

Kate Hinchy  
Primary Markets Policy  
Financial Conduct Authority  
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3 September 2014

Dear Ms Hinchy,

**Consultation Paper – Removing the Transparency Directive’s requirement to publish interim management statements**

***Introduction***

We are the Quoted Companies Alliance, the independent membership organisation that champions the interests of small to mid-size quoted companies. Their individual market capitalisations tend to be below £500m.

The Quoted Companies Alliance is a founder member of European **Issuers**, which represents over 9,000 quoted companies in fourteen European countries.

The Quoted Companies Alliance Legal Expert Group has examined your proposals and advised on this response. A list of members of the Expert Group is at Appendix A.

***Response***

We welcome the opportunity to respond to this consultation. As we noted in our response to the European Commission consultation on the Transparency Directive in 2010, we support removing the requirement for issuers of shares admitted to trading on a regulated market to publish interim management statements.

We believe that interim management statements are overly costly to produce, in terms of the time put into producing them, and they do not provide a significant benefit given that companies already have an obligation to disclose any material information to the market as triggered by either national rules or other Directives. Producing interim management statements takes time and resources – which in small and mid-size companies are limited – away from the directors who should be focused on running and growing the business.

We therefore agree with the proposed changes and welcome the Government’s commitment to removing mandatory quarterly reporting ‘as soon as practical’.

The Quoted Companies Alliance is the independent membership organisation that champions the interests of small to mid-size quoted companies.

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FCA

Removing the requirement to publish interim management statements

4 September 2014

*Responses to specific questions*

**Q1: Do you agree with the proposal to remove DTR4.3, DTR4.4.6R and DTR6.3.5R (3)(c) and amend the Glossary?**

Yes, we agree with the proposal.

**Q2: Do you agree with the proposal to amend DTR4.4.1R, 4.4.2R, 4.4.5R, 4.4.7R and 4.4.8R to remove references to interim management statements?**

Yes, we agree with the proposal.

**Q3: Do you agree with the proposal to amend DTR8 Annex 2, DTR TP 1(19) and LR17.3.6G to remove references to interim management statements?**

Yes, we agree with the proposal.

**Q4: Do you agree with our analysis that the removal of the requirement to publish interim management statements will not have significant costs for issuers?**

Yes. In fact, we believe that removing the requirement to publish interim management statements will reduce costs for issuers.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'TW', is positioned above the typed name and title.

Tim Ward

Chief Executive

**Quoted Companies Alliance Legal Expert Group**

Gary Thorpe (Chairman)	Clyde & Co LLP
Maegen Morrison (Deputy Chairman)	Hogan Lovells International LLP
Danette Antao	Hogan Lovells International LLP
Paul Arathoon/ David Hicks/ Tom Shaw	Speechly Bircham LLP
Richard Beavan	Boodle Hatfield LLP
Naomi Bellingham/ Sarah Hassan/ Hilary Owens	Practical Law Company Limited
Ian Binnie	Hamblins LLP
Ross Bryson	Mishcon De Reya
Jo Chattle /Simon Cox /Julie Keefe	Norton Rose Fulbright LLP
David Davies	Bates Wells & Braithwaite LLP
Mebis Dossa	McguireWoods
David Fuller	CLS Holdings PLC
Nicola Green /Eleanor Kelly/ Jane Mayfield	LexisNexis
Stephen Hamilton	Mills & Reeve LLP
Nick Jennings	Faegre Baker Daniels LLP
Martin Kay	Blake Morgan
Gabriella Olson-Welsh	McguireWoods
June Paddock	Fasken Martineau LLP
Donald Stewart	Progility plc
Mark Taylor	Dorsey & Whitney
Anthony Turner	Farrer & Co
Ben Warth	PricewaterhouseCoopers LLP