income	Absolute Diff.	Relative Diff
Mean	3225.91	3077.81	-148.10	-6.53%
Median	1600.69	1477.41	-18.62	-1.22%
Std. Dev.	4684.30	4547.21	795.01	36.27%
Min	-3257.00	-3340.00	-9844.00	-438.63%
Max	32361.12	32234.50	1128.00	55.24%

Notes: Numbers in Million €; n=number of observations

Across all periods, the IFRS 18 operating income is on average slightly lower than the reported operating income, which is consistent with the expectation that under IFRS 18 some income statement items previously not allocated to operating activities are reclassified. The mean relative difference shows similar moderate dissimilarities for all panels (-3.94% for full-year results without the outlier of 438.63%). The median shows comparable results to the mean (a slightly lower reclassified operating income), suggesting that the effect of the mean is not driven by a few extreme outliers. Looking at the standard deviation, a substantial variation within the sample can be seen, as to be

expected for a sample of companies with heterogenous income. Minimum and Maximum values show that the dataset provides a broad representation of large-cap European companies, with both larger and smaller operating incomes.

Table 4. Direction of Differences Between Reported and IFRS 18 Operating Income Across Reporting Frequencies

Panel	IFRS 18 Op. Inc. higher than reported Op. Inc.	IFRS 18 Op. Inc. lower than reported Op. Inc.	IFRS 18 Op. Inc. same reported Op. Inc.
Quarterly	31.47%	55.15%	13.38%
Semi-Annual	31.25%	59.23%	9.52%
Annual (2023)	29.59%	70.41%	0.00%

Note: Table 4 summarizes the frequency with which the IFRS 18 restated operating income was higher, lower, or equal to the operating income reported by the company

Table 4 provides an overview of directional changes between reported and IFRS 18 operating income, supporting the earlier claim that the reclassification results in a lower value – which is the case for 55.15% to 70.41% of the observations, while the percentage of firms showing higher values under IFRS 18 reaches up to 31.47%. The proportion of companies with no difference between the two incomes is negligible, showing that most firms are affected by the reclassification. The 0% of same amounts for annual data can be explained by the fact that the more granular reporting of annual reports allows for a more detailed classification. Furthermore, 11%-15% of observations exceed a relative difference of 10% (not shown in table 4), underlining the material impact IFRS 18 can have on certain firms.

Overall, these results suggest that while IFRS 18 does not drastically alter the majority of companies' operating results, for a substantial minority, the impact is meaningful and justifies further investigation in the subsequent regression analysis.

4.5. Limitations of the Data

There are two main limitations regarding the selection, collection and classification of data. Firstly, for the purpose of obtaining companies with detailed and transparent IFRS reporting, the sample is biased toward European large-cap firms from developed countries. This makes the sample less relevant for companies outside the scope – like small and middle enterprises (SMEs) or companies with incorporation outside of the geographic location. Further, the study is not generalizable for financial institutions, and real estate companies, as those firms were excluded from the sample because of different accounting treatment under IFRS 18. For those reasons, the results of this study should not be generalized. Secondly, the manual classification and restatement of income

statement line items introduced estimation error and bias. Allocating line items like "other unusual items" requires subjective interpretation and even with a consistent implementation approach this could create some inconsistencies.

5. Method

5.1. Timeframe Selection

When studying value relevance of the disclosures, it is essential to select the right timeframe for the analysis. Focusing on Operating Income, we broadly have two options relating to the company's publications of financial results - annual and interim (quarterly and half-annually).

On the one hand, interim reports are released throughout the year and the earnings reported there by nature have no previously known element to them, hence are usually highly value relevant to investors. Using semi-annual and quarterly data also allows for a larger sample, which is an advantage for future regressions. Hence, this thesis uses interim data as the primary dataset. Yet, quarterly reports also present a few difficulties from the restating perspective, as there are naturally fewer line items present in the statements and the notes, which complicates the classification. In this sense, annual data has an important advantage, as annual reports generally provide more granularity in disclosures, allowing for a more accurate restatement of the statement of profit or loss. Consequently, annual statements allow us to isolate the effect of IFRS-18-driven restatement more cleanly. Nevertheless, considering that annual results are usually released several months after the fiscal year-end, by which point investors have usually received interim updates (Q1–Q3 results) and have formed expectations for the full year, the absolute value relevance of this disclosure is generally quite low. In addition, our manually restated annual dataset only covers one year - 2023 - due to sample restrictions and data availability. Hence, we run annual regressions only as a supplement to the interim data.

5.2. Valuation Model

There are different valuation models in value relevance theory, but most of them use firm value as a valuation benchmark to assess how well particular accounting amounts reflect information used by investors (Barth et al., 2001). In the context of relative association studies, Ohlson (1995) is by far the most common. The model stipulates that firm value can be decomposed into two parts: book value of equity and abnormal earnings (earnings less cost of capital multiplied by book value in the previous period). In practical research, net income is commonly used as a proxy for abnormal earnings since the cost of equity is unobservable (Barth et al., 2001).

Our analysis employs a price-level valuation model based on the Ohlson (1995) framework, consistent with prior value relevance studies. Following Brown and Sivakumar's (2003) approach, this study regresses stock prices on book value of equity and components of earnings (Brown & Sivakumar, 2003; Eng & Vichitsarawong, 2022). The model is specified as follows:

$$P_{\{i,t\}} = \beta_0 + \beta_1 BV_{\{i,t\}} + \beta_2 OI_{\{i,t\}} + \beta_3 (NI_{\{i,t\}} - OI_{\{i,t\}}) + \varepsilon_{\{i,t\}}$$

Each term is defined on a per-share basis. The dependent variable $P_{\{i,t\}}$ is the market price per share three months after the fiscal period-end. This three-month lag gives the market time to react to the financial disclosures, helping to avoid mismatches between reporting dates and stock price data. The independent variables, all deflated by the number of shares outstanding at period-end, are:

- Book Value (BV) - the book value of common equity per share at the fiscal period's end.
- Operating Income (OI) - operating profit per share for that period (definition varies by scenario, see below).
- Net Income minus OI - the residual income per share, calculated as net income minus operating income for the period. This item reflects the part of earnings that isn't included in operating income (e.g. non-operating gains or losses).

By including both $OI_{\{i,t\}}$ and $(NI - OI)_{\{i,t\}}$ as separate regressors, the model effectively breaks down net income, which is classically used in the Ohlson (1995) model, into operating and non-operating components. This approach, taken from Brown and Sivakumar (2003) measures the value relevance of the operating part of earnings directly, while also accounting for the rest of the income. Using per-share values for all accounting variables helps to control for differences in company size, enhancing comparability across observations (Brown & Sivakumar, 2003).

5.3. Operating Income Measures: Company-Reported vs IFRS 18

Central to this analysis is the comparison of two definitions of operating income:

- Company-Reported Operating Income: This is the operating income, or “operating profit”, as reported by the company in its financial statements. The subtotal may include or exclude certain items at management's discretion.
- IFRS 18-Format Operating Income: This is the operating income restated under IFRS 18 classification. It includes only income and expenses classified in the “operating” category (excluding those classified as investing or financing), giving us a comparable operating income figure across all firms.

By running separate regressions for each operating income definition, we can investigate which measure is more closely associated with stock prices. This research design mirrors the approach of Brown and Sivakumar, who compared manager-reported “pro forma”

earnings to a standardized measure derived from financial statements, concluding that the earnings tailored by managers contained additional value-relevant information (Brown & Sivakumar, 2003). Similarly, Eng and Vichitsarawong (2022) compared two profit subtotals (operating profit vs. EBIT), finding that while both measures provide useful information, the EBIT subtotal can better explain changes in market value.

These studies underscore how important the definition of “operating income” can be, with two different definitions being differently relevant for investors, motivating us to compare the two definitions (reported vs. IFRS 18) in a value relevance context.

5.4. Regression Estimation and Controls

The above-described price model was separately estimated for each version of operating income. In other words, one set of regressions used the company-reported OI per share and its complementary (NI–OI) term, while another used the IFRS 18 OI per share and corresponding (NI–OI). To ensure reliability, heteroskedasticity-robust standard errors were used for all coefficient estimates. Because data for firms was tracked over multiple periods, standard errors were adjusted for potential correlations within the same firm over time - providing robustness against heteroskedasticity. Following Eng and Vichitsarawong (2022) who also control for unobserved heterogeneity in valuation levels, fixed effects for country and industry were included. Specifically, dummy variables for each country and for each industry were added to account for systematic differences in structure and accounting conventions between countries and industries. To foster statistical precision, quarterly and semi-annual data was pooled together in a larger dataset that enhances the likelihood of capturing the relationship. Such an approach might generate inconsistencies, as semi-annual data differs slightly in nature from quarterly disclosures, reporting a comparatively larger piece of information. To address this, we also ran regressions individually for quarterly and semi-annual data.

The yearly data was further used as a supplement to the interim regressions. We used similar controls in the annual context, adding heteroskedasticity-robust standard errors. Fixed effects control was ultimately dropped due to the small sample size. Adding country and industry fixed effects would limit the degrees of freedom in this regression excessively.

5.5. Outlier Detection

To minimize the influence of extreme observations (which can distort regression results), outlier diagnostics using Cook’s Distance were performed. After running the initial regressions, any observation with a Cook’s Distance (Cook, 1977) pointing towards unreasonably high influence on the regression was flagged as a potential outlier. Cook’s D values substantially larger than the threshold (in this thesis a common $4/n$ threshold was used) were excluded.

In the annual study, Winsorizing was applied instead of a Cook's Distance test, following standard practice when dealing with smaller samples. With this approach, smoothing out the loose ends of each variable at the 99% and 1% percentile, we retained the full breadth of firm-level valuation, ensuring the maximum possible degrees of freedom.

5.6. Statistical Tests for Model Comparison

We evaluated and compared the performance of the two sets of regressions (reported OI vs. IFRS 18 OI) using goodness-of-fit metrics and formal tests. The primary measures of fit are the R^2 and adjusted R^2 , indicating the ratio of variation in stock prices explained by the model. A higher adjusted R^2 in one model suggests that this measure of operating income provides higher value relevance (i.e. earnings information is more closely aligned with market value) (Brown & Sivakumar, 2003). The R^2 and adjusted R^2 serve as an initial indication of which operating income measure provides a better value relevance. To assess whether differences in R^2 are statistically significant, a bootstrap comparison was employed – specifically, implementing a resampling procedure where the regression residuals were repeatedly sampled to generate a distribution of R^2 differences under the null hypothesis of no difference. This non-parametric approach does not rely on assumptions about the sampling distribution of R^2 and provides confidence intervals for the difference in explanatory power between the two models. Therefore, if, for instance, model based on the IFRS 18 OI measure consistently shows higher R^2 and the bootstrap signals that this is unlikely due to chance, we infer that the IFRS 18 OI is more value relevant.

In addition, differences in the slope coefficients on operating income between the two model variants were tested for. A higher slope on OI suggests that an increase in operating income per share has a greater effect on the stock price - another indicator of value relevance. We conducted two-sample t-tests for differences in coefficients, one obtained from the regression using company-reported OI, the other from the regression using IFRS 18 OI. The standard errors for these coefficients are considered to determine if the gap is significant (Brown & Sivakumar, 2003). Consistent with prior research practices (Brown & Sivakumar, 2003; Eng and Vichitsarawong, 2022), if one operating income has a significantly larger coefficient (and/or higher t-statistic) than the other, it suggests the conclusion that the former measure is more value relevant.

All hypothesis tests were conducted at conventional significance levels (e.g. 5%), Z- and p-values were reported for the key comparisons (R^2 difference and slope differences). This comprehensive model comparison approach allows us to conclude not just which OI measure appears more value relevant, but whether the difference is statistically meaningful.

5.7. Data Alignment

Because the dependent variable in the model is defined as the close price three months after period-end, careful alignment of dates was required when merging financial data with market data. Each fiscal period's end date was matched with the nearest trading day that is three months later and the closing price from that day was used as $P_{\{T+3\}}$. In practice, if the exact three-month date falls on a weekend or holiday, the algorithm selects the nearest trading day to ensure a valid market price is used. Similarly, the shares outstanding and equity book value data were aligned to the fiscal period-end. For each quarter or half-year end date, the shares outstanding as of that date were used (or the closest reported date) to calculate per-share values. All per-share financial variables (BV, OI, NI) were calculated using this matching principle for share count. By matching the nearest trading days and period dates, we maintained consistency in the timing between the financial statement information and the market price used in the regression. This alignment is critical, as it ensures that the stock price reflects the prior released accounting information, and that the shares and book value relate to the same reporting period as the income figures.

Overall, this methodology offers a structured and reliable approach to assess the value relevance of the two different measures of operating income. By adapting the well-established Ohlson (1995) regression approach and drawing on recent standard-setting developments (IFRS 18 introduction) as well as prior research (e.g., Brown & Sivakumar, 2003; Eng & Vichitsarawong, 2022), this approach isolates the effect of a standardized operating profit measure on equity valuation. The results of the regressions and post-regression tests will show whether the value relevance of the IFRS 18-compliant operating income might, in fact, be higher than the corresponding reported measure.

6. Results and Discussion

6.1. Results for the Interim Regressions

Looking at the pooled interim regression below, we can notice that the results broadly stayed consistent with the literature. Similar to Brown and Sivakumar (2003), we note a significant and positive relationship between operating income (in all specifications within the interim dataset) and the stock price. The coefficients are of comparable size to Brown and Sivakumar (2003) as well. All coefficients and goodness of fit measures behave as expected from what we see in the literature (Brown & Sivakumar, 2003; Eng & Vichitsarawong, 2022).

Table 5. Regular Regression Model – Interim

Variable	Estimate IFRS Model	Estimate Reported Model
Book Value	1.427*** (0.194)	1.936*** (0.336)
Operating Income	35.567*** (5.252)	23.857** (7.532)
NI_minus_OPINC	37.057*** (6.769)	17.260 (10.751)
Intercept	13.719** (4.866)	11.717. (6.626)
Observations	983	986
Adjusted R ²	0.666	0.630

*Notes: Interim = both quarterly and semi-annual numbers combined; column 1 shows IFRS 18-adjusted data, column 2 shows company-reported data; significance codes: 0="***", 0.001="**", 0.01="*", 0.05=".", 0.1=" "*

The regressions combining quarterly and half-year observations (Table 5) show that IFRS 18 operating income has a slightly stronger association with market value than the legacy reported measure. For example, the IFRS-based model yields an adjusted R² of 0.666 versus 0.630 for the reported-income model. The coefficient on operating income under IFRS 18 (35.57) is also larger than that for reported income (23.86) and is significant at the 0.1% level (versus 1% for the reported measure). A fixed-effects specification (controlling for industry and country, see Table 6) confirms this pattern: the IFRS model's R² is 0.734 versus 0.699 for the reported model, and the operating-income coefficient remains higher for IFRS (32.80) compared to reported measure (22.41). In both specifications, the additional term (NI minus operating income) and the intercept are

generally similar or larger in the IFRS model. In summary, the raw regression estimates suggest a very modest edge for IFRS 18 income.

Table 6. Fixed Effects Regression Model - Interim

Variable	Estimate IFRS Model	Estimate Reported Model
Book Value	1.498*** (0.197)	1.999*** (0.346)
Operating Income	32.803*** (5.954)	22.408** (7.238)
NI_minus_OPINC	31.422*** (7.256)	14.642 (9.658)
Industry fixed effects	included	included
Country fixed effects	included	included
Observations	983	986
Adjusted R ²	0.734	0.699

*Notes: Interim = both quarterly and semi-annual numbers combined; column 1 shows IFRS 18-adjusted data, column 2 shows company-reported data; significance codes: 0="***", 0.001="**", 0.01="*", 0.05=".", 0.1=" "*

However, the magnitude of these differences is not large. Although IFRS 18 yields higher R² and coefficients, the improvement is of slight nature. Consistent with this, the bootstrap analysis (results added below in Table 7) indicates that the difference in explanatory power is not statistically significant. In other words, IFRS 18 operating income explains stock prices only marginally better in these panels, and not with strong confidence. This finding is in line with prior evidence that different definitions of operating income may not drastically alter valuation results. For instance, as discussed in Brown and Sivakumar (2003), analyst-provided operating earnings contain value-relevant information beyond that in statement-derived operating earnings, suggesting that standardized measures like IFRS 18 may not automatically deliver additional insight. Our results are broadly consistent with this: while the IFRS 18 measure produces slightly higher coefficients and R², it does not demonstrably outperform the reported measure in a statistically robust way, hence we cannot claim that this marginal difference will persist.

The bootstrap results (Table 7) compute mean adjusted R² over many resamples. The mean R² for the IFRS model is 0.648 (regular regression) and 0.728 (fixed effects), compared to 0.626 and 0.706 for the reported models. Although the IFRS means exceed the reported means, the Z-score indicates that this is not a statistically significant divergence. Following Brown and Sivakumar (2003), we also conducted a t-test to assess whether the coefficients for the two types of operating income differ significantly. While we can similarly observe a modest difference in coefficients, this difference was again

not statistically significant with p-values of 0.203 and 0.268 for regular and fixed-effects regressions respectively. In practical terms, the small gaps between R^2 and the operating income coefficient fall within sampling variation.

Table 7. Significance of Observed Differences

Variable	Regular Regression Model	Fixed Effects Regression Model
Mean adj. R^2 IFRS	0.648	0.728
Mean adj. R^2 Reported	0.626	0.706
Z-Statistic	-0.18	-0.25
IFRS coefficient	35.567	32.803
Reported coefficient	23.857	22.408
P-Value	0.203	0.268

Notes: lines with “IFRS” show for IFRS 18-adjusted data and lines with “Reported” show company-reported data. Difference in R^2 is significant if $Z > |1.96|$. Difference in coefficients is significant if $p\text{-value} < 0.05$

6.2. Robustness Check

The data reported in section 6.1 is already post outlier removal. Initial regressions estimated on the full merged quarterly and half-yearly dataset resulted in an artificially high R^2 (approaching 1), which was traced to a few extreme outlier observations. After employing Cook's Distance test and removing the problematic data points, regressions showed a literature-consistent result.

We additionally ran regressions on both quarterly and half-annual data individually. While the adjusted R^2 rose slightly, indicating a better fit, the results remained fully consistent and no statistically significant difference was observed. Further, to ensure that the small sample differences (while the majority of outliers were the same in both datasets, a few more got removed in the "reported" model) do not drive our results, we restricted both regression samples to the exact same set of company-period observations by applying a common matching procedure. Again, the results remained fully consistent with our prior findings. Both the adjusted R^2 values and the estimated coefficients on operating income exhibited negligible changes relative to the full cleaned sample regressions.

In short, resampling does not materially alter the conclusion: IFRS 18 operating income does not generate a significantly higher R^2 than reported income. The consistency of the bootstrap results across the slightly different samples reinforces that the apparent advantage of IFRS 18 is at best modest, if it exists at all.

6.3. Annual Sample

After facing similar sample outlier issues and applying Cook's distance to remove influential firms, we faced high multicollinearity ($VIFs > 10$, a common threshold that can be considered problematic) due to the small sample ($n=159$ after removing all incomplete values). Following accounting research practice, we winsorized the annual data between the 1st and 99th percentiles instead of deleting further observations. The winsorized annual regressions still show no significant coefficients (Table 8). The annual model for IFRS yields an adjusted R^2 of only 0.368 (versus 0.390 for reported income), indicating weak overall explanatory power. All main coefficients on book value and operating income are statistically insignificant and in fact have a negative sign (important to note that standard errors are huge, so this might just be accidental). In sum, the annual sample offers no evidence that IFRS 18 operating profit is more value-relevant; if anything, its model fit is slightly worse than the reported measure. The bootstrapped R^2 predictably did not show a significant result. This outcome is perhaps unsurprising given the small cross-section and reduced variation at the annual level. It suggests that the annual data is simply not vast enough to detect any meaningful difference, which is unfortunate given the greater granularity of restatements, which could have led to the capture of "pure" IFRS 18 effects.

Table 8. Regular Regression Model – Annual

Variable	Estimate IFRS Model	Estimate Reported Model
Book Value	63.974 (62.936)	75.376 (67.533)
Operating Income	-72.800 (232.925)	-122.039 (241.291)
NI_minus_OPINC	-448.276 (452.7922)	-511.858 (477.449)
Intercept	-1,926.860 (1,339.463)	-2,117.378 (1,385.569)
Observations	159	159
Adjusted R^2	0.368	0.390

*Notes: column 1 shows IFRS 18-adjusted data, column 2 shows company-reported data; significance codes: 0="***", 0.001="**", 0.01="*", 0.05=".", 0.1=" "*

6.4. Discussion of findings

As it becomes clear from the prior discussion, the empirical tests *support the hypothesis* that there is no significant value relevance improvement due to the introduction of IFRS 18, at least in the context of this ex-ante study. Across all regressions, IFRS 18-based

operating income never delivered a statistically significant increase in explanatory power as compared to the measure reported by the company.

Our findings fail to show that IFRS 18 succeeds in achieving its decision usefulness objective. It is too early to discard the whole standard as ineffective because of this, however. This study has tested a single facet of IFRS 18 while facing a myriad of limitations that potentially prevent generalizability (discussed in more detail in section 8). In addition, the comparability objective of the standard was not directly addressed, yet it is easy to imagine that enhanced comparability among reports would enhance decision-usefulness as well. Furthermore, the new line-item structure of the statement of profit or loss might improve value relevance for some other, less obvious, accounting numbers, ones that were not yet found to be value relevant in the literature. Thus, while this study did not find evidence that investors benefit from IFRS 18, we are cautious with drawing the conclusion that the standard as a whole fails to achieve its intended consequences. This is merely one piece of the puzzle in what would be a long and multi-faceted research process. Standard setters should thus consider this study within the context of a broader body of research.

Another stakeholder group for whom our study might be valuable is investors. Barth et al. (2001) stipulate that accounting data is value relevant in a sense that it can be used as an input to the valuation model. Hence, the higher the value relevance of a given accounting number, the more suitable it would be for investors to directly input into the valuation model. Reaffirming prior findings in the literature (Brown & Sivakumar, 2003; Eng & Vichitsarawong, 2022), this paper shows that operating income is a highly value relevant metric and can reliably be used by investors within the context of interim data. The two different operating income measures do not, however, exhibit a statistically significant difference as to the extent of this relevance. Hence, the investors would not have benefited from using IFRS 18-compliant operating income in their valuation models as compared to the regular reported operating income. Thus, there is no obvious application for our study within an investment strategy context, as we do not find evidence that valuation models based on IFRS 18-compliant operating income would generate more value relevant results.

7. Conclusion

The primary objective of this thesis was to investigate whether the new operating profit subtotal introduced under IFRS 18 enhances the value relevance of financial statements compared to the operating income figures currently reported by firms. Prior research has shown that accounting information overall, and especially earnings figures, provide value relevance potential. However, there was limited research about subtotals such as operating income and its projections. The introduction of IFRS 18 also presented an opportunity to test whether its standardization improves information content for investors.

The analysis in this paper was based on a dataset of 169 large-cap European firms from developed markets, covering reporting periods from Q1 2023 to Q4 2024. Both reported and restated operating income values were obtained for each company and matched with equity market data. The restated operating income figures were calculated in line with the classification guidelines of IFRS 18, using a detailed manual classification process of almost 20 income statement line items per company. With the data obtained, a regression analysis was conducted using the Ohlson (1995) model, linking market value to accounting-based valuation variables. The results show that although there is small improvement to the goodness of fit when using the restated IFRS operating income, this difference is not statistically significant. Thus, we conclude that in the context of our sample, there was no advantage for investors in using IFRS 18 operating income rather than the original reported measure. We fail to support the notion that IFRS 18 provides additional decision-usefulness to investors, hence it is unclear at this point whether IASB will reach its intended outcome with the introduction of this standard. This thesis provides evidence contrary to what IASB would hope for, and it is our hope that new studies will shed more light on this question and either reaffirm or dispute our findings with new evidence and empirical approaches.

The thesis can serve as a template for studies after the official introduction of IFRS 18 (ex-post), investigating how the implementation affects investor decision-making and market prices in practice.

8. Limitations and Future Research

Our thesis is subject to several limitations that should be considered when interpreting the findings. Primarily, this is an ex-ante study, as IFRS 18 has not been adopted yet – which means that the findings cannot capture actual investor reactions. The observations must therefore be interpreted as hypothetical rather than causal (Michels, 2017). While this approach allows for early insights, the generalizability of the findings is limited. Next, manually classifying and restating income statement items introduced estimation error and bias. While a framework based on the IFRS 18 was implemented consistently, not all subjective judgements could be eliminated – for example allocating a line item like other unusual items, especially when there are complex reporting structures in companies or interim reports that offer limited information. Further, for improved data quality and consistency, the dataset was limited to large-cap European companies in developed markets. This restricts the relevance of the results for smaller companies as well as firms operating under different regulatory regimes. Additionally, financial institutions and real estate companies were excluded, being subject to different treatment under IFRS 18. Therefore, the findings may not be applicable to those sectors. Moreover, the study assumes that companies' and investors' behavior does not change under the new standard, but in reality, this is often not the case. Firms may adjust reporting practices in anticipation of or response to accounting changes (EFRAG, 2017). It remains an open question whether management discretion or investor expectations under IFRS 18 will alter the observed value relevance effects once the standard is fully implemented. Another limitation is the relatively short time frame of the dataset, which covers only the years 2023 and 2024. While this period was chosen to provide the most recent and relevant reporting data ahead of the IFRS 18 implementation, it restricts the analysis to a limited number of observations and may not fully capture longer-term trends or cyclical effects in value relevance.

Our methodological approach also introduces some limitations. Primarily, as Holthausen and Watts (2003) argue, the Ohlson (1995) model contains many simplifying assumptions, for instance the fact that it presumes stock price to fully reflect the investor sentiment, something that the authors argue does not always hold up in practice. Given our relatively small sample size, we were also not able to run additional tests described in Brown and Sivakumar (2003), potentially making our reliance on the valuation methodology excessive.

In consideration of these limitations, several possibilities for future research emerge. Firstly, what comes to mind naturally is to conduct a similar analysis after IFRS 18 is implemented and mandatory for companies. This will give an ex-post assessment of how the actual adoption affects value relevance. Secondly, it would be interesting to extend the dataset to smaller companies or companies outside of Europe, that report under IFRS, to see whether the lack of observed effects holds true. Thirdly, the time series could be

prolonged, minimizing the limitations mentioned earlier and giving insights into how the relationship develops over time. Finally, while IFRS 18 brings the biggest changes to the operating income, there are also changes to other subtotals and line items. Those might be studied for value relevance.

9. References

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10. Appendix

Appendix 1. Usage of AI in thesis writing

In accordance with academic integrity standards and full disclosure of research practices, we declare the following regarding the use of artificial intelligence (AI) tools during the preparation of this master's thesis.

AI tools were not used to collect or analyze any primary financial data. However, we made use of the GPT 4 model under our full human supervision for following selected supplementary tasks:

- Programming assistance: AI supported the debugging process of R scripts for data processing, including data cleaning, preparation of datasets, and implementation of econometric models. Models included Ohlson regressions, Cook's Distance outlier detection, fixed effects models, and bootstrapped R^2 difference tests. All code that was adjusted with the AI assistance during the process was thoroughly reviewed, adapted, and validated by us.
- Web search: We used AI to assist in efficiently identifying academic articles, methods, and data handling techniques that were subsequently verified through direct reading of primary sources. In some cases, AI was used to help us locate information and clarify definitions. However, AI outputs were never accepted at face value and were cross-checked against peer-reviewed publications or reliable academic sources.
- Structuring: We also utilized AI for help with brainstorming and structuring tasks. The ideas provided by AI were not inputted into the text directly, but rather used by us as inspiration for our own work with structuring the thesis.

At no point were confidential data, personal data, or full datasets shared with the AI system. The potential risks of inaccurate or fabricated ("hallucinated") outputs were recognized, and all AI suggestions were carefully verified, corrected, or discarded as needed.

The use of AI contributed to our work by improving workflow efficiency and reducing repetitive programming and conceptual structuring tasks. The quality of research results, conclusions, and final deliverables remained entirely under our human academic control.

Appendix 2. Full classified reporting data

Annual Data 2023

Company Name	2023 Reported	2023 IFRS	Difference
SAP SE (XTRA:SAP)	5787	5844	0.98%
LVMH Moët Hennessy - Louis Vuitton, Société	22560	22254	-1.36%
Novo Nordisk A/S (CPSE:NOVO B)	13761.77814	13983.3	1.61%
Nestlé S.A. (SWX:NESN)	15109.13248	15303.6	1.29%
Hermès International Société en commandite par	5650	5649	-0.02%
Roche Holding AG (SWX:ROG)	16540.21862	15239.1	-7.87%
ASML Holding N.V. (ENXTAM:ASML)	9511.9	9042.3	-4.94%
AstraZeneca PLC (LSE:AZN)	7412.2071	7082.9	-4.44%
L'Oréal S.A. (ENXTPA:OR)	8143.3	7697.9	-5.47%
Novartis AG (SWX:NOVN)	8838.0143	8360.3	-5.41%
Deutsche Telekom AG (XTRA:DTE)	20798	20582	-1.04%
Unilever PLC (LSE:ULVR)	9758	9274	-4.96%
Sanofi (ENXTPA:SAN)	7875	7300	-7.30%
EssilorLuxottica Société anonyme (ENXTPA:EL)	3176	3160	-0.50%
Anheuser-Busch InBev SA/NV (ENXTBR:ABI)	12635.0402	12240.5	-3.12%
Schneider Electric S.E. (ENXTPA:SU)	5933	5533	-6.74%
L'Air Liquide S.A. (ENXTPA:AI)	4291	4302.5	0.27%
Safran SA (ENXTPA:SAF)	2798	2692	-3.79%
Christian Dior SE (ENXTPA:CDI)	22554	22248	-1.36%
Rio Tinto Group (LSE:RIO)	13410.3681	13183.3	-1.69%
Compagnie Financière Richemont SA (SWX:CFR)	5031	4791	-4.77%
RELX PLC (LSE:REL)	3090.647323	2988.1	-3.32%
ABB Ltd (SWX:ABBN)	4406.7937	4020.5	-8.77%
GSK plc (LSE:GSK)	7772.712973	8783.3	13.00%
Rolls-Royce Holdings plc (LSE:RR.)	2240.200744	2455.72	9.62%
Vinci SA (ENXTPA:DG)	8071	7967	-1.29%
Atlas Copco AB (publ) (OM:ATCO A)	3336.710292	3311.2	-0.76%
Equinor ASA (OB:EQNR)	32361.119	32234.5	-0.39%
BAE Systems plc (LSE:BA.)	2965.03936	3003.04	1.28%
Diageo plc (LSE:DGE)	5081.052	5129.7	0.96%
Merck KGaA (XTRA:MRK)	3609	3414	-5.40%
Holcim AG (SWX:HOLN)	4917.478444	4563	-7.21%
Compass Group PLC (LSE:CPG)	2665.424034	2110.65	-20.81%
Siemens Healthineers AG (XTRA:SHL)	2135	2133	-0.09%
Thales S.A. (ENXTPA:HO)	1174.4	991.4	-15.58%
Danone S.A. (ENXTPA:BN)	2042	3170	55.24%
Dassault Systèmes SE (ENXTPA:DSY)	1241.9	1201.9	-3.22%
Universal Music Group N.V. (ENXTAM:UMG)	1418	1401	-1.20%
Heineken N.V. (ENXTAM:HEIA)	3229	2503	-22.48%
Reckitt Benckiser Group plc (LSE:RKT)	2916.639961	3099.86	6.28%
Haleon plc (LSE:HLN)	2300.123809	2439.4	6.06%
Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	5251	4885	-6.97%
Deutsche Post AG (XTRA:DHL)	6345	5918	-6.73%
Eni S.p.A. (BIT:ENI)	8257	8081	-2.13%
Siemens Energy AG (XTRA:ENR)	-3257	-3340	-2.55%
Lonza Group AG (SWX:LONN)	945.4623182	932.62	-1.36%
Alcon Inc. (SWX:ALC)	939.9833	892.9	-5.01%
Givaudan SA (SWX:GIVN)	1199.018122	1295.71	8.06%
DSV A/S (CPSE:DSV)	2377.795484	2350.4	-1.15%
BASF SE (XTRA:BAS)	2240	1919	-14.33%
Coca-Cola Europacific Partners PLC	2339	2245	-4.02%
adidas AG (XTRA:ADS)	268	280	4.48%
Experian plc (LSE:EXPN)	1144.4455	1165.16	1.81%
Infineon Technologies AG (XTRA:IFX)	3948	3819	-3.27%
Wolters Kluwer N.V. (ENXTAM:WKL)	1323	1338	1.13%
Aena S.M.E., S.A. (BME:AENA)	2201.408	2197.2	-0.19%
Orange S.A. (ENXTPA:ORA)	4731	4769	0.80%
argenx SE (ENXTBR:ARGX)	-384.5418303	-380.6	1.03%
Koninklijke Ahold Delhaize N.V. (ENXTAM:AD)	2846	2843	-0.11%
Schindler Holding AG (SWX:SCHN)	1276.37413	1257	-1.52%
Amadeus IT Group, S.A. (BME:AMS)	1413.9	1413.1	-0.06%

UCB SA (ENXTBR:UCB)	604	593	-1.82%
Swisscom AG (SWX:SCMN)	2369.027741	2365.7	-0.14%
Chocoladefabriken Lindt & Sprüngli AG	873.5856943	873.6	0.00%
Ferrovial SE (BME:FER)	625	586	-6.24%
Henkel AG & Co. KGaA (XTRA:HEN3)	2011	2193	9.05%
ASSA ABLOY AB (publ) (OM:ASSA B)	1667.140684	1632.83	-2.06%
Imperial Brands PLC (LSE:IMB)	3922.350818	3887.79	-0.88%
Heidelberg Materials AG (XTRA:HEI)	3023.4	2611	-13.64%
Beiersdorf Aktiengesellschaft (XTRA:BEI)	1105	1086	-1.72%
Anglo American plc (LSE:AAL)	3531.9488	3379.07	-4.33%
KONE Oyj (HLSE:KNEBV)	1200.1	1191.8	-0.69%
Telefónica, S.A. (BME:TEF)	2593	2400	-7.44%
Nokia Oyj (HLSE:NOKIA)	1661	1545	-6.98%
Cellnex Telecom, S.A. (BME:CLNX)	374.072	310.21	-17.07%
Hexagon AB (publ) (OM:HEXA B)	1216	1204.5	-0.95%
DSM-Firmenich AG (ENXTAM:DSFIR)	-497	-509	-2.41%
Leonardo S.p.a. (BIT:LDO)	824	932	13.11%
Kuehne + Nagel International AG (SWX:KNIN)	2044.562263	2055.33	0.53%
Pernod Ricard SA (ENXTPA:RI)	3265	3145	-3.68%
Compagnie Générale des Établissements Michelin	2652	2525	-4.79%
Dassault Aviation société anonyme (ENXTPA:AM)	349.477	352.4	0.84%
Telefonaktiebolaget LM Ericsson (publ) (OM:ERIC)	-1828.529115	-1953.9	-6.86%
Capgemini SE (ENXTPA:CAP)	2346	2326	-0.85%
Hapag-Lloyd Aktiengesellschaft (XTRA:HLAG)	2515.5	2611.4	3.81%
Sandvik AB (publ) (OM:SAND)	2016.725656	1960.23	-2.80%
Kering SA (ENXTPA:KER)	4643	4579	-1.38%
Coloplast A/S (CPSE:COLO B)	907.3662857	888.75	-2.05%
Galderma Group AG (SWX:GALD)	484.64779	483.985	-0.14%
Publicis Groupe S.A. (ENXTPA:PUB)	1740	1935	11.21%
Vodafone Group Public Limited Company	14451	4607	-68.12%
Ashtead Group plc (LSE:AHT)	2285.1842	2268.4	-0.73%
Epiroc AB (publ) (OM:EPI A)	1185.944077	1153.91	-2.70%
Koninklijke Philips N.V. (ENXTAM:PHIA)	-115	-220	-91.30%
Ryanair Holdings plc (ISE:RYA)	1444.6	1476.9	2.24%
Vantage Towers AG (HMSE:VTWR)	568.5	483.7	-14.92%
H & M Hennes & Mauritz AB (publ) (OM:HM B)	1276.428335	1191.2	-6.68%
Geberit AG (SWX:GEBN)	825.667945	816.62	-1.10%
Heineken Holding N.V. (ENXTAM:HEIO)	3229	2612	-19.11%
Saab AB (publ) (OM:SAAB B)	384.3095728	413.04	7.48%
ASM International NV (ENXTAM:ASM)	632.435	619.276	-2.08%
Essity AB (publ) (OM:ESSITY B)	1321	1355.33	2.60%
ArcelorMittal S.A. (ENXTAM:MT)	2116.998	1853.68	-12.44%
Telenor ASA (OB:TEL)	1513.495848	1529.971	1.09%
Associated British Foods plc (LSE:ABF)	1607.505303	1477.41	-8.09%
Antofagasta plc (LSE:ANTO)	1600.68571	1609.9	0.58%
SGS SA (SWX:SGSN)	920.7513713	913.28	-0.81%
Kerry Group plc (ISE:KRZ)	866	763.2	-11.87%
Sartorius Stedim Biotech S.A. (ENXTPA:DIM)	448.7	456.1	1.65%
Straumann Holding AG (SWX:STMN)	642.5222244	597.43	-7.02%
Carlsberg A/S (CPSE:CARL B)	1489.895551	1307.48	-12.24%
NEXT plc (LSE:NXT)	1126.777951	1057.6	-6.14%
Prada S.p.A. (SEHK:1913)	1061.692	1033.7	-2.64%
Koninklijke KPN N.V. (ENXTAM:KPN)	1342	1303	-2.91%
STMicroelectronics N.V. (ENXTPA:STMPA)	4170.667	4148.82	-0.52%
Sandoz Group AG (SWX:SDZ)	339.2625	274.95	-18.96%
Alfa Laval AB (publ) (OM:ALFA)	832.6707411	803.75	-3.47%
Coca-Cola HBC AG (LSE:CCH)	953.6	928	-2.68%
Sonova Holding AG (SWX:SOON)	753.0655473	732.675	-2.71%
Investment AB Latour (publ) (OM:LATO B)	323.7664215	317.27	-2.01%
Bolloré SE (ENXTPA:BOL)	768	476.7	-37.93%
Moncler S.p.A. (BIT:MONC)	893.839	891.59	-0.25%
OMV Aktiengesellschaft (WBAG:OMV)	5226	4628	-11.44%
EMS-CHEMIE HOLDING AG (SWX:EMSN)	529.1913754	525.49	-0.70%
InterContinental Hotels Group PLC (LSE:IHG)	964.4102	964.435	0.00%

Lifco AB (publ) (OM:LIFCO B)	427.5803838	428.51	0.22%
Evolution AB (publ) (OM:EVO)	1142.73	1139.31	-0.30%
The Sage Group plc (LSE:SGE)	363.1806313	363.2	0.01%
bioMérieux S.A. (ENXTPA:BIM)	439	443.8	1.09%
International Consolidated Airlines Group S.A.	3507	3784	7.90%
Symrise AG (XTRA:SY1)	559.362	537.5	-3.91%
Jerónimo Martins, SGPS, S.A. (ENXTLS:JMT)	1187	1212	2.11%
Kingspan Group plc (ISE:KRX)	835.2	834	-0.14%
Telia Company AB (publ) (OM:TELIA)	448.0013279	453.37	1.20%
Repsol, S.A. (BME:REP)	4294	4532	5.54%
UPM-Kymmene Oyj (HLSE:UPM)	608	636	4.61%
Prysmian S.p.A. (BIT:PRY)	860	989	15.00%
Knorr-Bremse AG (XTRA:KBX)	869.868	881	1.28%
Bureau Veritas SA (ENXTPA:BVI)	824.4	817.4	-0.85%
Sartorius Aktiengesellschaft (XTRA:SRT3)	503.9	502.6	-0.26%
Vestas Wind Systems A/S (CPSE:VWS)	292	-2	-100.68%
Bunzl plc (LSE:BNZL)	909.332514	902.849	-0.71%
Aker BP ASA (OB:AKRBP)	8132.71018	8021.7	-1.36%
Nemetschek SE (XTRA:NEM)	199.498	197.65	-0.93%
Covestro AG (XTRA:ICOV)	186	177	-4.84%
Halma plc (LSE:HLMA)	351.1621139	352.51	0.38%
Informa plc (LSE:INF)	585.1717788	581.34	-0.65%
Genmab A/S (CPSE:GMAB)	713.8887192	713.9	0.00%
Smith & Nephew plc (LSE:SN.)	384.4975	383.6	-0.23%
Recordati Industria Chimica e Farmaceutica S.p.A.	558.008	561.35	0.60%
EnBW Energie Baden-Württemberg AG	3341.3	3300.5	-1.22%
Endesa, S.A. (BME:ELE)	1645	1350	-17.93%
Enel SpA (BIT:ENEL)	10832	10864	0.30%
Engie SA (ENXTPA:ENGI)	6098	4951	-18.81%
Fortum Oyj (HLSE:FORTUM)	1663	1664	0.06%
National Grid plc (LSE:NG.)	5625.264	4696.46	-16.51%
Naturgy Energy Group, S.A. (BME:NTGY)	3470	3472	0.06%
Ørsted A/S (CPSE:ORSTED)	-2391.45	-3154.297	-31.90%
Redeia Corporación, S.A. (BME:RED)	957.3	820.7	-14.27%
JDE Peet's N.V. (ENXTAM:JDEP)	685	695.20	1.49%
Eiffage SA (ENXTPA:FGR)	2352	2,346.00	-0.26%
Aéroports de Paris SA (ENXTPA:ADP)	1243	1,150.00	-7.48%
Pandora A/S (CPSE:PNDORA)	944.3042031	944.10	-0.02%
Orkla ASA (OB:ORK)	547.1766696	535.46	-2.14%
Snam S.p.A. (BIT:SRG)	1271	1282	0.87%
SSE plc (LSE:SSE)	-168.677	-908.54	-438.63%
Terna S.p.A. (BIT:TRN)	1362.3	1347	-1.12%
Veolia Environnement SA (ENXTPA:VIE)	2847	2705	-4.99%
VERBUND AG (WBAG:VER)	3501.944	3519.8	0.51%

Half-Year Data

Company Name	FH1 2023	FH1 2023	Difference	FH2 2023	FH2 2023	Difference	FH1 2024	FH1 2024	Difference	FH2 2024	FH2 2024	Difference
LVMH Moët Hennessy -	11564	1,574.00	0.09%	10996	11,079.00	0.75%	10624	10,630.00	0.06%	8283	8,447.00	1.98%
Hermès International	2947	2,947.00	0.00%	2703	2,702.00	-0.04%	3148	3,149.00	0.03%	3002	2,999.00	-0.10%
Nestlé S.A.	7323.907867	7,386.74	0.86%	7205.198413	7,348.97	2.00%	7656.262845	7,741.87	1.12%	7972.22314	7,695.63	-3.47%
Roche Holding AG	9847.237182	9,791.80	-0.56%	6058.017115	5,047.50	-16.68%	9320.891192	9,202.70	-1.27%	4920.306612	4,052.80	-17.63%
L'Oréal S.A.	3937.1	3,939.70	0.07%	3756.3	3,757.80	0.04%	4495.7	4,491.70	-0.09%	3754.1	3,761.80	0.21%
Unilever PLC	5516	4,940.00	-10.44%	4242	4,297.00	1.30%	5948	5,671.00	-4.66%	3452	4,011.00	16.19%
EssilorLuxottica Société	1832	1,832.00	0.00%	1344	1,335.00	-0.67%	1943	1,944.00	0.05%	1505	1,504.00	-0.07%
Schneider Electric S.E.	2952	2,867.00	-2.88%	2981	2,716.00	-8.89%	3005	2,986.00	-0.63%	3444	3,280.00	-4.76%
L'Air Liquide S.A.	2513.7	2,398.40	-4.59%	2057.8	1,903.90	-7.48%	2513.7	2,375.20	-5.51%	2431.9	2,302.50	-5.32%
Christian Dior SE	11560	11,571.00	0.10%	10994	11,076.00	0.75%	10620	10,627.00	0.07%	8281	8,444.00	1.97%
Safran SA	1349	1,297.00	-3.85%	1449	1,395.00	-3.73%	1944	1,880.00	-3.29%	2248	2,079.00	-7.52%
Compagnie Financière	2723	2,723.00	0.00%	2308	2,308.00	0.00%	2655	2,655.00	0.00%	2139	2,139.00	0.00%
Rio Tinto Group	6670.1388	6,140.10	-7.95%	7334.6316	6,570.30	-10.42%	7655.2671	7,216.70	-5.73%	6379.2127	6,467.50	1.38%
RELX PLC (LSE:REL)	1489.364608	1,474.80	-0.98%	1602.859053	1,512.40	-5.64%	1675.205107	1,651.00	-1.44%	1762.90319	1,658.70	-5.91%
Rolls-Royce Holdings plc	907.5103917	1,215.90	33.98%	1333.832933	1,471.82	10.35%	1926.895602	1,622.80	-15.78%	1514.16	867.90	-42.68%
Vinci SA (ENXTPA:DG)	3410	3,331.00	-2.32%	4661	4,598.00	-1.35%	3640	3,515.00	-3.43%	5143	5,013.00	-2.53%
National Grid plc	2260.236045	2,140.16	-5.31%	3365.0284	2,556.30	-24.03%	1532.385384	2,358.50	53.91%	3845.291872	2,920.10	-24.06%
BAE Systems plc	1403.965261	1,372.40	-2.25%	1562.586372	1,387.94	-11.18%	1517.166889	1,438.25	-5.20%	1709.439464	1,420.20	-16.92%
Diageo plc (LSE:DGE)	3230.6	3,656.78	13.19%	1888.096	1,708.00	-9.54%	3561.9	3,121.12	-12.37%	2000.31	2,522.34	26.10%
Thales S.A.	798.1	694.00	-13.04%	523.7	323.00	-38.32%	804.9	714.30	-11.26%	552.4	495.50	-10.30%
Holcim AG	1986.794065	1,848.20	-6.98%	2741.906742	2,569.10	-6.30%	2092.088465	1,982.40	-5.24%	2835.066652	2,573.00	-9.24%
Compass Group PLC	962.7384	941.87	-2.17%	1222.584	1,134.08	-7.24%	1316.198	1,272.83	-3.29%	1000.6164	1,017.56	1.69%
Danone S.A.	1681	1,666.00	-0.89%	361	1,504.00	316.62%	1814	1,501.00	-17.25%	1565	1,568.00	0.19%
Engie SA	1981	1,369.00	-30.89%	4117	3,582.00	-12.99%	4221	3,364.00	-20.30%	4809	3,984.00	-17.16%
Universal Music Group	591	588.00	-0.51%	827	824.00	-0.36%	756	752.00	-0.53%	1019	1,080.00	5.99%
Heineken N.V.	1611	1,398.00	-13.22%	1618	1,428.00	-11.74%	1542	1,544.00	0.13%	1975	1,927.00	-2.43%
Lonza Group AG	544.6034492	548.69	0.75%	364.5634089	352.08	-3.42%	548.7108253	531.04	-3.22%	474.5070835	359.48	-24.24%
Compagnie de Saint-	2813	2,675.00	-4.91%	2438	2,210.00	-9.35%	2751	2,657.00	-3.42%	2553	2,224.00	-12.89%
Reckitt Benckiser Group	1997.206057	2,019.33	1.11%	920.9214919	911.75	-1.00%	1964.356513	1,971.82	0.38%	949.8037883	-	0.00%
Givaudan SA	590.9955949	590.38	-0.10%	561.9932843	557.45	-0.81%	749.0827559	746.89	-0.29%	730.5497803	701.96	-3.91%
Coca-Cola Europacific	1170	1,135.00	-2.99%	1169	1,115.00	-4.62%	1142	1,142.00	0.00%	990	990.00	0.00%
Experian plc	472.1652	510.88	8.20%	723.0068	695.12	-3.86%	740.5931	741.57	0.13%	778.2473	822.25	5.65%
Wolters Kluwer N.V.	632	626.00	-0.95%	691	690.00	-0.14%	690	689.00	-0.14%	751	752.00	0.13%
Orange S.A.	2061	2,099.00	1.84%	2670	2,721.00	1.91%	2032	2,468.00	21.46%	3084	3,433.00	11.32%
Chocoladefabriken Lindt	257.173851	259.20	0.79%	582.875663	588.20	0.91%	300.3523862	302.00	0.55%	638.1634592	629.60	-1.34%
Ferrovial SE (BME:FER)	200	200.00	0.00%	425	386.00	-9.18%	551	551.00	0.00%	2558	349.00	-86.36%
Heidelberg Materials AG	1188.9	1,099.70	-7.50%	1833.6	1,544.10	-15.79%	1202.4	1,102.70	-8.29%	2001.7	1,318.50	-34.13%
Imperial Brands PLC	1746.701306	1,647.50	-5.68%	2175.649512	2,221.96	2.13%	1748.956275	1,636.70	-6.42%	2521.940925	2,514.60	-0.29%
Henkel AG & Co. KGaA	864	852.00	-1.39%	1147	1,358.00	18.40%	1470	1,447.00	-1.56%	1361	1,378.00	1.25%

Beiersdorf	862	856.00	-0.70%	243	277.00	13.99%	848	810.00	-4.48%	446	460.00	3.14%
Anglo American plc	2769.4836	2,735.40	-1.23%	919.0156	704.60	-23.33%	1344.005	1,356.00	0.89%	-1548.4298	-	-4.66%
UCB SA	480	480.00	0.00%	124	150.00	20.97%	323	323.00	0.00%	1001	427.00	-57.34%
Naturgy Energy Group,	1713	1,729.00	0.93%	1757	1,743.00	-0.80%	1856	1,837.00	-1.02%	1693	1,687.00	-0.35%
Pernod Ricard SA	2285	2,374.00	3.89%	980	801.00	-18.27%	1897	2,076.00	9.44%	831	337.00	-59.45%
DSM-Firmenich AG	-371	-	0.00%	-126	-	0.00%	157	157.00	0.00%	404	355.00	-12.13%
Dassault Aviation société	151.593	151.60	0.00%	197.884	187.46	-5.27%	168.98	169.00	0.01%	358.175	371.94	3.84%
Capgemini SE	1151	1,150.00	-0.09%	1195	1,193.00	-0.17%	1147	1,146.00	-0.09%	1209	1,207.00	-0.17%
Veolia Environnement	1453	1,399.00	-3.72%	1394	1,306.00	-6.31%	1558	1,510.00	-3.08%	1454	1,370.00	-5.78%
Compagnie Générale des	1614	1,621.00	0.43%	1038	991.00	-4.53%	1571	1,527.00	-2.80%	1060	1,016.00	-4.15%
Kering SA	2739	2,739.00	0.00%	1904	1,904.00	0.00%	1569	1,569.00	0.00%	743	743.00	0.00%
Publicis Groupe S.A.	843	839.00	-0.47%	897	913.00	1.78%	1008	1,031.00	2.28%	1206	1,218.00	1.00%
SSE plc (LSE:SSE)	-	-	-25.97%	554.484442	2.46	-99.56%	754.2520269	853.69	13.18%	2380.06257	2,399.00	0.80%
Vantage Towers AG	257.3	244.60	-4.94%	279.4	238.60	-14.60%	282.6	-	0.00%	285.9	-	0.00%
Galderma Group AG	255.8712	256.19	0.13%	250.5416	263.53	5.18%	290.1197	284.56	-1.92%	288.1873	315.65	9.53%
Vodafone Group Public	2968	2,592.00	-12.67%	11483	-	0.00%	1857	1,908.00	2.75%	1808	-	0.00%
Heineken Holding N.V.	1611	1,423.00	-11.67%	1618	1,512.00	-6.55%	1542	1,544.00	0.13%	1975	1,992.00	0.86%
Associated British Foods	754.9302255	702.10	-7.00%	839.605689	794.20	-5.41%	1089.878375	1,020.00	-6.41%	1231.836141	1,183.22	-3.95%
Antofagasta plc	711.74532	703.20	-1.20%	959.88932	925.90	-3.54%	638.17065	615.30	-3.58%	1231.15069	1,236.90	0.47%
Straumann Holding AG	314.5115175	316.82	0.73%	303.363445	301.27	-0.69%	345.316875	347.27	0.57%	292.6032354	281.84	-3.68%
Snam S.p.A. (BIT:SRG)	758	758.00	0.00%	513	524.00	2.14%	887	887.00	0.00%	789	802.00	1.65%
Kerry Group plc	407.4	339.40	-16.69%	434.9	-	0.00%	369.3	369.10	-0.05%	463.5	-	0.00%
NEXT plc (LSE:NXT)	515.2427255	514.73	-0.10%	623.7609114	571.31	-8.41%	556.8798528	516.88	-7.18%	735.4450905	742.99	1.03%
SGS SA (SWX:SGSN)	426.6060352	429.63	0.71%	458.7985073	447.86	-2.38%	426.4325702	428.77	0.55%	533.0995766	518.01	-2.83%
Sonova Holding AG	366.9013608	371.30	1.20%	404.5473812	387.06	-4.32%	314.0187794	314.31	0.09%	397.0327529	382.86	-3.57%
Carlsberg A/S	841.8755135	777.56	-7.64%	646.2802393	558.22	-13.63%	849.3965821	792.15	-6.74%	680.7968141	-	0.00%
Bolloré SE	351.8	253.00	-28.08%	416.2	204.10	-50.96%	344.5	272.60	-20.87%	-333.5	-	-66.93%
Coca-Cola HBC AG	557.3	553.10	-0.75%	396.3	390.60	-1.44%	566.1	559.30	-1.20%	619.3	612.40	-1.11%
Sandoz Group AG	425.2248	424.30	-0.22%	-70.9248	-	-26.67%	307.7308	308.70	0.31%	-32.4746	-	39.71%
EMS-CHEMIE	282.1035782	284.30	0.78%	226.7726095	224.80	-0.87%	299.4717773	301.10	0.54%	272.7416097	264.20	-3.13%
Moncler S.p.A.	217.793	217.80	0.00%	676.046	676.00	-0.01%	258.655	258.70	0.02%	657.669	657.70	0.00%
Prada S.p.A.	491.419	491.60	0.04%	570.273	569.60	-0.12%	575.119	575.20	0.01%	704.431	703.60	-0.12%
InterContinental Hotels	537.5136	514.17	-4.34%	469.6432	435.48	-7.27%	486.6225	485.60	-0.21%	446.7381	470.20	5.25%
bioMérieux S.A.	207.8	207.50	-0.14%	231.2	231.10	-0.04%	288.3	288.30	0.00%	300.5	300.40	-0.03%
Symrise AG	302.417	295.80	-2.19%	256.945	238.90	-7.02%	365.792	361.80	-1.09%	352.01	344.06	-2.26%
Kingspan Group plc	414.9	414.60	-0.07%	420.3	419.40	-0.21%	397.4	394.80	-0.65%	464.7	481.90	3.70%
The Sage Group plc	178.7692992	177.90	-0.49%	184.411332	183.00	-0.77%	251.6904948	249.80	-0.75%	291.484951	282.05	-3.24%
Bureau Veritas SA	373.2	379.00	1.55%	451.9	436.00	-3.52%	388.3	415.10	6.90%	544.3	492.10	-9.59%
Bunzl plc (LSE:BNZL)	409.6891329	415.63	1.45%	500.1071723	487.65	-2.49%	409.260451	412.39	0.76%	551.2708185	539.01	-2.22%
Halma plc (LSE:HLMA)	172.7344121	174.64	1.10%	182.8367203	178.47	-2.39%	190.3482532	188.50	-0.97%	251.7629116	240.26	-4.57%
Informa plc (LSE:INF)	340.3448633	342.48	0.63%	245.1253734	254.09	3.66%	307.7647957	308.60	0.27%	344.5264255	318.04	-7.69%
Smith & Nephew plc	253.11	252.60	-0.20%	148.43	138.00	-7.03%	304.0232	305.10	0.35%	285.043	302.80	6.23%

JDE Peet's N.V.	323	329.00	1.86%	362	366.20	1.16%	672	678.00	0.89%	384	393.80	2.55%
Eiffage SA	981	981.00	0.00%	1371	1,365.00	-0.44%	979	979.00	0.00%	1440	1,429.00	-0.76%
Aeroports de Paris SA	444	453.00	2.03%	799	697.00	-12.77%	687	676.00	-1.60%	307	571.00	85.99%

Quarterly Data 2023

Company Name	Q1 2023 Reported	Q1 2023 IFRS	Difference	Q2 2023 Reported	Q2 2023 IFRS	Difference	Q3 2023 Reported	Q3 2023 IFRS	Difference	Q4 2023 Reported	Q4 2023 IFRS	Difference
SAP SE (XTRA:SAP)	803	806	0.37%	1371	1367	-0.29%	1723	1723	0.00%	1902	1900	-0.11%
Novo Nordisk A/S	3356.6296	3356.53	0.00%	3207.3312	3207.29	0.00%	3606.5498	3606.5	0.00%	3591.0440	3591.1	0.00%
ASML Holding N.V.	2205	2205	0.00%	2263	2263	0.00%	2182.4	2182.4	0.00%	2391.9	2391.9	0.00%
AstraZeneca PLC (LSE:AZN)	2346.0996	2124.3	-9.45%	2249.696	2249.6	0.00%	1846.1392	1846	-0.01%	1116.3998	1035.8	-7.22%
Novartis AG (SWX:NOVN)	2409.6072	2336.1	-3.05%	2571.212	2592.17	0.82%	1664.7376	1574.1	-5.44%	2335.9354	2190.1	-6.24%
Deutsche Telekom AG	5014	5002	-0.24%	5207	5222	0.29%	5426	5428	0.04%	5151	4801	-6.79%
Sanofi (ENXTPA:SAN)	2463	2463	0.00%	1859	1405	-24.42%	3211	3211	0.00%	384	0	0.00%
Anheuser-Busch InBev SA/NV	3224.1612	3508.6	8.82%	3269.204	3228.9	-1.23%	3804.7096	3531.6	-7.18%	3158.3077	3550.8	12.43%
ABB Ltd (SWX:ABBN)	1102.6392	1115.5	1.17%	1188.968	1196.3	0.62%	1189.5032	1130	-5.00%	1009.6452	899.3	-10.93%
Enel SpA (BIT:ENEL)	2951	3018	2.27%	3174	3501	10.30%	3710	3970	7.01%	997	375	-62.39%
GSK plc (LSE:GSK)	2370.6858	2366.2	-0.19%	2492.2240	2491.04	-0.05%	2247.1080	2247.1	0.00%	660.30608	1537.3	132.82%
Atlas Copco AB (publ)	773.17425	773.3	0.02%	780.20566	780.2	0.00%	877.12516	877.1	0.00%	817.37752	898.98	9.98%
Equinor ASA (OB:EQNR)	11520.646	11508.66	-0.10%	6458.716	6457.8	-0.01%	7041.5944	6947	-1.34%	7914.3156	7120.9	-10.03%
Merck KGaA (XTRA:MRK)	1035	1035	0.00%	969	970	0.10%	983	984	0.10%	622	376	-39.55%
Siemens Healthineers AG	520	518	-0.38%	189	188	-0.53%	568	568	0.00%	858	859	0.12%
Dassault Systèmes SE	298.6	297.6	-0.33%	259.3	259.3	0.00%	302.5	275.8	-8.83%	381.6	380.6	-0.26%
Siemens Energy AG	-480	-502	4.58%	-7	-32	-357.14%	-2155	-2168	-0.60%	-615	-638	-3.74%
Alcon Inc. (SWX:ALC)	246.6672	246.72	0.02%	247.32	247.4	0.03%	276.8264	276.73	-0.03%	188.1776	176.4	-6.26%
Deutsche Post AG	1638	1437	-12.27%	1693	1882	11.16%	1372	1376	0.29%	1640	1371	-16.40%
Haleon plc (LSE:HLN)	713.93853	713.88	-0.01%	585.27	610.01	4.23%	673.32536	673.35	0.00%	308.57	451.7	46.38%
BASF SE (XTRA:BAS)	1867	1786	-4.34%	974	951	-2.36%	394	349	-11.42%	-995	-867	12.86%
adidas AG (XTRA:ADS)	60	60	0.00%	176	175	-0.57%	409	410	0.24%	-377	-366	2.92%
DSV A/S (CPSE:DSV)	627.11135	626.1	-0.16%	631.71858	631.7	0.00%	589.09794	589.1	0.00%	529.94934	527.4	-0.48%
Eni S.p.A. (BIT:ENI)	2513	2497	-0.64%	1762	1766	0.23%	3126	3130	0.13%	856	433	-49.42%
Infineon Technologies AG	966	966	0.00%	996	1073	7.73%	996	995	-0.10%	913	784	-14.13%
Koninklijke Ahold Delhaize	822	818	-0.49%	724	720	-0.55%	625	622	-0.48%	675	680	0.74%
Aena S.M.E., S.A.	169.922	162.8	-4.19%	769.239	591.06	-23.16%	570.546	733.1	28.49%	691.711	699.2	1.08%
Schindler Holding AG	238.01	284.4	19.49%	369.12	327.6	-11.25%	299.61180	299.6	0.00%	318.01914	309.4	-2.71%
argenx SE (ENXTBR:ARGX)	-	-95.2	-0.30%	-	-92.1	51.15%	-	-106.1	-39.35%	-	-89.9	28.32%
Swisscom AG (SWX:SCMN)	577.88477	577.9	0.00%	554.80410	554.8	0.00%	618.85335	618.8	-0.01%	527.52499	532.9	1.02%
Amadeus IT Group, S.A.	354.4	354.3	-0.03%	380.3	380.4	0.03%	390.4	390.4	0.00%	257.7	307.3	19.25%
ASSA ABLOY AB (publ)	352.05692	351.6	-0.13%	583.73206	272.5	-53.32%	468.95028	468.953	0.00%	498.28902	509	2.15%
KONE Oyj (HLSE:KNEBV)	238.3	238.3	0.00%	283.2	283.2	0.00%	316.5	316.5	0.00%	362.1	362.2	0.03%
Endesa, S.A. (BME:ELE)	990	965	-2.53%	531	446	-16.01%	382	298	-21.99%	-258	-359	-39.15%
Leonardo S.p.a. (BIT:LDO)	93	107	15.05%	275	226	-17.82%	169	162	-4.14%	394	429	8.88%
Nokia Oyj (HLSE:NOKIA)	426	395	-7.28%	469	473	0.85%	237	238	0.42%	534	537	0.56%
Telefónica, S.A. (BME:TEF)	970	686	-29.28%	948	1116	17.72%	1057	1058	0.09%	-382	-386	-1.05%
Hexagon AB (publ)	328.4	328.4	0.00%	350.2	350.2	0.00%	146.8	146.8	0.00%	390.6	403	3.17%

Kuehne + Nagel International	617.21724	617.2	0.00%	535.35525	535.45	0.02%	460.78229	460.77	0.00%	345.95325	329.93	-4.63%
Cellnex Telecom, S.A.	81	81	0.00%	58	57	-1.72%	153	157.5	2.94%	82	15.57	-81.01%
VERBUND AG (WBAG:VER)	841.4	836.8	-0.55%	1146.6	1134.2	-1.08%	1157.9	1157.7	-0.02%	356.044	391.1	9.85%
Hapag-Lloyd Aktiengesellschaft	1731.3	1731.3	0.00%	800.8	800.8	0.00%	203.6	203.6	0.00%	-222.7	-224.6	-0.85%
Telefonaktiebolaget LM	269.84216	271.6	0.65%	-	-31.3	-44.00%	-	-2508.3	-0.16%	530.94454	498.8	-6.05%
Coloplast A/S (CPSE:COLO B)	221.60976	238.097	7.44%	230.13084	221.63	-3.69%	220.44270	230.2	4.43%	242.43505	222.6	-8.18%
Sandvik AB (publ)	497.11042	497	-0.02%	435.74006	435.66	-0.02%	499.72812	499.78	0.01%	533.37346	566.83	6.27%
Ryanair Holdings plc	219.6	239.6	9.11%	1275.8	1275.8	0.00%	151.4	151.4	0.00%	-204.2	-224.3	-9.84%
Saab AB (publ) (OM:SAAB B)	82.481400	83.211	0.88%	94.65	90.37	-4.52%	74.473709	76.946	3.32%	127.74335	158.29	23.91%
Ashtead Group plc (LSE:AHT)	528.86184	582.1	10.07%	643.7648	753.8	17.09%	755.27312	560.3	-25.81%	534.31582	503.9	-5.69%
Epiroc AB (publ) (OM:EPI A)	280.95227	280.98	0.01%	289.78582	289.75	-0.01%	282.63596	282.66	0.01%	301.27639	297.16	-1.37%
Geberit AG (SWX:GEBN)	261.10709	261.1	0.00%	195.35	198.2	1.46%	187.41235	187.3	-0.06%	144.50532	144.44	-0.05%
Koninklijke Philips N.V.	-583	-583	0.00%	221	222	0.45%	224	223	-0.45%	24	-58	-341.67%
H & M Hennes & Mauritz AB	65.516761	-24.7	-137.70%	402.54163	409.1	1.63%	410.86252	399.72	-2.71%	389.70717	381.4	-2.13%
ASM International NV	204.214	200.714	-1.71%	170.677	165.629	-2.96%	147.301	144.9	-1.63%	131.548	129.148	-1.82%
EnBW Energie Baden-	3530	3530	0.00%	390.6	390.6	0.00%	118.9	118.9	0.00%	-698.2	-739	-5.84%
ArcelorMittal S.A.	1097.1168	1097	-0.01%	1763.3	1763.3	0.00%	1136.5944	1136.6	0.00%	-1791.306	-2011.12	-12.27%
Essity AB (publ) (OM:ESSITY	363.07814	362.83	-0.07%	324.25785	323.6	-0.20%	251.68472	249.8	-0.75%	390.51682	389.8	-0.18%
Terna S.p.A. (BIT:TRN)	313.4	313.4	0.00%	325.6	325.6	0.00%	340.7	340.7	0.00%	382.6	0	0.00%
Telenor ASA (OB:TEL)	337.36686	341.1	1.11%	373.77186	382.75	2.40%	441.81802	442	0.04%	336.26332	339.551	0.98%
Sartorius Stedim Biotech S.A.	153.7	153.7	0.00%	112.9	112.9	0.00%	77	76.8	-0.26%	105.1	125.8	19.70%
STMicroelectronics N.V.	1105.4004	1099.8	-0.51%	1049.736	1038.73	-1.05%	1172.4968	1162.07	-0.89%	925.5081	923.68	-0.20%
Koninklijke KPN N.V.	316	307	-2.85%	337	333	-1.19%	366	366	0.00%	323	282	-12.69%
Ørsted A/S (CPSE:ORSTED)	600.26583	575.303	-4.16%	116.27381	-38.7	-133.28%	-	-3421.1	-17.18%	-	-269.8	-43.13%
Alfa Laval AB (publ)	190.73823	189.6	-0.60%	181.36024	179.6	-0.97%	206.25489	205	-0.61%	233.44647	232.95	-0.21%
Evolution AB (publ)	271.48	271.5	0.01%	281.515	281.5	-0.01%	287.137	287.1	-0.01%	302.598	302.5	-0.03%
Investment AB Latour (publ)	85.325587	84.54	-0.92%	82.953632	82.32	-0.76%	69.705310	68.86	-1.21%	77.185770	81.05	5.01%
OMV Aktiengesellschaft	1378	1291	-6.31%	1233	1108	-10.14%	1441	1271	-11.80%	1174	969	-17.46%
Lifco AB (publ) (OM:LIFCO	99.724280	99.654	-0.07%	107.15198	107.21	0.05%	97.968907	97.89	-0.08%	111.55053	109.81	-1.56%
International Consolidated	9	37	311.11%	1260	1253	-0.56%	1745	1790	2.58%	502	554	10.36%
Jerónimo Martins, SGPS, S.A.	233	233	0.00%	325	336	3.38%	337	318	-5.64%	292	292	0.00%
Knorr-Bremse AG	190.084	190.1	0.01%	209.193	209.2	0.00%	222.701	222.8	0.04%	248.022	193	-22.18%
Telia Company AB (publ)	157.14128	154.32	-1.80%	177.87907	176.9	-0.55%	304.83068	301.62	-1.05%	-	-199.77	7.40%
Prysmian S.p.A. (BIT:PRY)	294	283	-3.74%	342	334	-2.34%	254	237	-6.69%	-30	148	593.33%
UPM-Kymmene Oyj	318	319	0.31%	108	110	1.85%	-29	-29	0.00%	211	238	12.80%
Nemetschek SE (XTRA:NEM)	46.626	44.7	-4.13%	40.725	38.8	-4.73%	56.551	53.7	-5.04%	55.596	63.6	14.40%
Fortum Oyj (HLSE:FORTUM)	769	770	0.13%	267	267	0.00%	251	250	-0.40%	376	377	0.27%
Sartorius Aktiengesellschaft	178.5	178.5	0.00%	125.4	125.4	0.00%	80	91.7	14.63%	120	134.2	11.83%
Vestas Wind Systems A/S	66	-90	-236.36%	-68	-84	-23.53%	69	55	-20.29%	225	216	-4.00%
Repsol, S.A. (BME:REP)	1852	1848	-0.22%	457	477	4.38%	1882	1904	1.17%	103	61	-40.78%
Covestro AG (XTRA:ICOV)	39	39	0.00%	166	166	0.00%	71	71	0.00%	-90	-106	-17.78%
Aker BP ASA (OB:AKRBP)	1804.9044	1767.6	-2.07%	2067.5036	2030.992	-1.77%	2473.014	2433.5	-1.60%	1948.5428	1948.1	-0.02%

Genmab A/S (CPSE:GMAB)	55.972909	56	0.05%	197.10156	197.18	0.04%	225.80301	225.8	0.00%	234.92184	234.9	-0.01%
Redeia Corporación, S.A.	271.6	247.2	-8.98%	256	213.189	-16.72%	262.5	267.411	1.87%	167.2	0	0.00%
Pandora A/S (CPSE:PNDORA)	168.58986	168.4	-0.11%	159.50726	159.5	0.00%	123.28710	123.3	0.01%	492.91996	492.9	0.00%
Recordati Industria Chimica e	172.6	173.296	0.40%	140.8	140.805	0.00%	125.4	126.119	0.57%	119.2	118.939	-0.22%
Orkla ASA (OB:ORK)	136.74181	134.96	-1.30%	135.35771	134.02	-0.99%	162.12692	160.76	-0.84%	112.95021	105.72	-6.40%

Quarterly Data 2024

Company Name	Q1 2024 Reported	Q1 2024 IFRS	Difference	Q2 2024 Reported	Q2 2024 IFRS	Difference	Q3 2024 Reported	Q3 2024 IFRS	Difference	Q4 2024 Reported	Q4 2024 IFRS	Difference
SAP SE (XTRA:SAP)	-787	-787	0.00%	1222	1220	-0.16%	2214	2214	0.00%	2016	2018	0.10%
Novo Nordisk A/S	4269.2366	4269.3	0.00%	3477.5053	3477.5	0.00%	4535.4658	4535.5	0.00%	4926.0033	4926.1	0.00%
ASML Holding N.V.	1391.4	1391.4	0.00%	1834.6	1834.6	0.00%	2441.2	2441.2	0.00%	3355.4	3355.4	0.00%
AstraZeneca PLC (LSE:AZN)	2887.2935	2887.3	0.00%	2562.8418	2562.8	0.00%	1888.2396	1888.2	0.00%	1966.5724	1860.3	-5.40%
Novartis AG (SWX:NOVN)	3126.4337	3141.2	0.47%	3746.2662	3733.13	-0.35%	3251.9682	3207.04	-1.38%	3409.627	3218.4	-5.61%
Deutsche Telekom AG	5686	5702	0.28%	5980	5959	-0.35%	6137	6143	0.10%	8473	8163	-3.66%
Sanofi (ENXTPA:SAN)	1236	1250	1.13%	1595	1365	-14.42%	3635	3635	0.00%	1185	1185	0.00%
Anheuser-Busch InBev SA/NV	3375.7698	3042	-9.89%	3644.5365	3402.9	-6.63%	3667.9906	3747.7	2.17%	3693.6016	3233.91	-12.45%
ABB Ltd (SWX:ABBN)	1128.0373	1142.8	1.31%	1284.2208	1293.6	0.73%	1173.6494	1256.09	7.02%	1129.1371	1112.7	-1.46%
Enel SpA (BIT:ENEL)	4001	4117	2.90%	4987	4973	-0.28%	3740	3885	3.88%	2766	373	-86.51%
GSK plc (LSE:GSK)	1744.2736	2500.6	43.36%	1941.4508	2410.9	24.18%	227.12424	225.8	-0.58%	841.62700	482.5	-42.67%
Atlas Copco AB (publ)	810.11284	810.13	0.00%	833.53864	833.6	0.01%	825.40740	825.5	0.01%	874.31983	861.17	-1.50%
Equinor ASA (OB:EQNR)	7073.1739	7030.61	-0.60%	7145.3448	7074.5	-0.99%	6191.023	6165	-0.42%	8437.1365	6682.2	-20.80%
Merck KGaA (XTRA:MRK)	931	931	0.00%	792	793	0.13%	1097	1097	0.00%	825	735	-10.91%
Siemens Healthineers AG	594	596	0.34%	589	588	-0.17%	680	679	-0.15%	944	946	0.21%
Dassault Systèmes SE	324.1	323	-0.34%	276	276.1	0.04%	276.2	275.5	-0.25%	483.4	482.2	-0.25%
Siemens Energy AG	1813	76	-95.81%	436	69	-84.17%	55	-40	-172.73%	-178	-190	-6.74%
Alcon Inc. (SWX:ALC)	341.0992	341.02	-0.02%	296.7894	296.733	-0.02%	297.6712	297.82	0.05%	381.5305	326.4	-14.45%
Deutsche Post AG	1311	1317	0.46%	1351	1612	19.32%	1373	1324	-3.57%	1851	1783	-3.67%
Haleon plc (LSE:HLN)	766.77801	766.71	-0.01%	564.77	574.46	1.72%	847.20948	847.2	0.00%	398.53	261.1	-34.48%
BASF SE (XTRA:BAS)	1689	1639	-2.96%	516	474	-8.14%	250	222	-11.20%	-422	-277	34.36%
adidas AG (XTRA:ADS)	336	336	0.00%	346	347	0.29%	598	596	-0.33%	57	43	-24.56%
DSV A/S (CPSE:DSV)	488.10810	486.6	-0.31%	549.63732	549.6	-0.01%	592.71359	576.2	-2.79%	527.77171	428.2	-18.87%
Eni S.p.A. (BIT:ENI)	2670	2713	1.61%	1581	1623	2.66%	1360	1301	-4.34%	-363	-398	-9.64%
Infineon Technologies AG	702	702	0.00%	496	496	0.00%	519	519	0.00%	448	482	7.59%
Koninklijke Ahold Delhaize	803	797	-0.75%	790	786	-0.51%	583	579	-0.69%	607	601	-0.99%
Aena S.M.E., S.A.	369.604	362.9	-1.81%	762.026	751.003	-1.45%	896.949	889.7	-0.81%	633.942	604.44	-4.65%
Schindler Holding AG	274.32	300	9.36%	348.95	338.6	-2.97%	347.08740	347.1	0.00%	342.15486	333.7	-2.47%
argenx SE (ENXTBR:ARGX)	-	-84.8	2.07%	-	-40.9	3.60%	12.720064	14.5	13.99%	99.527301	98.1	-1.43%
Swisscom AG (SWX:SCMN)	583.64746	583.7	0.01%	540.08012	540.1	0.00%	598.64616	598.5	-0.02%	318.70500	321.87	0.99%
Amadeus IT Group, S.A.	422.1	422.1	0.00%	446.6	449	0.54%	443.7	443.7	0.00%	320.1	309.5	-3.31%
ASSA ABLOY AB (publ)	468.90319	470.3	0.30%	534.58832	535.7	0.21%	549.06344	551.1	0.37%	574.53059	563.91	-1.85%
KONE Oyj (HLSE:KNEBV)	262.4	262.3	-0.04%	334.7	334.7	0.00%	319.4	319.4	0.00%	332.5	332.4	-0.03%
Endesa, S.A. (BME:ELE)	573	565	-1.40%	810	672	-17.04%	917	857	-6.54%	771	647	-16.08%
Leonardo S.p.a. (BIT:LDO)	168	173	2.98%	222	234	5.41%	246	280	13.82%	544	583	7.17%
Nokia Oyj (HLSE:NOKIA)	405	405	0.00%	432	179	-58.56%	246	247	0.41%	917	919	0.22%
Telefónica, S.A. (BME:TEF)	1042	1042	0.00%	1021	996	-2.45%	740	740	0.00%	-511	-560	-9.59%
Hexagon AB (publ)	335.9	335.9	0.00%	360.5	360.5	0.00%	334.4	334.4	0.00%	401.4	398.6	-0.70%

Kuehne + Nagel International	386.35818	386.41	0.01%	417.52348	417.6	0.02%	482.95036	483.01	0.01%	448.74517	446.71	-0.45%
Cellnex Telecom, S.A.	179	203	13.41%	-316	-399.28	-26.35%	260	185.28	-28.74%	74	85.78	15.92%
VERBUND AG (WBAG:VER)	744.7	740.2	-0.60%	537.5	537.6	0.02%	721	721.1	0.01%	722.661	766.1	6.01%
Hapag-Lloyd Aktiengesellschaft	370.4	369.1	-0.35%	456.9	456.8	-0.02%	968.7	968.7	0.00%	784	730.2	-6.86%
Telefonaktiebolaget LM	354.21306	356.6	0.67%	-	-1194.93	-0.74%	512.81871	508.054	-0.93%	667.65290	678.29	1.59%
Coloplast A/S (CPSE:COLO B)	237.55220	243.345	2.44%	245.92214	237.62	-3.38%	255.72507	245.81	-3.88%	246.45437	260.04	5.51%
Sandvik AB (publ)	190.19663	190.3	0.05%	489.06334	489.1	0.01%	435.55556	435.5	-0.01%	501.39423	545.9	8.88%
Ryanair Holdings plc	711.2	711.2	0.00%	1704.6	1704.6	0.00%	-18.9	-18.9	0.00%	-336.2	-336.2	0.00%
Saab AB (publ) (OM:SAAB B)	103.24712	100.84	-2.33%	118.3	115.69	-2.21%	104.93291	102.74	-2.09%	170.44785	168.114	-1.37%
Ashtead Group plc (LSE:AHT)	520.17628	637.9	22.63%	642.39039	757	17.84%	713.87292	544.6	-23.71%	531.05182	505.09	-4.89%
Epiroc AB (publ) (OM:EPI A)	239.26286	239.2	-0.03%	257.21174	257.3	0.03%	289.69262	289.6	-0.03%	299.09104	248.1	-17.05%
Geberit AG (SWX:GEBN)	245.99507	246	0.00%	206.85	212.6	2.78%	211.43672	211.4	-0.02%	126.30950	126.33	0.02%
Koninklijke Philips N.V.	-824	-823	0.12%	816	816	0.00%	337	338	0.30%	199	163	-18.09%
H & M Hennes & Mauritz AB	180.05397	186.522	3.59%	625.02189	623.6	-0.23%	310.02503	311.2	0.38%	403.55908	402.71	-0.21%
ASM International NV	187.1	184.8	-1.23%	177.57	173.263	-2.43%	215.15	205.717	-4.38%	222.302	219.991	-1.04%
EnBW Energie Baden-	1430	1430	0.00%	977.3	977.3	0.00%	640.6	640.6	0.00%	-209.8	-212	-1.05%
ArcelorMittal S.A.	993.6368	993.6	0.00%	976.2318	976.2	0.00%	594.4458	594.4	-0.01%	510.9611	315.9	-38.18%
Essity AB (publ) (OM:ESSITY	358.37415	358.22	-0.04%	438.34305	433.312	-1.15%	430.33985	429.82	-0.12%	376.59114	375.3	-0.34%
Terna S.p.A. (BIT:TRN)	418.7	418.7	0.00%	417.4	417.4	0.00%	420.7	420.7	0.00%	420.6	0	0.00%
Telenor ASA (OB:TEL)	481.92107	364.684	-24.33%	382.37831	385.612	0.85%	415.25933	417.13	0.45%	318.82489	335.63	5.27%
Sartorius Stedim Biotech S.A.	110	110	0.00%	104.4	104.4	0.00%	70.8	70.7	-0.14%	85.4	77.6	-9.13%
STMicroelectronics N.V.	510.7219	506.1	-0.90%	349.9875	346.167	-1.09%	341.6046	328.704	-3.78%	356.4171	353.544	-0.81%
Koninklijke KPN N.V.	337	331	-1.78%	357	340	-4.76%	367	366	-0.27%	331	300	-9.37%
Ørsted A/S (CPSE:ORSTED)	781.02659	765.49	-1.99%	-	-6.59	-89.02%	900.60282	891.4	-1.02%	-	-860.7	-1.16%
Alfa Laval AB (publ)	190.63008	189.4	-0.65%	241.44971	241.35	-0.04%	236.38635	235.6	-0.33%	246.28973	245.59	-0.28%
Evolution AB (publ)	311.611	311.6	0.00%	311.129	311.2	0.02%	379.179	379.1	-0.02%	417.634	417.7	0.02%
Investment AB Latour (publ)	71.605479	70.89	-1.00%	82.068246	81.27	-0.97%	63.030467	62.3	-1.16%	82.387495	82.27	-0.14%
OMV Aktiengesellschaft	1187	1052	-11.37%	1112	1034	-7.01%	926	853	-7.88%	983	825	-16.07%
Lifco AB (publ) (OM:LIFCO	90.503778	90.67	0.18%	119.84429	119.739	-0.09%	100.95483	100.695	-0.26%	117.82110	114.7	-2.65%
International Consolidated	68	87	27.94%	1309	1220	-6.80%	2013	2014	0.05%	961	993	3.33%
Jerónimo Martins, SGPS, S.A.	209	209	0.00%	256	268	4.69%	316	252	-20.25%	289	290	0.35%
Knorr-Bremse AG	237.461	237.5	0.02%	238.038	237.9	-0.06%	218.693	218.9	0.09%	216.808	103.8	-52.12%
Telia Company AB (publ)	228.94681	225.8	-1.37%	259.06092	257.419	-0.63%	344.05972	343.2	-0.25%	121.57392	116.65	-4.05%
Prysmian S.p.A. (BIT:PRY)	287	269	-6.27%	305	297	-2.62%	356	342	-3.93%	258	254	-1.55%
UPM-Kymmene Oyj	354	355	0.28%	50	50	0.00%	305	303	-0.66%	-105	-125	-19.05%
Nemetschek SE (XTRA:NEM)	54.712	51.4	-6.05%	47.892	46.9	-2.07%	57.903	54.6	-5.70%	73.717	79.4	7.71%
Fortum Oyj (HLSE:FORTUM)	571	573	0.35%	240	241	0.42%	123	121	-1.63%	390	242	-37.95%
Sartorius Aktiengesellschaft	122.3	122.7	0.33%	106.2	106.3	0.09%	68.2	68.2	0.00%	95.9	90.9	-5.21%
Vestas Wind Systems A/S	-67	-52	22.39%	-185	-185	0.00%	231	230	-0.43%	815	814	-0.12%
Repsol, S.A. (BME:REP)	1331	1325	-0.45%	1076	1080	0.37%	210	206	-1.90%	-672	-674	-0.30%
Covestro AG (XTRA:ICOV)	61	61	0.00%	81	81	0.00%	76	76	0.00%	-131	-191	-45.80%
Aker BP ASA (OB:AKRBP)	2033.9893	1991	-2.11%	2142.2968	2098.1	-2.06%	1519.6473	1478.3	-2.72%	2008.0095	1964.9	-2.15%

Genmab A/S (CPSE:GMAB)	107.38110	107.4	0.02%	219.90856	219.9	0.00%	281.87420	281.92	0.02%	289.63081	289.64	0.00%
Redeia Corporación, S.A.	205.5	181	-11.92%	208.2	143.247	-31.20%	205.2	212.953	3.78%	142.5	0	0.00%
Pandora A/S (CPSE:PNDORA)	202.02661	202.1	0.04%	179.41320	179.4	-0.01%	131.41613	131.5	0.06%	556.33252	556.3	-0.01%
Recordati Industria Chimica e	186.9	183.496	-1.82%	181	153.76	-15.05%	136.2	162.609	19.39%	134.8	131.76	-2.26%
Orkla ASA (OB:ORK)	148.31632	146.19	-1.43%	208.96808	207.24	-0.83%	119.71593	117.88	-1.53%	155.24646	151.8	-2.22%