



Education

会计学精选教材·英文改编版

FINANCIAL STATEMENT ANALYSIS AND SECURITY VALUATION

财务报表分析与 证券价值评估

[第3版]

Stephen H. Penman 著



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使用对象

大学师生、证券业从业人士。

内容简介

本书从价值评估的概念框架出发,系统介绍了财务报表分析以及企业基本面分析的相关内容,如财务报表、权责发生制会计、财务报表分析、预测与价值评估、会计分析与价值评估以及风险分析等,从而使读者能够通过合理的财务报表分析理解企业的价值,并将分析结果应用于实际的证券投资之中。

作者简介

Stephen H. Penman, 哥伦比亚大学商学院 George O. May 教授和摩根士丹利研究学者,《会计研究评论》(*Review of Accounting Studies*)主编。研究领域为权益定价及会计信息在证券分析中的应用,1991 年获得美国会计学会和美国注册会计师协会颁发的会计研究杰出贡献奖,2001 年因本书获得美国会计学会和德勤颁发的 Wildman 奖。

本版特色

- **概念框架:**本书首先建立了一个概念框架,以帮助读者理解企业如何运行、如何创造价值以及财务报表如何反映这些价值,并将企业运行的相关知识转化为价值评估,使分析建立在合理的基础之上。
- **实践导向:**本书阐述了大量财务报表分析与投资分析中常用的分析工具,并以著名公司的实例阐述了这些工具的运用。各章后的“会计分析工具”专栏则对该章中出现的实际分析工具进行了总结。
- **战略导向:**将价值分析与战略分析融为一体。
- **以会计为基础的价值评估:**本书关注赢利预测以及如何将赢利预测转化为价值评估,认为会计利润更好地反映了企业创造的价值。在处理应计项目时,有机地将资产负债表与损益表结合在一起,从而使财务报表“活”了起来。
- **整合会计与金融:**本书将财务报表分析与基本面分析整合在一起,从而将会计的有关概念与金融的有关概念有机地结合在一起,将会计视为评价过程,会计准则被融入计价的准则之中。本书中所有的分析都与现代金融的原理一致,并且显示了对会计本身的质量的评价。
- **行为主义方法:**与市场有效假说的理念不同,本书展示了积极的投资者如何在合理分析的基础上挑战市场、发现市场的错误定价从而获取超额利润的过程。

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致谢

在本书的出版过程中,北京工商大学的童盼老师对本书进行了精心的审定,并为本书的删节、改编提出了宝贵的意见,使其更符合国内的教学需要,在此谨向她表示衷心的感谢!

教辅产品

1. 习题答案
2. 教学注释
3. PowerPoint
4. 题库
5. 会计分析工具

欲获得本书相关教辅材料的教师,请填写并反馈本书后面所附的“教师反馈及课件申请表”。

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About the Author

Stephen H. Penman is the George O. May Professor and the Morgan Stanley Research Scholar in the Graduate School of Business, Columbia University. He also serves as co-director of Columbia's Center for Excellence in Accounting and Security Analysis. Prior to his appointment at Columbia in 1999, Stephen Penman was the L.H. Penney Professor in the Walter A. Haas School of Business at the University of California at Berkeley. From 1990–95 he served as Chairman of the Professional Accounting Program and Chairman of the Accounting Faculty at Berkeley. He also initiated and chaired Berkeley's Annual Conference on Financial Reporting. He has served as a Visiting Professor at Columbia University and the London Business School, and as the Jan Wallander Visiting Professor at the Stockholm School of Economics.

Professor Penman received a first-class honors degree in Commerce from the University of Queensland, Australia, and M.B.A. and Ph.D. degrees from the University of Chicago. His research is concerned with the valuation of equity and the role of accounting information in security analysis. He has published widely in finance and accounting journals and has conducted seminars on fundamental analysis and equity evaluation for academic and professional audiences. In 1991 he was awarded the Notable Contribution to Accounting Literature Award by the American Accounting Association and the American Institute of Certified Public Accountants, and in 2002 he was awarded the American Accounting Association and Deloitte & Touche Wildman Medal for his book, *Financial Statement Analysis and Security Valuation*, published by McGraw-Hill/Irwin. He is managing editor of the *Review of Accounting Studies* and is on the editorial board of the *Schmalenbach Business Review*.

Preface

Financial statements are the lens on a business. Financial statement analysis calibrates the lens to bring the business into focus. Imperfections in the financial statements can dirty the lens and distort the picture. Financial statement analysis deals with the imperfections in financial statements to improve the focus.

Financial statements have many uses, but the predominant one is to provide information for investing in businesses. Every day millions of shares and corporate bonds are traded in the world's capital markets, and prices are set to value these securities. Investors want to know what firms are worth so they can ascertain at what price to trade. They turn to financial statement analysis to get an indication of the underlying value of firms. This book focuses on these investors.

Underlying value is sometimes referred to as *fundamental value*, and the analysis of information about fundamental value is referred to as *fundamental analysis*. This book is about fundamental analysis. Financial statement analysis is central to fundamental analysis. Indeed, in this book, fundamental analysis is developed as a matter of appropriate financial statement analysis. As the lens on a business, financial statements, focused with the techniques of financial statement analysis, provide a way of interpreting the business that enables readers to understand the value it generates for shareholders.

The experience in stock markets in the late 1990s and early 2000s suggests that such understanding is sorely needed. During those years, share prices rose considerably above the value that was indicated by earnings, book values, sales, and other fundamental information, only to collapse as the bubble burst. Spurred on by suspect analysis from those representing themselves as analysts, suspect financial reporting from some companies, the hyping of shares by corporate managements, and the speculative discussions of “talking heads” in the media, investors ignored sound analysis in a wave of “irrational exuberance.” The time has come to return to fundamentals. This book lays out the techniques of sound fundamental analysis.

THE APPROACH

Conceptual Framework

Good analysis comes from good understanding. And good understanding is provided by a conceptual framework that helps you—the student analyst—organize your thinking. In this information age, there are large amounts of information about firms to be processed. A conceptual framework guides you in using this information intelligently and economically—to turn the information into knowledge.

This book works from a conceptual framework that helps you understand how businesses work, how they generate value, and how the value they generate is captured (or not captured) in financial statements. The framework helps you translate your knowledge of a business into a valuation. The framework helps you interpret what you see in financial statements. It gives you answers to the many important questions facing analysts. What “fundamentals” should the analyst focus on—dividends, cash flows, or earnings? How is an analyst's earnings forecast converted into a valuation? How can an investor rely on earnings when earnings are sometimes measured with doubtful accounting methods? What role does

the balance sheet play? What is a growth company and how is growth valued? What does a firm's price-earnings (P/E) ratio tell you? What does its price-to-book ratio tell you? How are equity analysis and credit analysis integrated?

Most important, the framework gives you the security that your analysis is a sound one. The framework is built block by block from "first principles" so that you see clearly where the analysis comes from and, by the end of the book, have a firm understanding of the principles of fundamental analysis. You will also be able to distinguish good analysis from poor analysis.

Practical Tools

This book is about understanding, but it is primarily about doing. Concepts and frameworks are only important if they lead to analysis tools. Each chapter of the book ends with a list of **Key Concepts**, but also with the **Analyst's Toolkit** that summarizes the key analysis tools in the chapter. By the end of the book, you will have a complete set of tools for practical analysis. The Toolkit is efficiently organized so that the analyst proceeds in a disciplined way with the assurance that his or her analysis is coherent and does not overlook any aspect of the value generation in a firm. The book identifies too-simple methods of analysis and shuns ad hoc methods. However, it also strives to develop simple schemes, with a sense of trade-off between the benefit of more complicated analysis over the cost. At all points in the book, methods are illustrated with applications to recognizable firms such as Dell Inc., Cisco Systems, Nike, Microsoft, Coca-Cola, and many more.

Valuation and Strategy

The tools in the book are those that a security analyst outside the firm uses to advise clients about investing in the firm. These analysts present their recommendations in an equity research report. After studying this text, you will have the ability to write a persuasive, state-of-the-art equity research report. But the tools are also those that a manager within a firm uses to evaluate investments. The analyst outside the firm values the firm on the basis of what he understands the firm's strategy to be, while the manager within the firm uses the same tools to evaluate investments and choose the strategy. The techniques that are used to assess the value of a firm's strategy are also the techniques used to choose among strategies, so this book integrates valuation analysis and strategy analysis.

Accounting-Based Approach to Valuation

Valuation texts typically use discounted cash flow analysis to value businesses. However, analysts typically forecast earnings to indicate business value, and equity research reports primarily discuss firms' earnings, not their cash flows, to get a sense of whether the firm is making money for investors. "Buy earnings" is indeed the mantra of investing. The stock market focuses on earnings; analysts' and managements' earnings forecasts drive share prices, and when a firm announces earnings that are different from analysts' earnings estimates, the stock price responds accordingly. Revelations of overstated earnings result in large drops in stock prices—as with the Xerox, Enron, Qwest, WorldCom, Krispy Kreme, and other accounting scandals that broke as the stock market bubble burst. Investment houses are increasingly moving from cash flow valuation models to earnings-based valuation models.

This book focuses on earnings forecasting and the methods for converting earnings forecasts to a valuation. The reason will become clear as you proceed through the book: Earnings, appropriately measured, give a better indication of the value generation in a business, so the analysis of earnings prospects leads to a firmer understanding of

fundamental value. Graham and Dodd and the fundamental analysts of earlier generations emphasized “earnings power.” This book maintains that focus, but in a way that is consistent with the principles of modern finance. One must be careful, for there is a danger in paying too much for earnings.

Earnings differ from cash flows because of the “accruals” of accounting, so the book lays out how accrual accounting helps in understanding a business and its value. Accruals such as depreciation, pension liabilities, and deferred taxes are shown to have a purpose. A cash flow perspective sees accruals, rather, as arbitrary. The book shows how to work with the accounting rather than dismissing it. As accruals affect both the income statement and the balance sheet, earnings forecasts (in the income statement) cannot be interpreted without the balance sheet that lists assets that generate the earnings. Therefore, the accrual-accounting framework is one of income statements and balance sheets working together.

Financial statements are sometimes dismissed as uninformative, but you will see that, with the appropriate analysis, they can be quite revealing. With the appropriate analysis, the financial statements come to life.

The Quality of the Accounting

With an understanding of how accounting should work, you will develop an appreciation in this book of what is good accounting and what is poor accounting. By the end of the book you will recognize the defects in financial statements that are issued by firms and will have developed a critique of the “generally accepted accounting principles” and disclosure rules that determine what is in the statements. You will also understand how the accounting in reports can be distorted, as well as discover tools that detect the distortion and give you an indication of the quality of the accounting that a firm uses.

Integrating Finance and Accounting

Financial statements are prepared according to the dictates of accounting principles, and you take accounting courses to learn these accounting principles. Your appreciation of financial statements from these courses is often in terms of the accounting used to prepare them, not in terms of what the financial statements say about investing in businesses. Principles of finance guide investment analysis and you typically take finance courses to learn these principles. However, the investment analysis in these courses often does not employ financial statements or accounting concepts in any systematic way. Often you see finance and accounting as distinct or, if you see them as related, the relationship is vague in your mind. Finance courses are sometimes dismissive of accounting, while accounting courses sometimes propose analysis that violates the principles of finance. This book integrates your learning from finance and accounting courses. By integrating financial statement analysis and fundamental analysis, the book combines accounting concepts with finance concepts. Accounting is viewed as a matter of accounting for value and the accounting for value is appropriated for investment analysis. The organized structure of the financial statements helps organize fundamental analysis. Accounting principles for measuring balance sheets and income statements are incorporated as principles for measuring value. All analysis is performed in a way that is consistent with the principles of modern finance and with an appreciation of what is good accounting and what is poor accounting.

Activist Approach

Investment texts often take the view that capital markets are “efficient,” such that market prices always reflect the underlying value of the securities traded. These texts are primarily

concerned with measuring risk, not with valuation. The investor is viewed as relatively passive, accepting prices as fair value, concerned primarily with managing risk through asset allocation. This text takes an activist's perspective. Active investors do not "assume that the market is efficient." Rather, active investors challenge the market price with sound analysis, checking whether that price is a fair price. Indeed, they exploit what is perceived to be mispricing in the market to earn superior returns. Active investors adopt the creed of fundamental analysts: Price is what you pay, value is what you get. They believe that an important risk in equity investing is the risk of paying too much for a share, so active investors seek to gain an appreciation of value independently of price. Whether or not the market is efficient, you will find this perspective engaging.

The Overview

Chapter 1 introduces you to financial statement analysis and fundamental analysis, and sets the stage for the rest of the book. Chapter 2 introduces you to the financial statements. The remainder of the book is in five parts:

- **Part I** (Chapters 3–6) develops the thinking that is necessary to perform fundamental analysis. It integrates finance concepts with accounting concepts and shows you how the structure of accounting can be exploited for valuation analysis. Good thinking about valuation is captured in a valuation model, so this part of the book ends with accrual-accounting valuation models that provide the framework for the practical analysis that follows in the rest of the book. These models show you how to calculate intrinsic price-earnings ratios and price-to-book ratios. Alternative models are discussed as competing technologies, so you develop an appreciation of the strength and weaknesses of alternative approaches.
- **Part II** (Chapters 7–12) lays out the financial statement analysis that identifies value generation in a business and provides information for forecasting. In this part of the book you will see the lens being focused on the business.
- **Part III** (Chapters 13–15) deals with forecasting. The value of a firm and its shares is based on the payoffs it is expected to yield investors; thus, using the information from the financial statement analysis, this part of the book shows you how to forecast payoffs. The forecasting is developed within a financial statement framework so that forecasting is an exercise in pro forma financial statement analysis. The analysis then shows how to convert forecasts into valuations of firms and their strategies.
- **Part IV** (Chapters 16 and 17) deals with accounting issues that arise with the use of accounting-based valuation. It shows how to accommodate different accounting methods for measuring earnings and how to analyze the quality of the accounting used in financial statements.
- **Part V** (Chapters 18 and 19) lays out the fundamental analysis of risk, both equity risk and credit risk, and provides a pro forma analysis that integrates equity analysis and credit analysis.

PUTTING IT ALL TOGETHER: A TOOLKIT FOR ANALYSTS AND MANAGERS

The best way to tackle this book is to see yourself as putting together a Toolkit for analyzing financial statements and valuing businesses and business strategies. As a professional analyst or business planner, you want to be using the best technologies available, to get an edge on

the competition. So approach the book in the spirit of sorting out what are good methods and what are poor ones. You require methods that are practical as well as conceptually sound.

As you read the text, you will learn the following:

- How fundamental value (or “intrinsic” value) is ascertained
- How to analyze business strategies to understand the value that they add
- How to perform financial statement analysis
- How financial statements are used to value firms
- What a good equity research report looks like
- How to prepare business forecasts
- How “fundamentals” such as dividends, cash flows, earnings, and book values are used in valuation
- What determines a firm’s price/earnings ratio
- What determines a firm’s price-to-book ratio
- How to analyze the quality of the accounting in financial reports
- How to analyze equity risk from financial statements
- How to analyze credit risk
- How to trade on fundamental information.

USING THE BOOK

Background Requirements

To comprehend the text material, you should have a basic course in financial accounting and a basic course in finance. A second course in financial accounting and a course in investments or corporate finance will be helpful but not necessary. Indeed, you may find yourself motivated to take those courses after reading this book.

Chapter Features

The text is written with features designed to enhance your efforts in learning the material. Each chapter of the book begins with a **flow chart** that lays out the material covered in the chapter and connects that material to the preceding and upcoming chapters. This chart will help you see clearly where you’ve been and where you are going, and how it all ties together. Each chapter also opens with **The Analyst’s Checklist**, which has two lists: one covering the conceptual points in the chapter and the other a set of tasks that you should be able to perform after working the chapter. This outlines the goals of the chapter, setting you up for mastery of the material at hand. Each chapter concludes with **The Analyst’s Toolkit**, a convenient resource complete with page references, that summarizes the analysis tools in the chapter—ideal for studying and review.

End-of-Chapter Material

Each chapter ends with a set of concept questions, exercises, and minicases. Working through this material will enhance your understanding considerably. These problems are designed, not so much to test you, but to further your learning with practical analysis. Each problem makes a point. **Concept questions** reinforce the thinking in the chapter. **Exercises** apply methods covered in the chapter. **Drill Exercises** lead you gently into the analysis. **Applications** focus on issues involving specific companies. **Minicases**, designed for classroom discussion, are more contextual and involve a broader set of issues, some

involving ambiguity. They are written more concisely than full cases so that you do not have to handle a large amount of detail, and classroom time is used more efficiently to make the point. However, the minicases involve considerable analysis and insight, providing stimulus for group discussion.

As with the chapter material, the Exercises and Minicases often use the same real-world companies to make different points in different parts of the book. To help you refer back to earlier material on the same company, the Exercises and Minicases are marked with an easy-to-identify **Real World Connection** tagline.

The Continuing Case

A continuing case for one company—Kimberly-Clark Corporation—weaves its way through the book. At the end of each chapter (through Chapter 15), you receive a new installment of the case which shows how the principles and methods in that chapter are applied to Kimberly-Clark and build on the analysis of previous chapters. By the end, you have a demonstration of the application of the book, in total, to one company as a model for other companies. Work the case, then check your solution against that on the book's Web site.

Web site Reinforcement

The material in the text is supplemented with further analysis on the book's Web site at www.mhhe.com/penman3e. The **Student Center** on the Web site contains the following:

- **Chapter supplements** for each chapter in the book. The flow chart at the beginning of each chapter of the text refers you to the Web site, and **The Web Connection** at the end of each chapter summarizes what you will find in the supplements.
- **Chapter notes** for each chapter of the book. Use these notes as a summary of the chapter material.
- **Solutions to the Continuing Case.**
- **Additional exercises** for each chapter, along with solutions. Work these exercises and correct yourself with the solutions to reinforce your learning.
- **Accounting Clinics I–VII** review accounting issues that are particularly relevant to equity and credit analysis. Among the topics covered are revenue recognition, fair value and historical cost accounting, accounting for debt and equity investments, accounting for stock compensation, pension accounting, and the accounting for taxes.
- **Build Your Own Analysis Product (BYOAP)** on the Web site shows you how to build your own financial statement analysis and valuation spreadsheet product using the principles and methods in the book. It is not a final product that you can immediately appropriate; rather it is a guidebook for constructing your own. As such, it is a learning device; rather than mechanically applying a black-box product, you learn by doing. With the completed product you can analyze financial statements; forecast earnings, residual earnings, abnormal earnings growth, cash flows, and dividends; and then value firms and strategies with a variety of techniques. Add your own bells and whistles. In short, the product is the basis for preparing an equity research report and for carrying out due diligence as a professional. You will find the building process will give you a feeling of accomplishment, and the final product—of your own construction—will be a valuable tool to carry into your professional life or to use for your own investing. Off-the-shelf products are also available. **eVal 2000**, authored by Russell Lundholm and Richard Sloan, both at the University of Michigan, is available through McGraw-Hill/Irwin. Spreadsheet engines for specific tasks are available in the chapter supplements on the Web page for each chapter.

- **Links** to firms' financial statements and to many other sources of financial information. You will also find engines to screen and analyze stocks and to help you build your own analysis tools.
- **Market Insight** (Educational Version) from Standard & Poor's contains financial information on 370 companies. Access codes are available from your instructor.

Resources for Instructors

The book is accompanied by ancillaries that support the teaching and learning. The **Instructor Center** on the book's Web site contains the following:

- **Solutions Manual** with detailed solutions to the end-of-chapter material.
- **Teaching Notes** with advice for teaching from the book, alternative course outlines, a number of teaching tools, and a commentary on each chapter of the book.
- **PowerPoint** slides for each chapter.
- **Test Bank** containing further problems and exercises.
- **Accounting Clinics** to cover the accounting issues in the book in more detail.

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