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Status: Answer Published

Additional Information

Level 1 Regulation

Transparency Directive (TD) Directive 2004/109/EC

Level 3 Regulation

Guidelines on Alternative Performance Measures

Topic

Alternative Performance Measures (APM)

Historic Question Reference

[ESMA32-51-370 APM Q16]

Subject Matter

Reconciliation; Paragraph 26 and 28 of the APM Guidelines.

Question

Do the APM Guidelines require a numeric reconciliation of the APM to “the most reconcilable line item, total or subtotal” presented in the financial statements or is it sufficient to include a qualitative explanation of the items which adjust the financial statement’s figures?

ESMA Answer

30-10-2017

Original language

[ESMA32-51-370 APM Q16]

Paragraph 28 of the APM Guidelines foresees that “the reconciliation should show how the figure is calculated”. Therefore, issuers should provide a reconciliation in the form of a numeric reconciliation between “the most directly reconcilable line item, total or subtotal” presented in financial statements and the APM used. As it is required in paragraph 26 of the APM Guidelines, the reconciliation should separately identify and explain the material reconciling items.