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Adjusted earnings: an initial investigation of eps disclosures in annual reports

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Abstract

In the last decade an increasing number of companies have been reporting adjusted (or non-statutory) earnings in their press releases. However, there has been relatively little systematic study of adjusted earnings disclosures in annual reports, despite the importance of annual reports as corporate communication devices. This study documents Australian listed company voluntary disclosures of earnings per share (EPS) in their annual reports and examines the statutory nature of those disclosures. Nearly one third of these disclosures are found to be based on adjusted earnings but generally little information is provided on what adjustments were made. A majority of these adjusted EPS numbers are found to be greater than the company's statutory EPS. Companies reporting adjusted EPS are not found to differ significantly in size or profitability from companies voluntarily reporting only statutory EPS but there is a greater concentration of information and communication technology companies in the subsample of those reporting adjusted EPS. The paper contributes to our understanding of adjusted EPS disclosures and the companies disclosing them.

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Introduction

In the last decade an increasing number of companies have been reporting adjusted earnings in their press releases. These adjusted earnings numbers are referred by various names – 'pro-forma', 'normalised', 'core', 'headline' earnings – but all are non-statutory earnings numbers because they are not the profit figure arising from application of officially sanctioned accounting principles and regulations. These adjusted earnings figures are used to produce earnings per share (EPS) numbers, EPS being probably the most widely quoted of all financial ratios. But such earnings figures have been both criticised as potentially misleading by official bodies such as the Securities and Exchange Commission (SEC) in the U.S. and by associations representing investors (Lougee & Marquardt 2004) and have even been sarcastically referred to as EEBS, which stands for 'earnings excluding all the bad stuff' (Fox 1998, cited in Johnson & Schwartz 2005, p. 919).

There is a growing literature examining adjusted earnings disclosures in press releases, forming part of a wider literature on voluntary and strategic disclosure. Within this wider literature, there are also a substantial number of studies looking at voluntary disclosure of ratios, such as EPS, in annual reports. However, as yet, there have been no studies that we could identify systematically examining adjusted EPS disclosures in the voluntary sections of annual reports, despite the importance of annual reports as corporate communication devices. Therefore, in order to throw some initial light on this subject, we document in this paper voluntary disclosures of EPS in the annual reports of a sample of Australian listed companies and examine the statutory nature of those disclosures.
The remainder of this paper is structured as follows. First, a brief review of the related literature is provided. This is followed by an overview of the method used in this study and presentation of the results. The final section of the paper provides conclusions.

Literature review

EPS is one of the two financial accounting ratios required to be disclosed by international accounting standards (IAS) in IAS 33 (IASB 2008a), the other being dividends per share in IAS 1 (IASB 2008b, para.107). In general terms, EPS is calculated by dividing profit by the total number of shares issued. IAS 33 (IASB 2008a, para.9) requires basic and diluted EPS to be disclosed on the face of the income statement based on (1) continuing operations (that is, 'profit or loss from continuing operations attributable to the ordinary equity holders of the parent entity' and (2) overall (that is, 'profit or loss attributable to the ordinary equity holders of the parent entity', which includes profits from discontinued operations. The total number of shares issued in the calculation of basic EPS is defined as the weighted average number of ordinary shares outstanding during the period (IASB 2008a, para.10), while for diluted EPS the weighted average number of shares outstanding must be adjusted for any shares that may be issued due to the existence of convertible instruments, options, warrants and their equivalents (IASB 2008a, para.30). These overall and continuing operations basic and diluted EPS numbers are, in this paper, referred to as 'statutory EPS' (SEPS).
The related regulation requires SEPS to be disclosed on the face of an entity's published income statement and requires that certain ratio components also be disclosed, usually in the notes to the accounts. Disclosures of EPS in any other part of the annual report are not currently regulated. However, it is common practice

for public companies to voluntarily disclose EPS in the non-financial part of their annual reports (Watson et al. 2002; Mitchell 2006; Harrison & Morton 2007). In this paper we focus on voluntary disclosure.

These other sections of the annual report, such as an historical summary, chairman's report and financial highlights, have long been known to be heavily relied on by unsophisticated investors than the regulated and audited financial statements (Lee & Tweedie 1975). If ratios are voluntarily disclosed in these sections of the report, it follows that they must be viewed by management as having some worth to report users. In other words, if the benefits of disclosure outweigh the costs, voluntary disclosures will be made (Bhojraj, Blacconiere & D'Souza 2004). One of these benefits, according to the literature, is the reduction of information asymmetries, which improves investor decisions and reduces the cost of capital (Gu & Li 2007). Such explanations for the overall level of information voluntarily disclosed in company annual reports has been widely studied (for example, Bradbury 1992; McKinnon & Dalimunthe 1993; Hossain & Adams 1995; Camfferman & Cooke 2002; Francis et al. 2008).

A number of voluntary disclosure studies have specifically examined financial ratio disclosures in annual reports. These studies have considered several issues, including inconsistencies and variations in the calculation of disclosed ratios (Gibson 1982; Courtis 1996), evidence of selective reporting (Williamson 1984; Aitken & Deegan 1991; Courtis 1996; Mitchell 2006) and evidence of other reasons for voluntary reporting of ratios using agency and signalling theories (Watson et al. 2002; Mitchell 2006; Aripin et al. 2008; Harrison & Morton 2009a, 2009b). On the whole, this research suggests that there are many inconsistencies and variations in ratio reporting between companies and industries and within a company across time. There is also substantial evidence that industry type explains extent and content of voluntary ratio disclosures. The research also suggests that highlighting 'good news' and de-emphasising 'bad news' does occur.

This potential for selective reporting is also evident in the controversy surrounding 'company-constructed' (Johnson & Schwartz 2005, p. 919) adjusted earnings disclosures. The literature in this area addresses two alternative explanations for such disclosures. The first explanation is that adjusted EPS are a better reflection of the company's economic reality than statutory figures (Johnson & Schwartz 2005). This explanation is obviously supported by comments from the disclosing companies who argue that their earnings' adjustments remove alleged statutory-created distortions and therefore provide investors with better information.

The alternative explanation suggests the adjusted earnings disclosures relate to self-serving behaviour by making performance appear better and therefore potentially misleading investors, resulting in an inflated share price (Lougee & Marquardt 2004; Johnson & Schwartz 2005; Berger 2005). Support for self-serving behaviour and impression management by corporate managers has been found in a wide variety of situations, including accounting choice and financial disclosure decisions (Lewellen et al. 1996; Brennan et al. 2009). For this explanation of adjusted earnings disclosures to be true, Johnson and Schwartz (2005, p. 924) argue that managers must:

...believe that there is some probability that readers will rely on pro forma earnings (rather than GAP earnings or some other earnings figure) to evaluate the firm's…performance. This belief seems plausible if readers "fixate" on the earnings number displayed most prominently in the press release and ignore other potentially relevant information disclosed elsewhere in the release.

Theoretical, experimental and archival evidence suggests that such "fixation" does occur, particularly amongst less informed, less experienced and less attentive investors (Hirshleifer & Teoh 2003; Frederickson & Miller 2004; Elliott 2006; Allee et al. 2007; Bhattacharya et al. 2007).

The question of whether adjusted EPS disclosures mislead or inform investors is still unsettled despite a substantial, but as yet inconclusive (Berger 2005), literature examining these two alternative explanations for such disclosures in press releases. Despite that, it would appear that even if investors, 'on average' (Johnson & Schwartz 2005, p. 955), are not misled by such disclosures, there remains 'the possibility that pro forma earnings releases may indeed harm some investors and benefit others' (Johnson & Schwartz 2005, p. 956). That is, 'potential wealth redistribution effects' (Johnson & Schwartz 2005, p. 956) are likely between investors.

This introduces a question that to our knowledge has not been addressed in the literature. Given these 'potential wealth redistribution effects' (Johnson & Schwartz 2005, p. 956) between investors, and the importance of annual reports as corporate communication devices, are companies disclosing adjusted EPS figures in their annual reports? If so, what is the nature of these disclosures and do the companies doing so differ in any systematic ways from those that only voluntarily disclose statutory EPS? We address these questions in the remainder of this paper.

Sample and data

Content analysis of annual reports was used to collect data on the EPS ratios disclosed by a sample of Australian listed companies. The companies in the study were selected from the ASX All Ordinaries Index constituent list at 30 June 2005, which at that time consisted of 485 of the largest listed Australian companies by market capitalisation. Larger firms were the focus of this study because ratio disclosure and innovation is more likely to be found in larger companies (Watson et al. 2002). Companies in the Financials and Energy Global Industry Classification Standard (GICS) sectors were excluded, as were companies in the Metals and Mining industry within the Materials sector. These exclusions were made because companies in these industries have very different reporting and legal requirements and disclosure practices (Hossain and Adams, 1995). After exclusions, the list contained 274 companies. A sample of 100 companies was drawn from this list using stratified random sampling based on GICS sectors. The final sample consisted of 94 companies, the remainder being excluded because they filed only 10-K reports, were de-listed or were not operating companies.

The annual reports used were the first based on the International Financial Reporting Standards in Australia (AIFRS), which first came into effect for companies with a December 2005 balance date. In order to focus on ratios voluntarily disclosed, the financial statements, notes to the financial statements and corporate governance statement were excluded from the content analysis. Furthermore, only disclosures providing ratio values are included in the analysis reported in this paper.

Data on each discrete EPS disclosure was recorded and is analysed in the next section. A discrete ratio disclosure was defined as each continuous section of a page in an annual report that included EPS information. Market data was collected from the FACTIVA database, while all other company data related to profitability (including statutory EPS numbers) and size were obtained from the company's audited financial statements.

Results and discussion

In total, 296 discrete voluntary EPS disclosures were recorded from the annual reports of the 94 companies examined. Of these companies, 75 (81%) voluntarily disclosed at least one EPs ratio. Labels for EPS disclosures in the unregulated sections of companies' annual reports were found to vary greatly. These labels are shown in Table 1, along with their frequencies. In total, 59 different labels were used. Most disclosures provided no details on the components of the ratio. The most 'basic' names were used most frequently ('earnings per share', 'basic earnings per share' and 'diluted earnings per share'), making up 63% of the labels, but a substantial number of variations remain. It is the case, however, that the more complicated names (for example 'basic earnings per share before goodwill, amortisation and non-recurring items (weighted average)') are perhaps more useful because it is clearer how the ratio was computed.

Table 1: Frequency of earnings per share ratio names as presented in annual reports

Label	Adjusted EPS	Basic EPS	Diluted EPS	Cont'g EPS	Label total
Adjusted basic earnings per share	5				5
Adjusted earnings per share	4				4
Alternative basic earnings per share	1				1
Alternative earnings per share	1				1
Basic & diluted earnings per share*		3			3
Basic & diluted earnings per share from continuing operations				2	2
Basic earnings per ordinary share after abnormal items	2				2
Basic earnings per ordinary share before abnormal items	2				2
Basic earnings per share	4	62			66
Basic earnings per share - continuing operations				1	1
Basic earnings per share (before material items & discontinued operations)	1				1
Basic earnings per share after finance costs		1			1
Basic earnings per share after goodwill, amortisation & non-recurring items (weighted average)		1			1
Basic earnings per share before finance costs		1			1
Basic earnings per share before goodwill, amortisation & non-recurring items (weighted average)	1				1
Basic earnings per share on an adjusted basis	1				1
Basic earnings per share post [specific item]		1			1
Basic earnings per share pre [specific item]	1				1
Basic normalised earnings per share	1				1
Core earnings per share	8				8
Core earnings per share from continuing operations	4				4
Diluted earnings per share	1		31		32
Diluted earnings per share - continuing operations				1	1
Earnings per share	11	75	1	2	89
Earnings per share - post impairment/goodwill		1			1
Earnings per share - pre impairment/goodwill	1				1
Earnings per share - underlying net profit	1				1
Earnings per share (after tax)		2			2
Earnings per share (before tax)	3				3
Earnings per share (fully diluted) pre-acquisition intangibles amortisation charges	2				2

Continued over page

Table 1: Frequency of earnings per share ratio names as presented in annual reports (cont'd)

Label	Adjusted EPS	Basic EPS	Diluted EPS	Cont'g EPS	Label total
Earnings per share (on a management adjusted AIFRS basis)	1				1
Earnings per share (on normalised profit)	1				1
Earnings per share (undiluted)		1			1
Earnings per share based on earnings before interest, tax, depreciation & amortisation	2				2
Earnings per share before goodwill/intangible amortisation	1	1			2
Earnings per share before individually material items	1				1
Earnings per share before non-recurring items	4				4
Earnings per share before significant items		3			3
Earnings per share from continuing operations				1	1
Earnings per share including individually material items		1			1
Earnings per share on a normalised basis	1				1
Earnings per share post significant items		1			1
Earnings per share pre significant items	1				1
EBITDA per share	1				1
Fully diluted earnings per share		3	5		8
Management basic earnings per share	1				1
Management diluted earnings per share	1				1
Management earnings per share	3				3
Net profit per share		2			2
Normal basic earnings per share		1			1
Normalised basic earnings per share	1				1
Normalised earnings per share	5				5
Reported earnings per share		1			1
Total earnings per share		1			1
Total earnings per share (before material items & discontinued operations)	3				3
Total earnings per share (including material items & discontinuing operations)	1				1
Underlying earnings per share	5				5
Underlying net profit per share	1				1
Weighted average earnings per share (excl. CULS, CUPS & restructure costs)	1				1
Total number of disclosures	**90**	**162**	**37**	**7**	**296**
	30.4%	**54.7%**	**12.5%**	**2.3%**	**100%**

*Basic and diluted EPS were the same and so for simplicity are classified as basic.

Table 1 also classifies the disclosures into four groups: adjusted EPS (hereafter, AEPS); basic EPS; diluted EPS; and basic and/or diluted EPS on a continuing basis. The latter three categories are statutory EPS (hereafter SEPS) figures. As can be seen from Table 1, 54.7% of the identified 296 disclosures are the statutory basic EPS figure and 12.5% the statutory diluted EPS. Disclosures of statutory basic and/or diluted EPS based on continuing operations make up only 2.3% of the total. AEPS figures make up 30.4% of disclosures. There several instances of terms such as adjusted, normalised, management and underlying earnings being used in these labels.

Examination of the table indicates that there are also instances where the label for AEPS does not clearly distinguish it from

SEPS. This could conceivably mislead a user. We scrutinised each of these instances to better understand the extent to which this may be the case.

One of these labels was ‘basic earnings per ordinary share after abnormal items’. The last part of that label suggests that the numerator of the ratio would align with statutory profit. There were two disclosures using this label, both made by the same company. One of these presented no problems because it clearly stated that calculation was based on number of shares issued at the end of the period. The other disclosure, however, was more problematic – the only extra information given stated that the calculation was based on the weighted average number of shares issued during the period. Since this is the denominator for the statutory basic EPS formula, the user is left with no indication that the figure given is non-statutory.

There were four disclosures (across three companies) labelled ‘basic earnings per share’ given to AEPS figures. All of these were disclosures in tables. Three included some footnote to the table indicating that the figures were before significant items or otherwise adjusted. In one case the EPS label was asterisked to link it to the note at the bottom of the table. In the two other cases, there was simply a line under the table indicating that the figures excluded a certain item (e.g. figures before impairment of an investment). Hence a careful reader may take note of this. The one remaining disclosure labelled ‘basic earnings per share’ without a relevant footnote to the table was more problematic. It was disclosed in a table showing seven ‘key indicators’ over a 5-year period. Although the first indicator shown in the table was "Net profit before significant items", it was not made explicit that the numerator of the disclosed EPS was based on that indicator. This was only discovered by researcher trial and error.

There were 11 disclosures (across 5 companies) labelled simply ‘earnings per share’ given to AEPS figures. Five of these disclosures included small footnotes indicating adjustment of some kind and three explained the adjustment in the text surrounding the disclosure. The remaining three disclosures were more problematic. One provided no indication of its adjusted nature. Another was the second line of an early page in the report presented in a large font size – hence standing out on the page. There was no footnote and no explanation. However, taken in the context of the page and other disclosures on it related to EPS (including one noted above), we think a (very) careful reader may have been alerted to its adjusted nature. For example, the bottom of the page showed a graph of ‘earnings per share’ – again using adjusted figures – which was asterisked to a footnote stating it was ‘before significant items’. It remains, however, that without significant attention being paid to the detail on the page, a reader would most likely be misled. Similar comments apply to the third of the problematic ‘earnings per share’ disclosures.

There was one instance where ‘diluted earnings per share’ was the label given to an AEPS figure in a one page table. The only insight for a reader into this being an adjusted figure was a small line under the table stating that current year figures were before impairment of an investment. A final AEPS disclosure of note here was labelled ‘total earnings per share (including material items and discontinuing operations)’. This disclosure was in a one page table and included no indication of its adjusted nature.

In summary, the misleading labels given to some of the AEPS figures and the lack of detail, or at least lack of prominence of detail, suggests that some annual report users could be misled by these disclosures. At a minimum, there is evidence of poor reporting.

Table 2 summarises the annual report locations of the EPS disclosures in total and by statutory category. Overall, the largest proportion of disclosures was to be found in the Directors’ Report (25% of 296

disclosures). However, AEPS disclosures were less likely to be found in that section than SEPS disclosures. In most other locations AEPS and SEPS were more equally likely to be found, although the proportion of AEPS disclosures was somewhat greater in the Chairman's Report and financial highlights sections. These sections, somewhat similar to headline paragraphs in press releases in terms of prominence in annual reports, may be heavily relied upon by less sophisticated investors.

Table 2: Location of voluntary EPS disclosures, number (%) by statutory class

	Chairman's report	CEO/MD's report	Historical summary	Directors' report	Financial highlights*	MD&A	Other	Total
AEPS	10 (11)	8 (9)	17 (19)	11 (12)	26 (29)	5 (6)	13 (14)	90
SEPS	12 (6)	12 (6)	43 (21)	64 (31)	41 (20)	13 (6)	21 (10)	206
Total	22 (7)	20 (7)	60 (20)	75 (25)	67 (23)	18 (6)	34 (12)	296

* Includes headings financial summary; financial review; year in review and similar.

Of the 75 companies in the sample voluntarily disclosing at least one EPS figure, 49 (65%) voluntarily disclosed only SEPS and 26 (35%) voluntarily disclosed at least one AEPS figure. AEPS-disclosing companies were compared with those in the sample that disclosed only SEPS. We found no statistically significant differences between these two subsamples on size (measured by total revenue, total assets and market capitalisation) or profitability (measured by net profit margin, return on equity, statutory overall basic EPS and statutory basic EPS from continuing operations). Differences were, however, found by industry, as shown in Table 3. Information and communication technology (ICT) companies made up a greater proportion of the AEPS subsample, while consumer and industrials, materials and utilities made up greater proportions of the SEPS-only subsample.

Table 3: Cross tabulation of industry by AEPS and SEPS-only companies

Industry	AEPS subsample	SEPS-only subsample
Consumer	26.9%	42.9%
Information and Communication Technology	30.8	8.2
Industrials, Materials & Utilities	26.9	40.8
Health Care	15.4	8.2
Total	100.0% (n = 26)	100.0% (n = 49)

$\chi^2 = 8.32$; df = 3; $p < 0.04$

We also examined the EPS disclosures of each of these subsamples. In the SEPS-only subsample, the minimum number of separate disclosures was one, while the maximum was seven and the median three. In contrast, AEPS-disclosing companies tended to make a larger number of disclosures. Table 4 provides some of these statistics for the AEPS-disclosing subsample of companies. While the median for AEPS disclosures as a percentage of total disclosures was 65%, untabulated results show that this figure was 50% or greater for just over three-quarters of these companies and three companies (11.5%) made no SEPS disclosure. Most companies reported only one AEPS figure but some reported 2 or 3 different AEPS figures. The median number of labels used by a company to describe AEPS figures was 2. Untabulated results also show that 9 (35%) of AEPS-

disclosing companies use more than one term to describe the same AEPS number, thus demonstrating inconsistency in their reporting.

Table 4: Descriptive statistics of disclosures by AEPS-disclosing companies (n = 26)

	Median	Minimum	Maximum
Total EPS disclosures	5	1	13
AEPS disclosures	2.5	1	10
SEPS disclosures	2	0	6
AEPS as a % of total disclosures	65%	16.7%	100%
Number of different AEPS figures disclosed	1	1	3
Number of different labels used to describe AEPS	2	1	7

In total there were 35 different AEPS figures disclosed across the 26 companies. The differences between SEPS and each AEPS figure were calculated. Two difference figures were calculated. One was the company's overall SEPS (using diluted SEPS only when it was clear the AEPS figure was also diluted) and the other was the company's SEPS figure based on continuing operations (again, using diluted continuing SEPS only when relevant).
A summary of the differences is found in Table 5. Median differences from each of overall and continuing SEPS were negative, indicating that, within the sample disclosures, there was a tendency for the AEPS figure to be greater than overall and continuing SEPS. Therefore, it cannot be ruled out that most companies in the sample disclosing AEPS figures were engaging in some impression management by highlighting EPS figures better than statutory ones. There were, however, exceptions with some nine AEPS disclosures being less than both statutory figures.

Table 5: Descriptive statistics of disclosures by AEPS-disclosing companies (n = 26)

	Overall SEPS - AEPS	Continuing SEPS - AEPS
Mean (cents)	-1.05	-5.88
Median (cents)	-1.6	-1.7
Standard deviation (cents)	15.0	17.4
Minimum (cents)	-34.53	-89.90
Maximum (cents)	52.30	29.26
Negative differences (% of 35 disclosures)	65.7%	71.4%

Conclusions

The aim of the research reported in this paper was to examine the voluntary disclosures of EPS in annual reports and in particular to consider those EPS disclosures that were of non-statutory numbers. The research contributes to the literature on adjusted EPS disclosures and provides insight into the companies disclosing them. It also contributes to the broader voluntary disclosure literature by examining adjusted EPS disclosure in the context of annual reports.
We find that adjusted EPS disclosures are relatively common in annual reports examined, representing almost a third of all EPS disclosures and being made by just over a third of companies voluntarily disclosing EPS. We find no statistically significant differences between companies disclosing adjusted EPS and those voluntarily disclosing only statutory EPS on several size and profitability measures. This is in contrast to the literature

examining adjusted earnings in press releases. Like that literature, however, we do find that the adjusted EPS disclosing subsample was made up of a greater proportion of information and communication technology companies and a lesser proportion of consumer and industrials, materials and utilities companies.

While the incidences of exclusive disclosure of adjusted EPS are low, the disclosures are of concern for a number of reasons. First, a wide variety of vague labels are provided for these disclosures, with adjustments and ratio components generally not explained. In some cases, labels that could be construed as statutory EPS are provided with no explanation or with explanation that requires significant attention to detail. Second, within the sample, the adjusted EPS disclosures are more likely to be located in prominent sections of the annual report heavily used by less sophisticated investors. Third, there is evidence of inconsistency in the labels given to adjusted EPS figures by around a third of adjusted EPS disclosing companies. This may lead to confusion on the part of users. Fourth, on average, we find a larger number of separate disclosures within the one annual report of adjusted EPS figures, suggesting more emphasis on these figures, despite generally not explaining them. Finally, we find evidence that adjusted EPS tend to exceed statutory EPS. As such, the opportunistic, impression management explanation for disclosing AEPS cannot be ruled out.

On the whole, these findings lead us to conclude at a minimum there is evidence of poor reporting. However, there also seems to be considerable potential for some annual report users to be misled by these disclosures when considered in light of evidence suggesting that unsophisticated investors rely on prominent, non-reconciled earnings figures (Elliott 2006; Allee et al. 2007). The attention to detail required to identify some of the EPS disclosures in our sample as adjusted figures is high.

There is a need for fuller disclosure of adjusted EPS in annual reports, based on our evidence. In general, the need for full disclosure of ratio computations has been emphasised by, for example, the Group of 100 (an association representing Australia's senior finance executives) and Ernst & Young (2008: 5) in their publication *Reporting to shareholders: A good practice guide*. Such disclosures would allow users to better interpret the figures being presented to them. Based on our findings taken in the context of prior literature, we also believe the prominence of this fuller disclosure must also be increased. If managers are not deliberately attempting manipulation of users through their vague disclosures of adjusted EPS, it would seem logical that they would have no qualms in presenting these figures in such a way that they are clearly distinguished from statutory figures and reasoning for this provided. Such disclosure would be of benefit to less attentive, less informed and less experienced investors.

The research reported in this paper is, however, only an initial, exploratory examination of adjusted EPS disclosures in annual reports. Further research is required to confirm and extend the results. For example, this study examined annual reports that were generally the first produced under international accounting standards by most companies in the sample. Different time periods need to be examined as well as different country contexts and, despite the time consuming nature of performing content analyse of documents as large as most annual reports, larger samples. Research also needs to be undertaken to determine if users are truly misled by these annual report disclosures. Future research might also consider using techniques for detecting bias in narratives surrounding adjusted EPS disclosures and adjusted earnings disclosures more generally.

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