



Title	The Role of Narrative Disclosure in Capital Market: Evidence from Japan
Author(s)	Liu, Peijun
Citation	大阪大学, 2025, 博士論文
Version Type	
URL	<a href="https://hdl.handle.net/11094/101525">https://hdl.handle.net/11094/101525</a>
rights	
Note	やむを得ない事由があると学位審査研究科が承認したため、全文に代えてその内容の要約を公開しています。全文のご利用をご希望の場合は、<a href="https://www.library.osaka-u.ac.jp/thesis/#closed">大阪大学の博士論文について</a>をご参照ください。

*The University of Osaka Institutional Knowledge Archive : OUKA*

<https://ir.library.osaka-u.ac.jp/>

The University of Osaka

## 論文内容の要旨

氏 名 ( LIU PEIJUN )	
論文題名	The Role of Narrative Disclosure in Capital Market: Evidence from Japan (日本の資本市場における記述情報の開示の役割)
論文内容の要旨	
<p>This dissertation examines the significance of narrative disclosures in the Japanese capital market, exploring their implications for audit fees, managerial ownership structures, and investors' risk perceptions. The research comprises three interconnected studies, each addressing distinct facets of narrative disclosure and its interaction with financial reporting and corporate governance.</p> <p>Chapter 2 investigates the relationship between linguistic and accounting reporting complexities and audit fees in Japan. Using a sample of 14,389 firm-year observations from 2014 to 2021, the study finds a positive association between linguistic complexity, such as length and readability of textual disclosures, and audit fees. The results indicate that more complex annual reports lead auditors to allocate additional resources, reflecting increased audit efforts. Accounting reporting complexity, measured by unique monetary tags in financial statements, similarly contributes to higher audit fees. These findings emphasize the critical role of both quantitative and qualitative complexities in shaping audit pricing behaviors within the Japanese audit market.</p> <p>Chapter 3 explores the impact of managerial ownership on the modification of business risk disclosures and its influence on investors' risk perceptions. Employing data from 13,597 firm-year observations, the study reveals a nonmonotonic relationship between managerial ownership and changes in risk disclosures. While lower and higher levels of managerial ownership are associated with reduced disclosure modifications, intermediate levels prompt greater disclosure changes due to entrenchment effects. Furthermore, the findings highlight a negative relationship between increased risk disclosure informativeness and investor disagreement, as reflected in decreased stock return volatility and trading volume. This suggests that Japanese risk disclosures promote investor consensus by mitigating information asymmetry.</p> <p>Chapter 4 examines the influence of individual audit engagement partners on the narrative style and quality of their clients' annual reports. Utilizing textual analysis and data from 2014 to 2022, the study identifies that audit reports exhibit distinct textual patterns driven by the style and workload of engagement partners. This chapter underscores the need for regulatory attention to individual auditor attributes and their potential influence on disclosure quality and consistency.</p> <p>The dissertation integrates large-scale empirical analyses and rigorous methodological approaches to provide a nuanced understanding of narrative disclosures in Japan's capital market. By bridging gaps in the existing literature, this research contributes to a deeper comprehension of how narrative disclosures interact with audit practices, corporate governance, and investor behavior. The findings offer valuable insights for regulators, auditors, and policymakers seeking to enhance disclosure standards and promote transparency in financial markets.</p>	

## 論文審査の結果の要旨及び担当者

氏 名 ( LIU PEIJUN )	
	(職) 氏 名
論文審査担当者	主 査 教授 椎葉 淳
	副 査 教授 村宮 克彦
	副 査 准教授 三輪 一統

## 論文審査の結果の要旨

## [論文内容の要旨]

This thesis examines the role of narrative disclosures in Japan's capital market and contributes to the understanding of how corporate reporting influences firm valuation, audit fees, and investor perception of risk. The rapid evolution of global capital markets have amplified the importance of transparent and comprehensive disclosure practices in the business world, particularly as stakeholders are increasingly seeking reliable information that encompasses both financial and non-financial dimensions. In this context, the role of narrative disclosures has expanded, affecting how firms are evaluated and scrutinized by investors, regulators, and auditors alike.

Chapter 1 explains the significance of narrative disclosures in enhancing transparency and their unique dynamics within Japan's regulatory and corporate governance framework.

Chapter 2 investigates the relationship between linguistic and accounting reporting complexity in annual security reports and audit fees. The findings reveal a positive association between both complexities and audit fees, suggesting that auditors allocate more resources to more complex narrative disclosures, particularly in business risk sections.

Chapter 3 examines how managerial ownership influences changes in business risk disclosures and the effects of such changes on investor perceptions. The study reveals a non-linear relationship, where low and high levels of managerial ownership reduce disclosure modifications, while intermediate levels increase them. Additionally, increased modifications in risk disclosure are shown to reduce investors' opinion divergence, enhancing consensus and confidence in market decisions.

Chapter 4 investigates the impact of individual audit partners on the narrative style and consistency of clients' annual reports. The findings demonstrate that reports audited by the same partner exhibit significant textual similarities, reflecting the partner's influence on disclosure practices and suggesting the need to consider auditor-specific attributes when evaluating audit quality.

Finally, Chapter 5 summarizes the findings and outlines implications for regulatory practices, investors, and future research on narrative disclosures in capital markets.

## [審査結果の要旨]

本論文は、日本の資本市場における記述情報開示の役割を考察した実証的研究である。具体的な発見事項として、(1)会計報告の複雑性に加えて記述情報の複雑性も監査費用を増加させる要因であること、(2)経営者の持ち株比率がビジネスリスク開示に非線形的な影響を与えること、(3)個々の監査人がクライアント企業の有価証券報告書の記述様式に影響を与えていることを明らかにしている。このように、本論文は資本市場における記述情報開示の役割について多角的な視点から新たな知見を提示しており、高く評価できる。

以上より、この論文は博士（経営学）の学位を授与するに値するものであると判断する。