

Reuters acquires the Fund Information Business of Lipper Analytical Services Inc.

July 23, 1998

NEW YORK, July 23, 1998--Reuters has acquired the fund information business of Lipper Analytical Services, Inc., a leading provider of US mutual fund and global fund data. Reuters intends to develop and build a fund information business as a separate global entity within the Group under the Lipper Analytical Services brand.

The value of the net assets acquired and the costs of the acquisition are not considered material to Reuters. The acquisition will be funded out of the existing cash resources of Reuters.

Lipper Analytical Services, Inc., headquartered in Summit, NJ, is a premier provider of fund information and analysis to investment company boards of directors, senior executives and key media outlets. Lipper Analytical Services analyzes approximately 39,000 funds with assets of about \$7 trillion. Lipper's fund data goes back to 1959 and the company employs some 300 staff in Summit, Denver, New York, London and Hong Kong.

Managed funds have seen rapid growth over the past five years which has been fueled by an unprecedented need to provide for future retirement needs and to increase private savings. Global managed funds are becoming the driving force in the savings and securities markets because of the critical role they play in most individuals' financial security. The fund management industry reflects this expansion and has a growing requirement for information on fund performance. Reuters acquisition of Lipper supports their mutual goal of helping clients to capitalize on these global trends.

Reuters will now combine the Lipper business with those of three recent European acquisitions: HSW, Bopp and Citywatch. The company is currently pursuing other fund initiatives in Asia. The Lipper business and brand will become the cornerstone of Reuters fund market strategy.

Lipper's fund-related activities will be conducted in accordance with Reuters established Trust Principles to underline its independence and objectivity and to ensure its freedom from bias or factional control. Services to the media will grow on a worldwide basis in a manner consistent both with the Reuter Trust Principles and Lipper Analytical Services' history of impartiality and independence.

Peter Job, Reuters Chief Executive, said: "We are delighted to welcome Lipper to the Reuters Group. It will give us access to one of the leading suppliers of fund information to the institutional market and put us at the forefront of the industry. We shall apply Reuters technological innovation to bring to fund clients new and comprehensive services and exploit the opportunities that are open to us. I am also very pleased that Reuters will have the benefit of the knowledge and expertise of Michael Lipper who is an influential commentator in the international fund marketplace."

Michael Lipper said: "Lipper Analytical Services has grown with the fund industry since its founding in 1973. With worldwide fund assets projected to grow to nearly \$30 trillion in the next 10 years, Lipper and Reuters will be even better positioned to service their clients. This is the right time and the right ally with which to accelerate our activities in a way that benefits our clients and employees. Through the power of this acquisition, talented people will be added to Lipper offices."

Michael Lipper will be Chairman and Simon Thomson will assume the role of Chief Executive Officer of Lipper Analytical Services, Inc. based in Summit. Thomson is currently Marketing Director, Reuters Europe, Middle East and Africa. Ruth Lipper and Steve Lipper will remain as senior officers of the company. Continuing as members of the senior management team will be Evelyn Carter, Diana Mackay, Gary Kreissman, and Carl Meerveld.

Michael Lipper will retain ownership of Lipper Analytical Securities Corp., Lipper Advisory Services, and Lipper Consulting Services which are not included in the assets purchased by Reuters.

Reuters Group PLC (NASDAQ: RTRSY) supplies 457,000 users located in 58,000 organizations in global business and news media with the widest range of information and news products including real-time financial data, transaction and risk management systems, numerical, textual, historical and graphical databases, news, news video and news pictures. Reuters designs and installs trading room systems. It extensively uses internet technology for wider distribution of information and news.

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