Reuters Subsidiary Instinet Updates IPO Filing

April 20, 2001

London – Reuters, the global information, news and technology group, announced today that, as part of the process of moving towards an initial public offering (IPO) for Instinet, its wholly owned electronic brokerage subsidiary, a second amendment to the S-1 Registration Statement for a proposed IPO with the US Securities and Exchange Commission (SEC) has been filed and includes the following information:

"For the first quarter of 2001 our total revenues were approximately $431 million and our net income was approximately $50 million, an increase of 24% and 18%, respectively, from total revenues of approximately $349 million and net income of approximately $42 million for the first quarter of 2000. Our trading volumes in Nasdaq-quoted and NYSE-listed stocks during the first quarter of 2001 increased 56.0% and 37.0%, respectively, compared with the first quarter of 2000 to 20.1 billion shares and 2.7 billion shares, respectively. Our share of volume in Nasdaq-quoted stocks increased from 11.3% in the first quarter of 2000 to 15.1% in the first quarter of 2001, and our share of volume in NYSE-listed stocks increased from 2.4% in the first quarter of 2000, to 3.0% in the first quarter of 2001. During the first quarter of 2001, our customers used our systems to execute 27.5 million transactions in U.S. equity securities, and 1.7 million transactions in equity securities traded in markets outside the United States."

The numbers reported by Instinet in the S-1 conform to US GAAP and include soft dollar and commission recapture revenue and interest income. Under UK GAAP, Instinet's revenue for the first quarter of 2001 was £250 million, up 27% from the first quarter of last year with underlying revenue up 20%.

As previously announced, it is anticipated that the IPO will be for a maximum of 14.1% of Instinet's capital stock.

Instinet is the world's largest electronic agency securities broker, trading in 40 securities markets, with membership of 20 exchanges throughout North America, Europe, and Asia. It is headquartered in New York and has eight other global offices. Founded in 1969, Instinet was acquired by Reuters in 1987 and has grown substantially under Reuters ownership in both US and international securities markets.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such State.

The amended S-1 Registration Statement is available to the public on the SEC's internet site (http://www.sec.gov).

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Note to editors:

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This news release may be deemed to include 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 for the year ended 31 December 2000 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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