

ESMA issues new Q&A on alternative performance measures in the context of COVID-19

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, has issued a [Q&A](#) to provide guidance to issuers on the application of the ESMA Guidelines on Alternative Performance Measures (APM Guidelines) in the context of the COVID-19 pandemic.

The Q&A published today

- highlights the main principles of the APM Guidelines;
- encourages issuers to use caution when adjusting Alternative Performance Measures (APMs) and when including new APMs to address the impact of COVID-19;
- invites issuers to provide:
 - narrative information regarding the modifications made, the assumptions used and the impact of COVID-19;
 - information on measures taken or expected to be taken by issuers to address the impact that the COVID-19 outbreak may have in their operations and performance.

The APM Guidelines address the information that issuers should publish when disclosing APMs (e.g. Operating Results, EBIT, EBITDA, Free Cash-flows) to the market in management reports, prospectuses and ad-hoc disclosures (such as Quarterly Earnings releases).