

ONLINE DISCLOSURE: AN ANALYSIS OF THE EGYPTIAN LISTED COMPANIES

Amr N. Elsayed^a, Ibrahim M. Elbeltagi^b Ahmed A. El-Masry^{c,*,**}

Abstract

The internet becomes a very useful information disclosure tool in the recent years. Many corporations begin to disseminate their information on their websites to support the different needs of their stakeholders. Internet financial reporting has unique characteristics. These include, the ability to disseminate the information to wide audience on more timely basis and using different types of information format such as (hypertext, multiple file format (PDF, HTML) and using multimedia). As the internet financial reporting practices are voluntary, many companies can improve their disclosure with both the content and presentation of the disclosed information. Consequently, many studies in developed countries have argued the potential effect of using the internet in disclosing the information and the determinants of disseminating the information on the companies' websites. The study extends the scope of the previous Egyptian studies by examining the entire Egyptian listed companies (435) in December 2007, investigating the disclosure of corporate governance information in detail, investigating the social disclosure information on the website and checking the timeliness of the disclosed information. The results reveal that 225 companies (51.7%) of the sampled companies have website and among these companies (98.7%) disclosed social information, (91.1%) disclosed corporate governance information, (48%) disclosed timeliness information and (35.6%) disclosed financial information.

Keywords: online disclosure, information dissemination, corporate governance information, timeliness, social disclosure, Egypt

^a Faculty of Commerce, Mansoura University, EGYPT

^b Plymouth Business School, Plymouth University, UK

^c Plymouth Business School, Plymouth University, UK

* Affiliated Professor, Faculty of Commerce, Mansoura University, EGYPT

** Correspondent Author: email. ahmed.el-masry@plymouth.ac.uk

1. INTRODUCTION

The disclosure of information has played a critical role in the efficient allocation of scarce resources in the capital market. Therefore, the lack of information disclosure to the stakeholders may hinder their ability to make rational decisions. Many studies have mentioned the importance of information disclosed for stock market investors' decisions through capital market studies conducted in different countries and cross-country surveys of users (Bhushan and Lessard, 1992; Barker, 1998 and Mangena 2004). Recently, Stakeholders look forward to more accurate, timeliness and relevant information to fulfil their various needs. At the same time, the revolution in the information technology provides new tools for different aspects in life. Elliott (1992), states that "information technology is changing everything. It represents a new, post-industrial paradigm of wealth creation that is replacing the industrial paradigm and is profoundly changing the way business is done.... If the purpose of accounting information is to support

business decision-making, and management's decision types are changing, then it is natural to expect accounting to change".

One of the most popular development for the wide spread of information technology is the usage of the internet. Therefore, many companies tend to benefit from the unique features of the Internet by disseminating various types of information via their website.

Many studies have argued that the potential effect of using the internet in disclosing the information and the determinants of disseminate the information on the companies' websites (Ashbaugh et. al.,1999; Bagshaw 2000; Ettredge et. al., 2001; Bonson and Escobar 2002; Debreceeny et. al.,2002; Marston and Polei,2004; Debreceeny and Rahman, 2005; Bollen et. al.,2006; Khan et. al., 2006; Momany and Al-Shorman,2006; Pervan,2006; Sriram and Laksmana, 2006; Trabelsi and Labelle, 2006; Spanos, 2007; and Abdel-Salam and street 2007). Many changes have happened in the Egyptian Environment and hence in the EGX which witness a massive

increase in the volume of traded shares in the last few years. As a result of these changes, the nature of the Egyptian users of accounting information and their needs change. This requires a change in the information which disclosed in the corporate annual report and its disclosure mean.

Accordingly, there will be essential need to satisfy the various requirements of the stakeholders in the Egyptian environment by providing useful information through the website of the companies. Few studies discuss the extent of online disclosure in the Egyptian context (e.g. Tawfik, 2001; Mohamed, 2002; Metwaly, 2003 and EL-Dyasty, 2004). The current study seeks to fill the gap in this area by updating the current practices of corporate Internet reporting in the Egyptian context. In addition to explore various items not examined before in the Egyptian context. Therefore, the main aim of the current study is to describe the current situation of corporate Internet reporting by the Egyptian listed companies. The remainder of the paper proceeds as follow: next section provides a brief introduction about the EGX. The concept of online disclosure and its advantages will be discussed in section 3. Section 4 reviews the literature in the field of online disclosure

either in devolved or developing countries. Prior studies of online disclosure in the Egyptian context will be presented in section 5. After that section 6 introduces the research methodology. Egyptian

2. STOCK MARKET: A CLOSE VIEW

The Egyptian Exchange is one of the oldest stock markets in the Middle East with a history that dates back to the late 1800sb (Mecagni and Sourial, 1999). EGX has two entities; the Alexandria Stock Exchange which established in 1888 and the Cairo Stock Exchange was later established in 1903. The stock market performance shows continuous improvements in 2006/2007. Such improvements reflected in EGX 30 index (the most 30 active companies) which records 7803.4 points comparing to 4735.91. Moreover, the CMAI (Capital Market Authority Index) records an increase from 1697 points in June 2006 to 2733.7 points in June 2007. In addition the upward trend of the Dow Jones-Egypt Titans (20) moved up to reach 1681.5 points in June 2007, compared with 1078 points in June 2006. This development can be illustrated in figure 1.

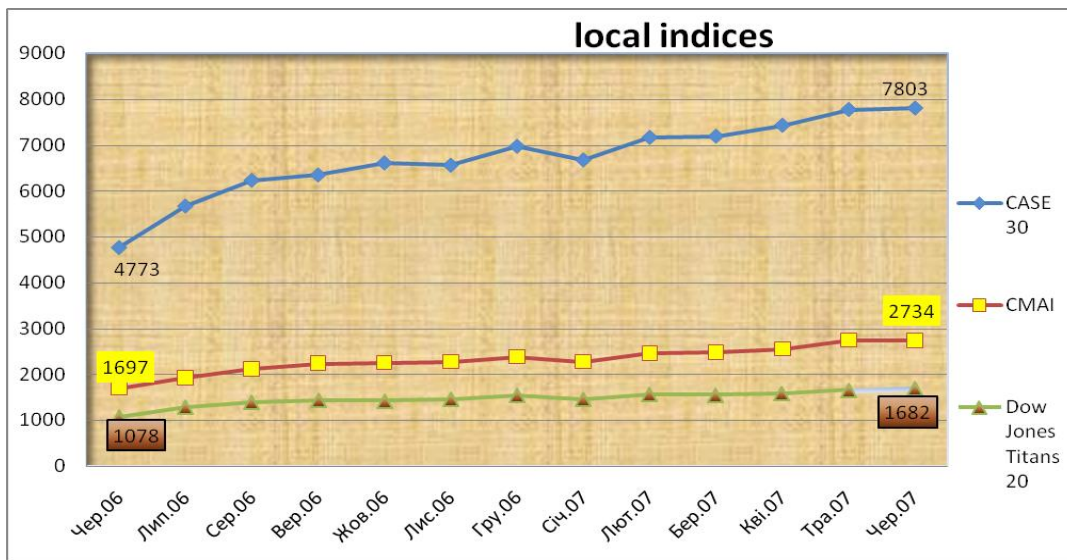


Figure 1. The increase in CASE 30, CMI and Dow Jones Titan 20 indices from 2006 to 2007.
 Source: CMA report 2007

The performance of the EGX during 2006/07 is reflected in the marked increase in the transactions value, which rose by 170% over the year, causing a dramatic increase in the market capitalization value of

the companies traded on the EGX from £.E 377.1 billion in June 2006 to £.E 601.8 billion in June 2007, with a growth rate of about 60%, and a ratio of 88% to GDP. This can be shown in figure 2.

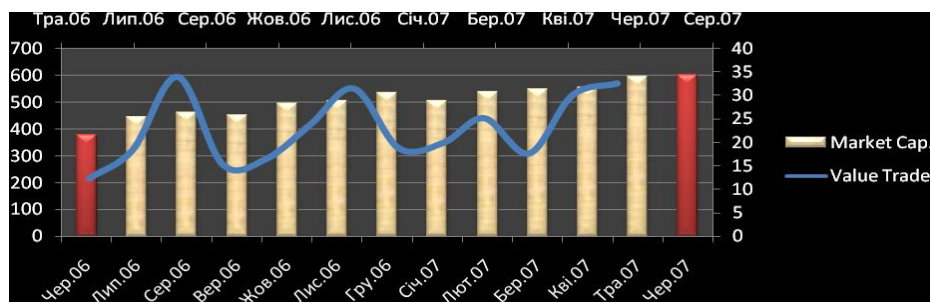


Figure 2. The increasing in market capitalisation and value trading. Source: CMA report, 2007

Based on the above improvements, it can be stated that the EGX may be suitable context for examining the extent of online disclosure which will be discussed in detail in the next section.

2.1 THE NATURE OF ONLINE DISCLOSURE

Disseminating information on the companies' website begins to be done widely in the last few years. Many companies seek to gain from the advantages of disclosing the information on their websites. At the mean time, the increased need of various stakeholders to obtain timely and accurate information makes a pressure on these companies to fulfill this need and provide useful information on their website. Accordingly, this section discusses this type of disclosure in detail by defining online disclosure and its major advantages.

2.1.1 The concept of online disclosure and its main advantages

Disclosure can be viewed as a means of communication between who need the economic information (stakeholders) and who provide this information (companies). This communication would be done in the past by traditional methods such as; financial reports, press releases and analyst meetings which may not useful in some parties in the recent period. Consequently, many companies begin to disseminate information on their websites to adapt with the new requirements of the business environment. Disseminating information on the companies' website is known by online disclosure which represents one of the voluntary disclosure types as there are no obligations on the companies to disclose information on their website. Online disclosure is related to financial and non-financial disclosure. Accordingly, the use of internet as a means for disclosing information is spread widely. Many advantages can be gained from using the internet in disclosing information. These advantages will be presented in the next point.

2.1.2 Advantages of using the internet in disclosing information

The internet has many advantages which can be classified according to two points of view, the company's view and the stakeholder's view. The

advantages related to the company include (Ashbaugh et. al., 1999; Williams and Pei, 1999; FASB, 2000; Debrecey and Gray, 2001; Debrecey et. al., 2002; Beattie and Pratt, 2003; Gallhofer et. al., 2006 and Hancock et. al., 2006):

- Reducing the cost of companies' information dissemination.
- Communicating with previously unidentified users of information by providing real time information and allowing the access to the required information at any time and at any place.
- Allowing companies to increase the efficiency of disclosure by increasing the amount and type of disclosed information and its dynamic presentation forms.
- Enabling companies to archive historical information.
- Interactive with different stakeholders by easing the search for required information.

Because of the above advantages, many of the academic discuss the ability to use the internet for disseminating information on the company's website. This point will be covered in the next section.

3. LITERATURE REVIEW

The majority of the studies that discuss the dissemination of information on the companies' websites are emerged in the USA and European Union countries. On the other hand, few studies are related to the developing and Arab countries. According to the studies that related to USA, Louwers et al (1996) examine the extent of the financial information for the top Fortune 150 companies. They find that 65% of the companies have website and 37% of these companies disclosed financial information on their websites. In addition, Petravick and Gillett (1996) examine the same sample and find that 69% of the companies have website, while 55% of these companies disseminate financial information on their websites. Further, Petravick (1999) investigates the same sample between January and March 1998. He finds that the percentage of the companies which have

website increased to 95% and the percentage of the companies that disclose financial information are 93%. Moreover, Gray and Debrecey (1997) survey only the top Fortune 50 companies and state that 98% of these companies have a websites and 69% of these companies disclosed financial information. By extending the sample of the companies to 490 companies, Prentice et al (1999) find that 82% of the sampled companies have a websites. In addition, they mention that the highest disclosed financial items are financial news (80%), Stock data link (57%) and Quarterly reports (54%). The same sample has been investigated by (Ettredge et al., 2001) and demonstrates the same results.

Furthermore, the Financial Accounting Standards Board (FASB, 2000) sponsors a study that performed by the Business Reporting Research Project (BRRP). The study examines the Fortune 100 companies to determine the most disclosed items and how they presented on the companies' websites. The results show that 99% of the companies have a websites and 94% of these companies disseminate financial information on their website. Further, the study reveals that the highest disclosed item is graphic images (100%) while the highest disclosed financial information is links to SEC's EDGAR (68%). Moreover, the study demonstrates that the most type of format was HTML (77%), PDF (61%) and word processor (12%). With regard to the UK studies, Lymer (1997) surveys the top 50 companies on the London Stock Exchange and finds that 92 % of the sampled companies have web site while 52 % of these companies disclosed financial information. By investigating the same sample and comparing with 72 Finland companies listed on the Helsinki Stock Exchange, Lymer and Tallberg (1997) find the same results of the latter study for the UK companies. While for the Finish companies, they find that 90 % of the sampled companies have a website and of these companies 82% disclosed financial information. In addition, Marston and Leow (1998) survey the FTSE 100 and state that 63% of these companies have website and only 45% of these companies disseminate financial information. Hussey and Sowinska (1999) examine the same sample of (Marston and Leow) during June 1997 to January 1998. They mention that 91% of the companies have a websites and 63% disclosed financial information. By studying the largest 206 UK companies, Craven and Marston (1999) explore the extent of the website. They conclude that 74% of the sampled companies have website and 53% of these companies disclosed financial information.

Furthermore, Gowthorpe (2004) seeks to make a contribution to the sample of the study by examining the 314 smaller listed companies outside the FTSE 100. He compare between two period of time May 2000 and October 2001. The findings demonstrate that 74% of the sampled companies had a website on May 2000 and 83% on October 2001. In addition, the

study finds that the highest disclosed item is e-mail link from website (95%) and the highest disclosed financial item is financial press releases (81%). Finally, the study finds one non financial item i.e. directors' biographies (42%). With respect to the European Union, many studies examine the extent of website. In Spain, Gowthorpe and Amat (1999) explore the extent of website and online financial. The study demonstrates that only 19 % of the 379 companies that listed on the Madrid Stock Market have website and from these companies 56% disclosed financial information. In addition, Hedlin (1999) investigates 60 Swedish listed companies and finds that 98% have a website while 83% provide financial information on their websites. Moreover, the study reveals that 80% of the companies disclosed their information in Multilanguage format.

Furthermore, IASC (1999) examines 660 corporations in 22 countries in Europe, Asia-Pacific and north and South America in November 1999. It reports that 86% of the companies have website and from these companies only 62% have some form of financial information on their websites. The highest items disclosed on the websites are: the profit and loss account (59.5%) and balance sheet (59%). Some non-financial information has been found such as; corporate information (63%). In addition, the study demonstrates that HTML is the most format type of disclosed information (80%). Using a sample of 231 listed companies on Copenhagen Stock Market in Denmark during June to August 1999, Holm (2000) demonstrates that 78% of the sampled companies have a website and 56% of these companies disclosed financial information. In addition, the study reveals that 80% of the companies present their annual report in PDF format while 30% present it in HTML format. In New Zealand, Fisher et al (2000) examine 220 listed companies and find that only 56 % of the companies have website. The study states that the highest disclosed item is product or services information (99%) and the highest disclosed financial information is Annual report and financial highlights (44%). Moreover, the study finds some non-financial information such as: non-financial performance measures (87.5%), chairperson's statement (80.4%) and directors' report (78.6%). Further, the formats of the presented information are PDF (41%) and HTML (34%). By analyzing the financial content of the Web sites of leading European companies, Bonson et al (2000) examine the 50 companies listed on the Dow Jones Eurostoxx50 index as of October 1999. The findings indicate that the entire companies in the sample have web sites (100%). The highest two disclosed items are annual report (100%) and half year report (90%). Moreover, some non financial items have been found on the company's website such as: information about strategy (80%) and intellectual capital (4%).

Furthermore, Smith and Pierce (2005) focus on the integrity of Internet Financial Reporting (IFR)

with reference to the adequacy for underlying corporate governance procedures by using a sample of 100 large European companies quoted on London Stock Exchange in 2001. The study reveals that (97%) of the companies have website and the highest disclosed financial items are: press and news release (93%), share price (87%) and speeches (82%). Moreover, all the sampled companies use (PDF) Format to electronically communicate financial information. Further, (76%) of the companies locate an external audit opinion on their websites. Regarding the developing countries, there are few studies examine the usage of the internet in disseminating information. For example, Stainbank (2000) investigates the top 100 companies in South Africa. He indicates that only 43% of the sampled companies have website and 33% of these companies disclose financial information. Similarly, Venter (2002) examines the same sample of Stainbank in January 2002. The results show an increase in the percentage of the companies' website (86%). In addition, the study mentions that the highest disclosed financial item is Annual report (86%). Moreover, the format of the presented information is PDF only (35%), HTML only (20%) and both (43%). Further, the study finds some tools used in the presentation of the financial statement such as: PowerPoint (35%), press releases (2%), audio (6%), video conference (6%) and web-cast (combination from audio and video (13%). Only one non-financial item has been found i.e. board of directors (82.4%). Correspondingly, Barac (2004) uses the same sample of the latter study. He reaches to a conclusion that 87% of the companies have website with increase 2% from the Venter study. Of these, 86% disclose their financial information on the website. The study demonstrates that the highest discloses financial item is annual report (86%). In addition, 84% of the sampled companies provide corporate governance information. Regarding the format of the disclosed information, the companies which used PDF only are (78%), HTML only (16%), both (46%).

In Thailand, Davey and homkajohn (2004) reviewed the extent and the quality of internet financial reporting among the top 40 listed companies. The study reveals that 92.5% of the sampled companies have website and the highest discloses financial information is financial statements (81%). By surveying the website of 38 listed companies in Croatia during the period of October 2003 and October 2004, Pervan (2005) examines the extent of Internet Financial reporting. The study demonstrates that all the surveyed companies have website while only 53% disseminate financial information on their websites. Furthermore, the study shows that the format of the presented information is PDF (37%), HTML (18%) and XLS (5%). In addition, Hamid (2005) investigates 100 Malaysian companies listed in Kuala Lumpur Stock Exchange in 2005. He finds that

(74%) of the companies has website. Of these, (95%) have investor relation information on their websites. The study reveals that the highest discloses financial item is full current annual report (47%). Further, some non-financial information has been found such as: company background (93%), director biographies (23%) and number of employee (16%).

Comparing between Malaysia and Singapore, Khadaroo (2005) examines the business reporting practices by some of the listed companies for the both countries. The study categorizes the disclosed information into: general web pages attributes, presentation of investor relations information, information on the board and management and financial reports. It has been found that Singapore companies' websites (87%) are more than the Malaysia ones (75%). Similarly, Abdul-Hamid et al (2006) extend the sample of the previous study by including all Malaysian and Singapore listed companies in 2004. The study demonstrates the same conclusion of the latter study as 69% of the Singapore companies have a website while only 49% of the Malaysian companies have a website. Finally, Khan et al (2006) address the usage of corporate internet reporting by the top 60 Bangladeshi listed companies in 2005. The survey reveals that 24 (40%) of the top 60 companies in Bangladesh have a web site. Further, discloses financial information finds in two sectors namely, Pharmaceuticals & Chemicals (50%) and ICT (20%).

Extremely few studies have been conducted in the Arabic countries. Ismail (2002) explores the extent of financial information disseminating on the Internet by the Gulf Co-operation Council countries in the period between October 2001 and February 2002. The study's sample includes all the listed companies (128) in the three countries. The number of companies are (24 companies) listed in Doha securities market in Qatar, (36 companies) listed in Bahrain Stock Market and (68 companies) listed in Saudi Arabia Stock Market. Of the 128 companies (39.07%) have websites. The Bahraini companies represent the highest companies in disclosing financial information on their website (47.22%) whereas the Qatari and Saudi Arabia companies are 20.83% and 41.18% respectively. In Jordan, Al-Htaybat (2005) investigates the entire listed companies which listed on Amman Stock Exchange (ASE) in September 2004. The study reveals that the companies which have website constitute only 29%. Of these companies 24% provided a full annual report. At same country, Momany and Al-Shorman (2006) examine the extent of Internet financial reporting by the 60 Jordanian listed companies on (ASE). The study finds that 45% of the sampled companies have website and of these companies 70% disseminate financial information. Table 1 summarises all the mentioned studies.

Table 1. Online disclosure studies

Studies	Population	Corporate web sites (%)	Financial data on site (%)
USA			
Louwers et al., 1996	Top 150 Fortune500	65	37
Petravick and Gillett, 1996	Top 150 Fortune500	69	55
Gray and Debreceeny, 1997	Top 50 Fortune500	98	69
Petravick, 1999	To 150 Fortune500	95	93
Prentice & et al., 1999	490 listed companies	82	80
Ashbaugh et al., 1999	290 companies	87	70
FASB 2000	Top 100 Fortune	99	94
UK			
Lymer, 1997	Top 50 companies	92	52
Lymer and Tallberg, 1997	Top 50 companies on the UK Stock and 72 companies listed on the Helsinki Stock Exchange	92 (for UK companies) 90 for (Finish companies)	52 (for UK companies) 82 for (Finish companies)
Marston and Leow, 1998	FT-SE 100 companies	63	45
Hussey and Sowinska, 1999	FT-SE 100 companies	91	63
Gowthorpe, 2004	314 smaller listed companies	74 (may) 83 (Oct.)	81
European Union countries			
Gowthorp and Amat, 1999	379 companies, listed at the Madrid Stock Exchange.	19	56
Hedlin, 1999	60 listed Swedish companies	98	83
IASC, 1999	660 companies in different countries in Europe, Asia, North and South America	86	59.5
Holm, 2000	231 listed companies in Denmark	78	56
Fisher et al., 2000	220 listed companies in New Zealand	56	44
Bonson et al., 2000	50 listed companies in France, Germany, Nether. Spain, Italy, Belgium, Finland	100	82
Smith and Pierce, 2005	100 European companies listed in London SE	97	93
Developing countries			
Stainbank, 2000	Top 100 South African companies	43	33
Venter, 2002	Top 100 South African companies	85	66
Barac, 2004	Top 100 South African companies	87	75
Davey and homkajohn, 2004	top 40 Thai listed companies	92.5	81
Pervan, 2005	38 listed companies in Croatia	100	53
Hamid, 2005	100 Malaysian companies	74	95
Khadaroo, 2005	100 Malaysian companies and 45 Singapore companies	87% Singapore's companies 75% Malaysia ones	
Abdul-Hamid et al., 2006	963 Malaysian companies and 631 Singapore companies	69% Singapore's companies 49% Malaysian companies	
Khan et al., 2006	the top 60 Bangladeshi companies	40	50
Arabic Countries			
Ismail 2002	128 listed companies in Bahraini , Saudi Arabia ,Qatari	39	47(Bahraini) 41(Saudi Arabia), 21.1(Qatari)
Al-Htaybat, 2005	190 listed Jordanian companies	29	24
Momany and Al-Shorman, 2006	60 comp. listed on Amman S.E.	45	70

Few studies examine the extent of online disclosure in the Egyptian context. These studies can be presented in the next section.

3.1 LITERATURE REVIEW IN THE EGYPTIAN ENVIRONMENT

Few studies examine the practice of online disclosure by the Egyptian listed companies. In 2002, Tawfik examines the 58 Egyptian banks and finds that 32.8% of the sampled banks have website. Of these only

25.9% banks provide financial information on their website. in addition, Mohamed (2002) compares between the most active 50 Egyptian listed companies , the most active 43 Saudi Arabian listed companies and the most active 12 Kuwaiti listed companies. The study shows that all the Kuwaiti listed companies have website while 81% of the Saudi listed companies have website. The Egyptian listed companies that have a website are 48%. The disclosure of the financial information on the companies' website is 50% for Kuwaiti companies, 14% for Saudi

companies and 18% for Egyptian companies. Moreover, Metwaly (2003) investigate the extent of online disclosure by 140 Egyptian companies. The study finds that the percentage of the companies which have web site is 44.2% and 40% of these companies disclose financial information. The highest discloses financial information is balance sheet and income statements (100%). By making a comparison between the top 100 listed companies in Egyptian stock market and the top 100 Fortune in US, El-Dyasty (2004) address the extent of online disclosure. The study reveals that 100% of the US companies have websites while the percentage is only 54.6% for the Egyptian companies. The disclosed financial information is 62.2% for US companies and 39.6% for the Egyptian ones. Further, the results find nonfinancial information on the both companies' web sites. In the case of the US, the percentage is 47.5%, while the percentage is 4% for the Egyptian companies. Based on above studies, it can be noted that all the Egyptian studies examine only the extent of financial online disclosure by the Egyptian companies without investigating any other information such as corporate governance information or social responsibility disclosure. In addition, the studies only check the availability of the items on the companies' website without classifying these items into various components. The current study seeks to fill this gap by examining the extent of online disclosure for both financial and nonfinancial information disseminating on the Egyptian listed companies' website. Further, the study develops a self-construct checklist that includes 127 items classified into: 85 content items, 31 presentation items and 11 timeliness items. Next section presents the methodology which will be followed in the current study

4. RESEARCH METHODOLOGY

The study constructs a self checklist to investigate the disclosure of the items on the websites of the sampled

companies. The items of the checklist are derived from many previous studies (Pirchegger and Wagenhofer, 1999; FASB, 2000; Ettredge et. al., 2001; Geerlings et. al., 2002; Larran and Giner, 2002; Lybaert, 2002; Allam and Lymer, 2003; Davey and Homkajohn, 2004; Marston and Polei, 2004; Xiao et. al., 2004; Abdul-Hamid et. al., 2006; Bollen et. al., 2006; Sriram and Laksmana, 2006; Spanos, 2007; and Abdel-Salam and street, 2007). Consistent with the need to explore the extent of information on the companies' website, the checklist will be categorised into three groups with overall 127 items: the content items which represent what the companies disclose on their website contain 85 items, these items will be classified into four groups: the accounting and financial information, the corporate governance information, the social responsibility information and Finally, Contact details and other information. The presentation items which show how the information is presented on the companies' websites contain 31 items and finally the timeliness items which deal with the real-time and updating information contain 11 items. The current study examines the entire Egyptian listed companies (434) in the end of 2007. An online searching for the websites of these companies will be conducted. As the nature of the website which may vary from period to another, this study will use offline browsing software (called offline explorer, V.6) when visiting the website of the companies to take a snapshot for these websites in the time of conducting the study.

5. RESULTS ANALYSIS AND DISCUSSION

5.1 Level of internet use by the Egyptian companies

The results show that about half of the listed Egyptian companies have website. Table 2 illustrates that 225 (51.7%) of 435 companies have website.

Table 2. Level of internet usage by listed Egyptian companies

Sample	No.	%
Website	225	51.7
No website	209	47.92
Total	435	100

Comparing with the previous Egyptian studies, this percentage is acceptable and shows that there is an increase in the number of companies which have website. The companies can be classified according to

many sectors. Table three shows the number of the companies of each sector in the sample and the number of companies that have website within each sector.

Table 3. Level of internet usage within each sector

Name of sector	companies within the sector		Companies' website within the sector		
	No	%	No	% according to the sector	% according to the entire companies
Food and Beverage	54	12.4	23	42.6	10.2
Telecommunications	3	.6	3	100	1.3
Media	1	.2	1	100	.4
Construction and Materials	55	12.6	28	50.9	12.4
Real Estate	45	10.3	17	37.8	7.6
Banks	23	5.3	21	91.3	9.3
Technology	7	1.6	2	28.6	.9
Financial Services excluding Banks	37	8.5	21	56.8	9.3
Industrial Goods ,Services and Automobiles	53	12.1	37	69.8	16.5
Healthcare and Pharmaceuticals	28	6.4	12	46.9	5.3
Travel & Leisure	36	8.2	17	47.2	7.6
Oil and Gas	5	1.1	3	60	1.3
Chemicals	20	4.6	8	40	3.6
Utilities	4	.9	1	25	.4
Personal and Household Products	32	7.3	14	43.8	6.2
Basic Resources	18	4.1	11	61.1	5
Retail	14	3.2	6	42.9	2.7
Total	435	100	225		100

Source: EGX website

From the above table, it can be noticed that the highest sector in containing website is telecommunication and media (100%). Moreover, according to the percentage of website regarding the entire companies, the highest sector is industrial goods, services and automobile (16.5%). This may be due to the advertising nature of the companies within this sector which required a website to disseminate the products of these companies. To shed more light on the disclosed items, next point presents the types of disclosed items in detailed.

5.2 Types of information disclosed on the website

By examining the websites of the 225 listed companies, many different types of information have been found. These types of information are either financial or non financial (social and corporate governance). Table 4 summarises the number of the companies that disclosed each type of information.

Table 4. Type of disclosed information on the website

Item	No.	%
Financial	80	35.6
Corporate governance	205	91.1
Social	222	98.7
Timeliness	108	48

As seen from table 4, it can be concluded that the social disclosure information is the highest disclosed information on the website of the Egyptian listed companies and then come the corporate governance information which represents a good indicator for the commitment of the Egyptian listed companies with the disclosure rules required by the principals of corporate governance. According to the timeliness information, the study reveals that 48% of the companies disclosed timely information which consider –to some extent- acceptable percentage because of the nature of the EGX as an emerging

market. In addition, the financial information on the website is relatively low comparing with the social and corporate governance information. This represents a negative indication for the unimportant of disseminating financial information by the Egyptian companies. Such a finding should be taken into account from the Egyptian Capital Market Authority in order to increase the efficiency of the market and introduce valuable information to the investors. Figure 3 summarise the percentage of disclosed information.

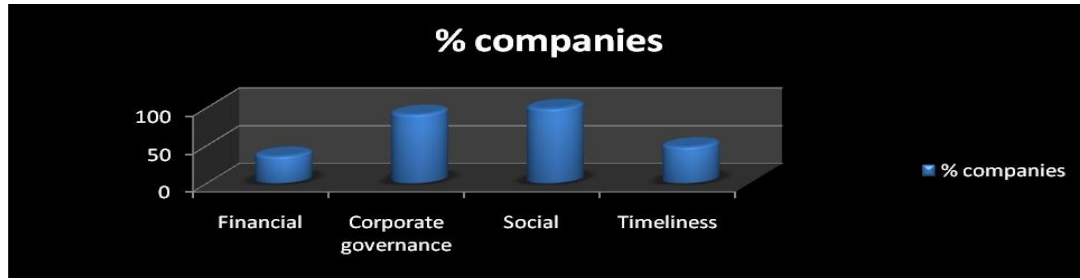


Figure 3. The % of disclosed information on listed Egyptian websites

Comparing with the previous Egyptian studies, it can be noticed that there is an increase in the disclosure of corporate governance information (*Only one study mentions the corporate governance information (El-Dyasty, 2004).*) and also financial information –to some extent-. While on the other hand, all the previous Egyptian studies did not mention any data about the social and timeliness information. This can be shown in figure 4.

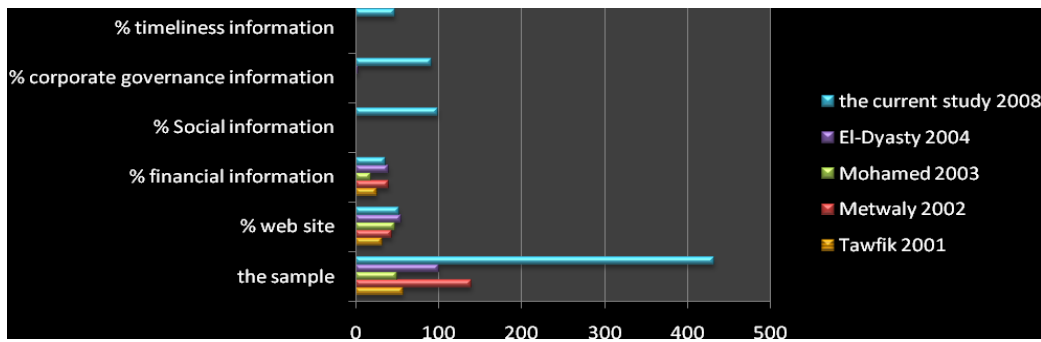


Figure 4. Comparing the results of current study and previous studies

To demonstrate a clear picture for each type of information, the study illustrates the items that disclosed on the website within each type of information.

5.3 Analysis of financial information on the website

O'Kelly (2000) mentions that companies intended to provide financial information section on their website to reduce the number of telephone requests for standard information such as annual reports. According to table 5, it can be noticed that the highest disclosed items are: balance sheet, income statement, cash flow statement, statement of changes in stockholders' equity, financial highlights/summary and notes to the accounts.

Table 5. The disclosed financial information on the website

Items	No. of companies disclosed	%
Balance sheet	65	28.9
Income statement	56	24.9
Cash flow statement	45	20
Statement of changes in stockholders' equity	40	17.8
Financial highlights/summary	40	17.8
Notes to the accounts	39	17.3
Performance analysis	34	15.1
Auditor report(with or without signature)	33	14.7
Financial Ratios	32	14.2
Complete annual report as on document	31	13.7
Capital Data	30	13.3
Segmental reporting by line of business	24	10.7
Summary of financial data over a period of at least 5 years	23	10.2
Management report	22	9.8
Annual reports of at least 3 years	21	9.3
Summary of key ratios over a period of at least 5 years	20	8.9
Off balance sheet financing information	20	8.9
Segmental reporting by region	19	8.4
Share price history	18	8

New technology	18	8
Earnings or sales forecast	18	8
Share price performance in relation to stock market index	15	6.7
Supplement or amendment to current year annual report	15	6.7
industry statistics	14	6.2
Past dividends	10	4.4
Acquisitions	6	2.7
Discussion on the benefit of holding corporate shares	6	2.7

There are only 21 companies (9.3%) introduce financial information in annual reports (as required from the Capital Market Authority) while the other companies prefer to present these information separately in one or more financial statements (balance sheet, income statement, cash flow statement or statement of changes in stockholders' equity). Another requirement from the Egyptian Capital Market Authority is management report which founded in only 22 companies (9.8%). Further, the audit report finds either signed or not in 33 companies (14.7%). In addition, the information that related to the shares of the companies is disclosed on the website. These types of information include: share price history (8%), share price performance in relation to stock market index (6.7%), past dividends (4.4%) and discussion on the benefit of holding corporate shares (2.7%). Some companies present some useful indicators about their financial performance that aid the investors in making their decisions. Among these indicators, performance analysis (15.1%), financial

Ratios (14.2%), segmental reporting by line of business (10.7%), summary of financial data over a period of at least 5 years (10.2%), summary of key ratios over a period of at least 5 years (8.9%), segmental reporting by region(8.4%) and earnings or sales forecast (8%). Although the samples of the previous studies are different, many points can be observed from the comparison between the disclosure of the financial information results in the current study and the previous studies. Table 6 illustrates these differences (*of course there are a lot of other studies related to online disclosure in different countries and are most recent, but these studies are explanatory. But the studies that chosen in the comparisons are mainly descriptive and consistent with the same objective of the current study. Therefore the base of chosen the comparison study is: first, that it is only descriptive. Second, that it is the recent –to the best of the author knowledge-descriptive study in the chosen country.*

Table 6. The comparison between the financial information results of the current study and the previous studies

Items	The Current Study	FASB Study	UK Study	European Union Studies	Developing countries Study	Arabic countries Studies	Egyptian Studies
The sample (companies)	435	100	256	220	100	190	100
Web site	225 (51.7 %)	99 (99%)	213(83%)	123(56%)	74(74%)	55 (29%)	53 (54.6%)
Data collection date	December 2007	January 1999	May2000-October 2001	January 2000	January 2004	September 2004	December 2004
Balance sheet	28.9 %	74 %	N/A	34.1 %	N/A	42 %	N/A
Income statement	24.9 %	70 %	N/A	35.8 %	N/A	36 %	N/A
Cash flow statement	20 %	70 %	N/A	33.3 %	N/A	27 %	N/A
Statement of changes in stockholders' equity	17.8 %	66 %	N/A	N/A	N/A	27 %	N/A
Auditor report	14.7 %	65 %	N/A	N/A	N/A	27 %	N/A
Current annual report	13.8 %	N/A	39.6 %	27.6 %	47 %	24 %	39.6 %
Annual reports of at least 3 years	9.3 %	N/A	N/A	3 %	37 %	N/A	N/A

As table 6 indicates, it can be noticed that some studies disclose the annual report as a whole without determine its components. Gowthorpe (2004) finds that 39.6 % of the UK companies disclose annual report on their website. Moreover, Fisher et al (2000) conclude that annual report disseminates on 27.6 % of the New Zealand companies' website. In Malaysian, Hamid (2005) notices that 47 % of the companies disclose full annual report on their website. Moreover,

Al-Htaybat (2005) observes that 24% of the Jordan companies have annual report on their website. According to the Egyptian Studies, EL-Dyasty (2004) finds that 39.6 % of the listed Egyptian companies disclose their full annual report on their website. The current study reveals that 13.8 % of the sampled companies disclose full annual report on their website. This percentage is relatively low. Therefore, it is recommended to encourage the Egyptian companies

to disclose full annual report in their website to support the investors in making their decisions and in the same time to fulfil the requirements of Capital Market Authority. Only two studies Fisher et al (2000) and Hamid (2005) examine the disclosure of previous annual report to aid the investors to recognise the history of company's financial position. The current study finds that only 9.3 % of the listed companies concern about the previous annual report which reflects that there is no enough historical data disclosed on the Egyptian companies' web sites.

Regarding the auditor report, only two studies FASB (2000) and Al-Htaybat (2005) find the dissemination of this report on the companies' website. The current study finds that 14.7% of the Egyptian companies disseminate audit report on their website. This may cause lack of confidence in the disclosed information on the website. Therefore, the Egyptian Companies should accompany the audit report with the disclosed information to increase the confidence of the investors for the disclosing information which may aid them in their investment decisions. Moreover, two studies FASB (2000) and Fisher et al., (2000) investigate the partial financial statements. Further, only one study examines the disclosure of the partial financial statement and the annual report, namely Al-Htaybat (2005).

The current study examines both the partial financial statements and annual report. This provides the investors with more clear picture beside it is helpful in making the analysis because some of the sampled Egyptian companies disclosed only one or

more financial statements and the other only disclose the full annual report. Therefore, to make a clear comparison it should report for the both situation. From the above discussion, we can conclude that the disclosure of financial information on the website of the Egyptian listed companies needs more attention from these companies as it constitutes a small percentage comparing with the previous studies. In addition, it is useless for these companies to have website without disclosing valuable information to aid the investors in making rational decisions. Therefore, to compatible with the new requirements either from the Egyptian Capital Market or from the international bodies (regarding the transparency of the disclosed information), the Egyptian companies should direct their attention to disclosed more financial information on their website. The second type of disclosed information is related to corporate governance information. Next point presents this type in detail.

5.4 Analysis of corporate governance information

The disclosure of corporate governance information becomes one of the most important listed regulations of the Egyptian companies. Many companies show commitment with these regulations while the rest intend to do that in the very soon future. Table 7 illustrates the disclosure of corporate governance information on the website of the listed Egyptian companies.

Table 7. The disclosed corporate governance information

Items	No. of companies disclosed	%
Company history	184	81.8
Strategies and objectives	123	54.7
Board of directors	91	40.4
Chairman's message	85	37.8
ownership structure	77	34.2
Organizational Structure	60	26.7
Management's planes to meet objectives and strategies	53	23.6
Information about directors dealing	39	17.3
Sideline activities of the members of the management board	27	12
CV of the members of the management or supervisory board	22	9.8
Code of Ethics	15	6.7
members of the audit information	14	6.2
Articles of Association	11	4.9
Assessments of analysts	7	3.1
Information about share option programs	7	3.1
Documentation of press and analysts' conferences	7	3.1
Report of audit committee	6	2.7
Notice of meetings and agenda to annual shareholders' meeting	5	2.2
Compensation of the members of the management board	5	2.2
Remuneration of the members of the management board and directors	5	2.2
Analyst forecasts	4	1.8
Compensation of the members of the supervisory board	4	1.8
Speeches of the management board during the AGM	1	0.4
Voting results of AGM	0	0

The highest disclosed information are company history (81.8%) that illustrates the establishment of the company, the historical development of this

company and type of this company either public or private. The determination of strategies and objectives of the company discloses on (54.7%), while the planes

that the company takes to achieve these strategies and objectives is (23.6%). The core information of corporate governance such as board of directors (names, contacts and their qualifications) discloses on (40.4%) and chairman message that introduce the company to shareholder and describe the achievements of the company and its prospect planes in the future discloses on the website of the Egyptian listed companies (37.8%). In addition, the information about directors dealing is (17.3%), sideline activities of the members of the management board item is (12%), CV of the members of the management or supervisory board is (9.8%), members of the audit information is (6.2%), Compensation of the members of the management board is (2.2%) and remuneration of the members of the management board and

directors is also (2.2%). Some companies disclose the regulations rules of corporate governance such as; Code of Ethics (6.7%), articles of association (4.9%), report of audit committee (2.7%), notice of meetings and agenda to annual shareholders' meeting (2.2%) and speeches of the management board during the AGM (0.4%). Furthermore, the information that related to the companies' structure is (26.7%) and the shareholder structures is (34.2%). As the concept of corporate governance represents a new concept in the Egyptian environment, it will be expected to disclose more in the future on the website of the Egyptian companies especially with the current requirements from the Egyptian Capital Market authority. According to the comparison with the previous studies, table 8 shows these differences.

Table 8. The comparison between the corporate governance results of the current study and the previous studies

Items	The current study	FASB study	UK study	European Union Studies	Developing countries Study	Arabic Countries study	Egyptian Studies
Company history	81.8 %	69%	N/A	94.3 %	87.8 %	90.9 %	N/A
Strategies and objectives	54.7 %	34%	N/A	N/A	N/A	N/A	N/A
Board of directors	40.4 %	73%	33.3	78.6 %	21.6 %	51 %	N/A
Chairman's message	37.8	80 %	N/A	80.4%	N/A	34.5 %	N/A
ownership structure	34.2 %	N/A	N/A	N/A	14.9 %	N/A	N/A
Organizational Structure	26.7 %	N/A	N/A	N/A	N/A	29.1 %	N/A

As table 8 indicates, it can be concluded that detailed corporate governance information was not investigated in the Egyptian studies before. The strategic and objectives items which reflect the future prospect of the companies find in only one study FASB (2000) and in the current study. This reflects the awareness of the Egyptian companies to provide the stakeholder with current situation of the company and its future planning which may help the investors to invest in this company or not. In addition, the board of directors' information finds in most of the previous studies. The current study finds that 40.4% of the companies disclose this item which represents proper percentage according to the previous studies results. The chairman message to the shareholder finds in three studies (FASB, 2000; Fisher et. al., 2000 and Al-Htaybat, 2005). The current study reveals that only 37.8% of the Egyptian listed companies disclose chairman message item on their website. According to the previous studies, this percentage represents slightly low and should be increased to allow the stakeholders to know the achievements of the company in the past, the current projects and the future extensions. This makes the stakeholders have a broad view about the company and its position in the market. Moreover, the current study finds that

ownership structure discloses on 34.2 % by the Egyptian listed companies. Only one study examines this item i.e. (Hamid, 2005) although its importance in determining the free floats percentage of the company that aid the investors in taking buy and sell decisions in this company. In addition, the disclosure of ownership structure helps in determining whether the shares are owned by the management or dispersing on many shareholders which aids in demonstrating where the power of decision making is concentrated. In the following section we will cover the third type of disclosed information, namely social responsibility information.

5.5 Analysis of social responsibility disclosure

Many companies begin to recognise their responsibilities toward the community in which that they practice their activities. Consequently, these companies are required to disclose the social information to their stakeholders to increase the confidence in the activities that these companies perform in the environment. Table 9 summarises the disclosure of social responsibility on the website of listed Egyptian companies.

Table 9. Social responsibility information on the website

Items	No. of companies disclosed	%
Company profile	217	96.4
Discussing on product quality and safety	127	56.4
Customer profile	91	40.4
Vision statement	87	38.7
Commercial sponsoring	76	33.8
Non-commercial community involvement	75	33.3
Employee profile	57	25.3
Description of recruitment and selection processes	43	19.1
Employee/social/safety or health report	41	18.2
R&D investment (current & previous)	30	13.3
Environmental Report	24	10.7
Information about guarantees offered	24	10.7
Integral after-sales service	24	10.7
Human resources information	17	7.6
Sales licenses (current & previous)	17	7.6
Corporate responsibility report	14	6.2
Internal promotion plans	14	6.2
Information R&D projects underway	14	6.2
Investment in e-business	10	4.4
Employee training	9	4
Patents filed in this year; previous exercises	7	3.1
Information on intangibles	7	3.1

The highest item that discloses according to the social responsibility information is company profile (96.4%) that includes data incorporated, location of business and company foundation. Many companies (127) introduce the quality and safety of their products by presenting the ISO certificate (56.4). Moreover, there is additional information related to the products of the company such as the commercial sponsoring (33.8%), the non-commercial sponsoring (33.3%), information about grantee offered (10.7%), after sale services (10.7%), sales licenses (7.6%) and internal promotion plans (6.2%). The profile of customer and employer of the companies have also established on the website. Customer profile which related to the names, contact, and websites of the companies' customers present on (40.4%) of the sampled companies. In addition, the information about employee who belongs to companies' includes

all the information employees such as: employee profile which finds on (25.3%) of the same sample, recruitment processes is (19.1%), human resource information is (7.6%) and employee training is (4%). Some companies present environmental report (10.7%) to illustrate their contribution in the issue that develops the country. Whereas other companies (6.2%) demonstrate this contribution by disclosing their corporate responsibility report. The information that related to R&D activities and intangibles have described by some companies to show the growth of these companies either in the past or in the future. The current and past investment in R&D activities constitute (13.3%) of the sampled companies. Similarly, the underway R&D projects are (6.2%) and the information on intangibles is (3.1%). The major differences with the previous studies can be shown in table 10.

Table 10. The comparison between the social information results of the current study and the previous studies

Items	The current study	FASB study	UK study	European Union Studies	Developing countries Study	Arabic Countries study	Egyptian Studies
Company profile	96.4 %	69 %	N/A	N/A	N/A	92.7	N/A
Discussing on product quality and safety	56.4 %	74 %	N/A	N/A	N/A	90.9 %	N/A
Customer profile	40.4 %	31 %	N/A	N/A	N/A	N/A	N/A
Vision statement	38.7 %	38 %	N/A	N/A	N/A	N/A	N/A
Employee profile	25.3 %	32 %	N/A	12.2 %	14.9 %	38.1 %	N/A
Corporate responsibility report	6.2 %	N/A	N/A	22 %	N/A	N/A	N/A

From the above table, it can be concluded that social information not been investigated widely in the Egyptian studies. The most disclosed item in the previous studies is employee profile which discloses in the current study as well (25.3%). The reason for that may be because the need for these companies to provide more information about their employees to let the users know the size of the company and its policy

in training and their recruitment policy. This reflects the stability of this company in the market. The discussion on the quality and safety of the company's products has found on 56.6 % of the Egyptian website. Only two studies examine this item (FASB, 2000 and Al-Htaybat, 2005). This item is important for the community to know whether the products of the companies are more safety to use or not which

reflected in increasing the selling of these products. In addition, the community will be more confident when the company obtains any quality certificate that shows the care of the company with the environment that work in. Only one study finds the corporate responsibility report on their companies' website i.e. (Fisher et al., 2000). The current study illustrates that only 6.2% of the sampled companies disclose this item on their website. This reflects the unimportant of disclosing social information in full report by the Egyptian companies to let the community know about their contribution in the Egyptian environment. Other types of content information have been found in the website of the Egyptian listed companies. This information will be presented in the next point.

5.6 Other information related to the content of website

There is some information discloses on the companies' website and related to content. Table 11 shows such other content information. Among these information, the using of English language for disclosing information on the companies' home page, 206 companies using English version (91.6%) which

indicates the desire of these companies to disperse their information to wide range of users. Most of the listed companies (91.6) provide a link in their home page to their products to facilitate the access for the required information to any customer and ease the ability to know these products. Furthermore, some companies use the home page to advertise on their products (80%). Some companies want to help their users by providing some tools that simplify the accessibility to the required information. Among these tools, the existence of table of content (87.1%), search box (22.2%) and frequently asked questions (FAQs) (13.8%). In addition, the contact with the investor relations team has found on the website of the listed companies. E-mail to investor relations (8.9%), Phone number to investor relation (7.1%), postal address to investor relations (7.1%) and names of investor relations officers (6.7%). Summaries of news found on 95 of the listed companies (42.2%) to supply the users with the history of the companies and know what was achieved and what is expected to be fulfilled in the future. The last type of the disclosed information is timeliness information which will be covered on the following section.

Table 11. Other disclosed information

Items	No. of companies disclosed	%
English version of home page	206	91.6
Links to product and sales information	206	91.6
Table of contents	196	87.1
Advertisements for their own products or services	180	80
News summaries	95	42.2
Search box	50	22.2
Frequently asked questions	31	13.8
E-mail to investor relations	20	8.9
Hyperlinks to financial analysts	18	8
Phone number to investor relations	16	7.1
Postal address to investor relations	16	7.1
Name of investor relations officer	15	6.7

5.7 Timeliness disclosed information

Some studies have argued that the internet provides the information timely which means that the business reporting will be real time reporting in addition to the monthly, quarterly and annual cycles as well (FASB, 2000). Moreover, Lybaert (2002) states that

information technology allows companies to report information in a timely manner and provide it more frequently to all who are interested. Table12 summarises the information that related to the timeliness of disclosure.

Table 12. Timeliness of disclosed information

Items	No. of companies disclosed	%
link to the regulatory news service	77	34.2
Current press releases or news	73	32.4
the most recent interim financial reports	41	18.2
Pages indicate the latest update	35	15.6
Market share of key products	34	15.1
Option to register for future e-mail alerts regarding press releases, newsletters, etc	32	14.2
the date of the last website update	29	12.9
Monthly or weekly sales or operating data	17	7.6
Current share price	14	6.2
Calendar for future financial events	14	6.2
Current dividends announcements	8	3.6

The results demonstrate that the link to regulatory news is the highest item disclosing on the website (34.2%). Further, 32 companies (32.4%) provide current press releases on their websites. The most recent interim financial report have disclosed on the websites of 41 companies (18.2%). Moreover, one of the most important information for investors is

current share price which guides the investors in their investment decision. This item has found in very small number of companies (6.2%). In addition, only 8 companies (3.6%) disclose the current dividends announcements on their website. Table 13 shows the differences of timeliness items between this study and the previous studies.

Table 13. The comparison between the Timeliness information results of the current study and the previous studies

Items	The current study	FASB study	UK study	European Union Studies	Developing countries Study	Arabic Countries study	Egyptian Studies
link to the regulatory news service	34.2 %	87 %	N/A	N/A	N/A	N/A	N/A
Current press releases or news	32.4 %	67 %	81 %	67.5 %	43.2 %	N/A	N/A
the most recent interim financial reports	18.2 %	N/A	62 %	N/A	27 %	N/A	N/A
Pages indicate the latest update	15.6 %	N/A	N/A	N/A	N/A	N/A	N/A
Current share price	6.2 %	57 %	55 %	N/A	10.8 %	N/A	N/A
Calendar for future financial events	6.2 %	N/A	32 %	N/A	N/A	N/A	N/A

From the above table, we can conclude that few studies investigate the timeliness of the disclosed information. The previous Arabic and Egyptian studies not examine this type of information before. Further, the most disclose items in the previous studies is current press releases or news which is important to the investors for knowing the critical events of the companies that may affect on their investment decisions. In addition, the core items that related to the timeliness information have found in the UK study and in some extent in the FASB study. The results of the current studies show that the Egyptian companies should care with the timeliness information as they represented more critical to the investors in deciding timely investment decisions. Moreover, regarding the listed companies in the EGX, this information becomes vital for the online trading

which applied at a large extent in the EGX now. In addition to the content information, many companies present their information by different format. In the following section we will discuss types of format.

5.8 The format of disclosed information

Until recently, the main source of information for investors is the printed annual financial statements (Venter, 2004). The transition to online reporting enables the companies to benefit from the unique feature of internet such as using HTML or PDF in reading the financial statements and the ability to download these statements. Table 14 describes the format of presented information on the website of Egyptian listed companies.

Table 14. The type of format of disclosed information

Items	No. of companies disclosed	%
PDF format only	39	17.3
Html Format only	26	11.6
Both PDF & HTML	0	0
XBRL format	0	0

The study finds that there are 39 companies (17.3%) use PDF in presenting financial information on their websites. Many studies indicate the wide use of Adobe Acrobat Portable Document Format (PDF) file in downloading the annual reports of companies from their websites (e.g. Lymer et. al. 1999 and FASB, 2000 and Gray 2001). Many advantages can be obtained from using PDF such as; the ability to create from the original documents, the ease in downloading and printing the documents, the ability to obtain the software in an inexpensive price and the difficulty to alter the documents that downloaded. On the other hand, the study reveals that 26 companies (11.6%) use HTML only in presenting the financial

information. The Hypertext Mark-Up Language (HTML) uses hypertext concepts to support on-screen navigation through links between any page and other linked page (Lymer et .al. 1999). Some studies mention the disadvantages of HTML as it gives weak support for printing because pages look cluttered, users may go from page to page to print, saving of files may lead to lost graphics and the ability to change the content of the documents (Lymer et. al., 1999; Bagshaw (2001); Venter (2004). No company use both HTML and PDF in the same time in presenting the financial information. Further, no company use the next generation of the language which is called eXtensible Business Reporting

Language (XBRL). The XBRL will make comparisons of financial information easier, make the financial statements easy to prepare and enables them to be published in different formats (Carey and foster, 2001 and Marshall, 2001). Moreover, (Anon, 2000 and Khan , 2002) state that XBRL provides an efficient and reliable means of communicating financial information without changing existing standards or requiring a company to disclose any additional information beyond that in its current financial statements. Regarding the comparisons with the previous studies, it can be noticed from table 15 that the new language that recommended by FASB to use in presenting the financial information (XBRL) not found in the current studies and any of the

previous studies. This is required more effort for applying this language to benefit from the advantages of this language that make the dissemination of the information more easy. The current study finds that the most format language is PDF which is consistent with the previous USA and European studies but differ from the previous Arabic and Egyptian studies. The PDF format is more advanced than HTML format, this means that the Egyptian companies keep pace with the new format that used in most companies' website. Only two studies reveal that there are some companies use both HTML and PDF in presenting the information (Fisher et. al., 2000 and EL-Dyasty, 2004).

Table 15. The comparison between the types of information format results of the current study and the previous studies

Items	The current study	FASB study	UK study	European Union Studies	Developing countries Study	Arabic Countries study	Egyptian Studies
PDF format only	17.3 %	61 %	N/A	50 %	N/A	29.1 %	15 %
Html Format only	11.6 %	59 %	N/A	41.9 %	N/A	100 %	17 %
Both PDF & HTML	0	N/A	N/A	24.3 %	N/A	N/A	9%
XBRL format	0	0	N/A	N/A	N/A	N/A	0

6. CONCLUSION, LIMITATION AND FUTURE RESEARCH

Over the last years, research on using the internet as a means to disseminate financial information has increased widely. Most of these studies are descriptive and mainly concern with the state of the online disclosure art. Similarly, this study represents a descriptive study that examines the extent to which the internet is used for disseminating information by the Egyptian listed companies. The results reveals that about half of the listed Egyptian companies (51.7%) have web sites and about (35.6%) of these companies disclose financial information, (98.7%) of the companies disclose social information, (91.1%) disclose corporate governance information and (48%) of the companies disclose timely information. Such results demonstrate that the Egyptian listed companies should direct their attention towards disclosing more financial information on their website as the percentage is slightly low according to the requirements of Egyptian Capital Market Authority and comparing with the international studies. Further, the disclosure of social and corporate governance information represents satisfactory and accompany with the current requirements. However, the timeliness of the disclosed information needs some attention from the listed companies as these items are very crucial for the investors who want timely information to aid them in making rational decisions. One of the most noticeable limitations of this paper is the concentration on descriptive side only without investigating the determinants of the online disclosure. Many variables may affect the using of website in disseminating the information. Therefore, further researches can be conducted to investigate the

main factors that determine the online disclosure on the Egyptian listed companies' website. In addition, this study concentrates on a snap shot to the Egyptian website in December 2007. This can be extended to make a comparison between two points of time instead of only one snap shot which will flourish the research's results and may clarify the development in using the Internet as a disclosure medium.

REFERENCES

1. Abdel-Salam, Omneya H., and Donna L. street, 2007, Corporate governance and the timeliness of corporate internet reporting by U.K. listed companies, *Journal of International Accounting, Auditing and Taxation* 16, 111-130.
2. Abdul-Hamid, Fathilatul Zakimi, Md Suhaimi Md Salleh, and Rosli Mohamad, 2006, A survey on the use of internet for the investor relations by the MALAYSIAN and SINGAPORE firms.
3. Al-Htaybat, Khaldoon, 2005, Financial disclosure practices: Theoretical foundation, and an empirical investigation on Jordanian printed and Internet formats (Ph.D. Thesis, University Of Southampton).
4. Allam, Amir, and Andrew Lymer, 2003, Developments in Internet Financial Reporting: Review and Analysis Across Five Developed Countries, *The International Journal of Digital Accounting Research* 3, 165-199
5. Ashbaugh, Hollis, Karla M. Johnstone, and Terry D. Warfield, 1999, Corporate Reporting on the Internet, *Accounting Horizons* 13, 241-257
6. Bagshaw, K., 2000, Financial reporting on the Internet, *Accountants' Digest*, 429
7. Barker, R.G., 1998, The market for information evidence from finance directors, analysts and fund managers, *Accounting and Business Research* 29, 3-20.
8. Beattie, V., and K. Pratt, 2003, Issues concerning web-based business reporting: an analysis of the views of interested parties, *The British Accounting Review* 35, 155-187
9. Bhushan, R., and D.R. Lessard, 1992, Coping with International Accounting Diversity: Fund Managers' Views on Disclosure, Reconciliation, and Harmonization, *Journal*

- of *International Financial Management and Accounting* 4, 149-164.
10. Bollen, Laury, Harold Hassink, and Gordana Bozic, 2006, Measuring and explaining the quality of Internet investor relations activities: a multinational empirical analysis, *International Journal of Accounting Information Systems* 7, 273-298
 11. Bonson, Enrique, and Tomas Escobar, 2002, A Survey on Voluntary Disclosure on the Internet. Empirical Evidence from 300 European Union Companies, *The International Journal of Digital Accounting Research* 2, 27-51
 12. Bonson, Enrique, Tomas Escobar, and Mariano Sánchez, 2000, Corporate Digital Reporting in Europe. A Survey on Eurostoxx50 Companies, the 3rd European Conference on Accounting Information Systems (Munich, Germany)
 13. Davey, Howard, and Kanya Homkajohn, 2004, Corporate internet reporting: An Asian example, *Problems and perspectives in management* 2, 211-227.
 14. Debreceny, Roger, and Glen L. Gray, 2001, The production and use of semantically rich accounting reports on the Internet: XML and XBRL, *International Journal of Accounting Information Systems* 2, 47-74
 15. Debreceny, Roger, Glen L. Gray, and Asheq Rahman, 2002, The determinants of Internet financial reporting, *Journal of Accounting and Public Policy* 21, 371-394
 16. Debreceny, Roger, and Asheq Rahman, 2005, Firm-specific determinants of continuous corporate disclosures, *The International Journal of Accounting* 40, 249-278
 17. Deller, D., M. Stubenrath, and C. Weber, 1999, A survey on the use of the internet for investor relations in the USA, the UK and Germany, *European Accounting Review* 8, 351-364
 18. EL-Dyasty, Mohamed M., 2004, Financial Reporting in Internet Era between Reality and Expectations: A Comparative Analysis to Websites of Big Egyptian and American Firms *Egyptian Journal of Commercial Studies* 28, 1-36.
 19. Elliott, Robert K., 1992, The Third Wave Breaks on the Shores of Accounting, *Accounting Horizons* 6, 61-85
 20. Ettredge, Michael, Vernon J. Richardson, and Susan Scholz, 2001, The presentation of financial information at corporate Web sites, *International Journal of Accounting Information Systems* 2, 149-168
 21. FASB, 2000, Electronic Distribution of Business Reporting Information, (Financial Accounting Standards Board ,Connecticut, USA).
 22. Fisher, R., F. Laswad, and P. Oyelere, 2000, Financial Reporting on the Internet, *Chartered Accountants Journal of New Zealand*, April, 68-72
 23. Gallhofer, Sonja, Jim Haslam, Elizabeth Monk, and Clare Roberts, 2006, The emancipatory potential of online reporting The case of counter accounting, *Accounting, Auditing & Accountability Journal* 19, 625-630
 24. Geerlings, Jorn, Laury Bollen, and Harold Hassink, 2002 Investor Relations on the Internet: A survey of the Euronext zone, 1-33
 25. Gowthorpe, Catherine, 2004, Asymmetrical dialogue? Corporate financial reporting via the Internet, *Corporate Communications: An International Journal* 9, 283-293
 26. Hamid, Fathilatul Zakimi Abdul, 2005, Malaysian companies' use of the internet for investor relations, *Corporate Governance* 5, 5-14
 27. Hancock, Phil, Maya Purushothaman, and Alistair Brown, 2006, Environmental Disclosures On Corporate Web Sites: A Singapore Perspective, EABR Conference (Florence), 1-9
 28. IASC, 1999, Business Reporting on the Internet: A Report prepared for the International Accounting Standards Committee, (International Accounting Standards Committee).
 29. Khadaroo, M. Iqbal, 2005, Business reporting on the internet in Malaysia and Singapore: A comparative study, *Corporate Communications: An International Journal of Accounting Information Systems* 10, 58-68
 30. Khan, Md. Abid Hossain, Ahmed Taneem Muzaffar, and Abu Sohel Mahmood, 2006, The use of internet for corporate reporting: A discussion of the issues and surveys of current usage in BANGLADESH, Working Paper, 1-11
 31. Larran, Manuel, and Begona Giner, 2002, The Use of the Internet for Corporate Reporting by Spanish Companies, *The International Journal of Digital Accounting Research* 2, 53-82
 32. Lybaert, Nadine, 2002, On-Line Financial Reporting. An Analysis of the Dutch Listed Firms, *The International Journal of Digital Accounting Research* 2, 195-234
 33. Mangena, M., 2004, Exploring the extent and determinants of accounting information disclosure in interim reports : an empirical study of UK listed companies, (Ph.D. thesis, Luton).
 34. Marston, C., and A. Polei, 2004, Corporate reporting on the Internet by German companies, *International Journal of Accounting Information Systems* 5, 285-311
 35. Mecagni, M. and M. S. Sourial, 1999, The Egyptian stock market: efficiency tests and volatility effects, *International monetary fund* 8, 1-30
 36. Metwally, Talat Abd El-Azem, 2003, The Technology and standards of online financial reporting: An applied research in the Egyptian environment, *Egyptian Journal of Commercial Studies* 27, 273-321.
 37. Mohamed, Fahiem Abo El-Azem Mohamed, 2002, Dissemination of Internet financial reporting: A applied research on Egypt, Saudi Arabia, Kuwait, *Commercial and financial studies Journal* 2, 203-226.
 38. Momany, Muthar Talal, and Salah Al-Dain Al-Shorman, 2006, Web-Based Voluntary Financial Reporting of Jordanian Companies, *International Review of Business Research Papers* 2, 127-139
 39. O'Kelly, C., 2000, Business reporting on the Internet: Reporting gets personal *Accountancy* August.
 40. Pervan, Ivica, 2006, Voluntary Financial Reporting on the Internet – Analysis of the Practice of Stock-Market Listed Croatian and Slovene Joint Stock Companies, *Financial Theory and Practice* 30, 1-27
 41. Pirchegger, Barbara, and Alfred Wagenhofer, 1999, Financial information on the Internet: a survey of the homepages of Austrian companies, *The European Accounting Review* 8, 383-395
 42. Smith, Barry, and Aileen Pierce, 2005, An Investigation of the Integrity of Internet Financial Reporting, *The International Journal of Digital Accounting Research* 5, 47-78
 43. Spanos, lookas, 2007, Corporate reporting on the internet in a European emerging capital market : the Greek case, *Journal of Economics, Finance And Administrative Sciences*, July, 131-144.
 44. Sriram, Ram S., and Indrarini Laksmana, 2006, Corporate Web Site Reports: Some Evidence on Relevance and Usefulness, *Information Resources Management Journal* 19, 1-17
 45. Tawfik, Mohamed Sherif, 2001, Financial Reporting on INTERNET and Evaluation of Its Regulation Efforts: An Empirical Investigation of Affecting Variables in Banking Sector, *The Scientific Magazine of Faculty of Commerce-ElAzhar University* 26, 229-275.
 46. Trabelsi, Samir, and Real Labelle, 2006, Evidence that Corporate Websites is a Part of the Firm's Overall Disclosure Package, Working Paper, Brock University, St Catherine, 1-57
 47. Venter, JMP, 2002, A survey of current online reporting practices in South Africa, *Meditari Accountancy Research* 10, 209-255
 48. Williams, S. Mitchell, and Carol-Anne Ho Wern Pei, 1999, Corporate Social Disclosures by Listed Companies on Their Web Sites: An International Comparison, *The International Journal of Accounting* 34, 389-419
 49. Xiao, Jason Zehong, He Yang, and Chee W. Chow, 2004, The determinants and characteristics of voluntary Internet-based disclosures by listed Chinese companies, *Journal of Accounting and Public Policy* 23, 191-225