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The Autorité des Marchés Financiers underlines certain disclosure rules that apply to listed companies in the light of the coronavirus epidemic

In addition to human considerations, the current coronavirus epidemic has led to the shutdown of certain fields of business. The outbreak has already reduced production levels, consumption, transportation and usual travel, particularly in China. Financial markets are therefore paying close attention to listed companies and their transparency over their exposure to the effects of the epidemic.

It is for this reason, and in order to offer its support, the AMF has been holding discussions with several listed companies over the past few weeks, prior to the publication of their year-end financial results. The object of such meetings is to invite listed companies to assess the consequences of the current situation and to consider appropriate and timely communication.

The Market Abuse Regulation requires that issuers disclose, as soon as possible, all inside information that concerns them directly or indirectly, i.e. all precise, non-public information that is likely to have a significant influence on stock prices. Any knowledge of the epidemic's significant impact on the activity, performance or outlook must therefore be disclosed without delay. Given the uncertainty surrounding the future development of this outbreak, it is recommended that issuers periodically re-assess its estimated and anticipated impact on their company's activity and outlook with respect to its materiality and/or amount.

To ensure equal access to information for all investors, the mode of communication of inside information, which is precise in nature, without necessarily being quantified, is the publication of a press release. Regarding the newly sensitive nature of certain information (geographical areas of activity, production, outsourcing, supply, employees concerned), it is recommended that issuers communicate this information when presenting their annual results.

The publication of year-end results is often accompanied by the announcement to the market of business and performance prospects guidance for the current year, of which the main underlying assumptions must be outlined. Thus, even if there is no precise information to be disclosed, issuers disclosing their outlook for 2020 to the market are invited to communicate which assumptions they used in preparing this outlook, with respect to the potential impacts of the epidemic.

The impacts of this epidemic should also be considered, if necessary, in the financial statements of 31 December 2019, as a post-closing event requiring disclosures. Where applicable, issuers will have to consider, with their statutory auditors, the possible effects of this epidemic on their future financial statements, for example, with regard to the valuation of their inventories.

Lastly, listed companies that closed their accounts on 31 December 2019 must submit, their annual financial report including their management report, which must include a description of the main risks and uncertainties faced by the company before 30 April 2020. In this respect, issuers are invited to include the information that they deem appropriate in the light of the coronavirus outbreak as of the date of filing their annual financial report. For issuers publishing a universal registration document, the "Risk Factors" section should where necessary, deal more specifically with the economic exposure of the listed company to this epidemic, as well as any measures that may have been taken with this regard.

About the AMF

The AMF is an independent public authority responsible for ensuring that savings invested in financial products are protected and that investors are provided with adequate information. The AMF also supervises the orderly operations of markets. Visit our website <https://www.amf-france.org>

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