

Reuters Group PLC - First Quarter Recurring Revenue Guidance

January 13, 2005

London – Reuters reports today that it expects the steady recovery in its recurring revenues to continue into Q1 2005, with underlying recurring revenues for the quarter likely to decline by around 1.5%, compared to a decline of 8.4% in the equivalent quarter last year.

The key lead indicators of recurring revenue performance are subscriber sales and cancellations. While subscriber cancellations exceeded new sales in the fourth quarter, net cancellations showed a considerable improvement compared to the equivalent quarter in 2003, reflecting Reuters continuing emphasis on upgrading its products and service.

Tom Glocer, Reuters Group Chief Executive, said: "I am pleased that our steady progress toward positive revenues remains on track."

Notes to Editors

Reuters gives guidance on recurring revenues, which account for over 90% of Reuters core revenues (excluding Instinet). Guidance is given on an underlying basis i.e. excluding the effects of acquisitions and disposals since 1 January 2004 and at constant currency rates.

There is an important timing difference between subscription sales / cancellations and subscription (recurring) revenue. Reuters recognises a sale on signature of a contract with a customer and registers a cancellation when notified by a customer. Revenue is recorded when a sold product is installed or a cancelled product removed, a process which typically takes between one and three months.

More detail on Reuters recurring revenue model can be found in the Financial Data section of www.about.reuters.com

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About Reuters

Reuters (www.about.reuters.com), the global information company, provides indispensable information tailored for professionals in the financial services, media and corporate markets. Our information is trusted and drives decision making across the globe based on our reputation for speed, accuracy and independence. As of June 2004, Reuters has 14,700 staff in 92 countries, including some 2,400 editorial staff in 197 bureaux serving approximately 130 countries, making Reuters the world's largest international multimedia news agency. In 2003, the Reuters Group had revenues of £3.2 billion.

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Forward-looking statements

This statement includes certain forward-looking statements relating to Reuters within the meaning of Section 27A of the US Securities Act of 1933 and Section 21E of the US Securities Exchange Act of 1934. Certain important factors that could cause actual results to differ materially from those disclosed in such forward-looking statements are described in Reuters Annual Report and Form 20-F 2003 under the heading "Risk Factors". Copies of the Annual Report and Form 20-F are available on request from Reuters Group PLC, 85 Fleet Street, London EC4P 4AJ."

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