

Laurent Degabriel
European Securities & Markets Authority

Brussels, 15 May 2014

RE: EuropeanIssuers' comments on the ESMA Consultation on Guidelines on Alternative Performance Measures (APMs)

Dear Laurent,

We would like to share with you the views of EuropeanIssuers, representing the interest of **European quoted companies**, on the ESMA Consultation on Guidelines on Alternative Performance Measures (APMs).

We strongly believe that capital markets should facilitate communication between companies and investors, and that regulation should support this aim. APMs are an important communication tool in this respect, which were created with the aim of complementing existing obligatory financial reporting standards and providing investors with information better tailored to their needs.

We believe that APMs, being standards created by the market itself to provide additional information, work well. They are complementary to legal requirements, not inferior. Unfortunately, we feel that ESMA's proposals on APMs would be a retrograde step, undermining the goal of the efficient communication between companies and investors.

Our main concerns are:

- **The scope of application of the draft Guidelines is too broad:**
 - e.g. including press releases, where the requested items are already presented in annual or half-yearly disclosure documents.
 - Reference to "all documents" may include any form of communication using financial information from the regulated publication, whether it is material or not.
 - Furthermore, reference to "regulated information" may be inconsistent with the regulation of those Member States which implemented the Transparency Directive more extensively and where Remuneration Reports and Corporate Governance Statements are considered regulated information.
 - Measures included in the financial statements should be excluded from the scope of the definition of APMs.
- **The principle of giving more prominence, emphasis or authority to measures defined by IFRS than measures included in the financial statements or presented outside should be removed.**
- **We do not agree with the proposed move to binding positions or guidelines rather than use of recommendations.** We do not believe that the current proposals are justified by a cost / benefit analysis or by evidence of problems.
- **There should be a clear concept of materiality**, to avoid overloading both companies and investors.

Please note that a number of our members will be submitting more detailed responses to this consultation also. Thank you for the attention given to this e-mail.

Please do not hesitate to contact us, should you have any questions.

Yours sincerely,

Susannah Haan
Secretary General

EuropeanIssuers represents the interests of quoted companies across Europe. Our members include both national associations and companies from all sectors in 14 European countries.

We aim to ensure that EU policy creates an environment in which companies can raise capital through the public markets and can deliver growth over the longer-term. We seek capital markets that serve the interests of their end users, including issuers.

More information can be found at www.europeanissuers.eu.