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Author(s)	Mei Wang-Eskelinen	Student number	4079
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Supervisor (s)	Professor Hannu Schadéwitz Senior Research Associate Niko Lappalainen		

Abstract

Financial Disclosure is an inter-acting system comprised of inside company disclosure management activity and outside reaction in share market. This paper follows the financial disclosure framework by Gibbins, Richardson and Waterhouse in 1992, shows the disclosure environment where the financial disclosure is build upon, and displays the disclosure arrays by which the financial disclosure is released. Then the literature about bad news disclosure and bad news management is presented. The theory review about financial disclosure in general and the specific bad news disclosure act as the guide to further case study of Raisio Group plc.

Based on above financial disclosure structure theory, Raisio Group plc's financial disclosure history from 1999- 2005 is reviewed and analyzed thoroughly. There is a discussion about the inside and outside environment Raisio Group plc. Then the annual financial disclosure is studied year by year under the guide of former literature research. Every disclosure events are displayed on the figures with time and share price as two axles. The relationship between financial disclosure content and share price are easy to be seen in these figures.

After the complete review of Raisio Group plc's financial disclosure for the last 7 years. The bad news release timing and bad news management in Raisio Group plc's financial disclosure are discussed in details. The main earnings disclosure events of Raisio Group plc (mostly bad news) are studied specifically together with share price movements around announcement days in several tables. The disclosure timing, disclosure frequency, and bad news management are studied specially to verify the research findings.

Finally the summary of Raisio Group plc's financial disclosure is made and the conclusion about the consistency between reality and research result are made. Generally speaking the financial disclosure style of Raisio Group plc is conservative. The characteristics in timing of news release, relationship between earnings bad news and share price, and the bad news management of Raisio Group plc are similar to the research findings in literature.

Key words	Financial Disclosure, Bad News, Share Price, Raisio Group plc
Further information	Mei.eskelinen@acpelectronics.com ; meieskelinen@hotmail.com

