



Press release

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Subject **UK small and mid-cap companies do not support leaving the European Union**

UK small and mid-cap companies do not support leaving the European Union

Companies believe it would be more beneficial to their businesses for the UK to remain part of the EU

The majority (90%) of small and mid-cap quoted companies would like the UK to remain in the EU, according to the latest quarterly QCA/BDO Small & Mid-Cap Sentiment Index. Only 4% of companies support the UK leaving the EU completely.

Advisors to small and mid-cap quoted companies echo this sentiment, with the majority (85%) supporting the UK remaining in the EU and with only 12% calling for the UK to leave.

Importantly, almost three quarters (71%) of companies and just over half (57%) of advisors believe that the UK should renegotiate its position in the European Union.

Tim Ward, Chief Executive of the Quoted Companies Alliance, comments: "Small and mid-cap quoted companies clearly see value in the UK remaining part of the European Union. For them, it is not a binary 'in or out' question. We have found that small and mid-cap companies would rather the UK sorts out how it can optimise its position within the EU system rather than be sitting on the outside looking in."

However, two-fifths of small and mid-cap quoted companies still need persuading of the overall value of EU membership. Whilst 40% of companies believe that the UK's membership has a positive impact, just as many feel it has no impact (39%) on their business.

Scott Knight, Partner, BDO LLP, comments: "Small and mid-cap companies want stability and fear the uncertainty that would arise from a major political upheaval, such as leaving the EU. Whilst individuals may be more inclined to vote politically, businesses tend to act pragmatically. It is worth noting that it is the smaller public companies, which are entrepreneurial in nature, that tend to associate the EU with restrictive regulation and are, therefore, more likely to want out."

- Ends -

Methodological notes

These results are part of 11th issue of The QCA/BDO Small & Mid-Cap Sentiment Index by BDO and the Quoted Companies Alliance (QCA), an online quarterly survey across the small and mid-cap quoted sector. The full survey results for this quarter are due to be published 28 May 2014.

Methodology: This survey has been conducted using an online interview administered to members and associates of the QCA. The sample definition is "small and mid-cap UK quoted companies and advisory companies". The responding sample is weighted by industry to be representative of small and mid-cap UK quoted companies, as derived from London Stock Exchange data. Advisory companies are not weighted in any way.

This data is based upon 180 online interviews (107 small mid-cap quoted companies, 73 advisory companies). It was conducted between 2 April 2014 and 17 April 2014 by research company YouGov.

Please note that not all scores in this report add up to exactly 100% due to rounding. The margin of error for the survey is +/- 8%.

Note to editors

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The Quoted Companies Alliance is the independent membership organisation that champions the interests of small to mid-size quoted companies. We campaign, we inform and we interact to help our members keep their businesses ahead. Through our activities, we ensure that our influence always creates impact for our members. For more information, please visit www.theqca.com.

YouGov is a leading opinion research agency conducting projects with consumers and opinion leaders around the world. YouGov is an independent, public limited company listed on London's AIM market, and has offices across Europe, the United States and the Middle East.

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