



## Reuters subsidiary Instinet completes acquisition of ProTrader

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### Leveraging New Technology for Institutional Investors Gains Foothold in Active Trader Segment

**London** – Reuters, the global information and news group, said today that Instinet, in which it has an 85% shareholding, made the following statement:

#### Instinet statement

NEW YORK, October 2, 2001 – Instinet Group Incorporated (Nasdaq: INET), the world's largest electronic agency securities broker, today announced that it has completed the acquisition of ProTrader Group, LP, a provider of advanced trading technologies and electronic brokerage services primarily for retail active traders and hedge funds. The acquisition excludes ProTrader's proprietary trading business. ProTrader's 2000 annual revenues exceeded \$83 million.

Under the terms of the agreement dated July 23, 2001, Instinet acquired ProTrader on October 1, 2001 for \$100 million in cash and 5.02 million shares of Instinet common stock valued at US \$50 million, based on the average share price of Instinet stock for the seven trading days prior to closing. We anticipate that the transaction will not be material to Instinet Group's 2001 financial results.

Instinet expects the acquisition to enhance its customer interface and order routing technology, which would advance the Company's strategy of further developing services for institutional investors. The acquisition also expands Instinet's reach into the hedge fund market and retail active trader segments by providing a full-service offering with front-end technology, quality executions, and back-office operations.

"The acquisition of ProTrader will allow Instinet to deliver on its strategy to customize its service offerings to its institutional clients in the US," said Doug Atkin, President and CEO of Instinet Group Incorporated. "Combining the power of Instinet's deep liquidity pool and broad range of value-added services with the proven direct access technology and trading software of ProTrader will give our customers the opportunity to improve execution performance in an increasingly complex trading environment. We are committed to providing the highest level of technology-supported trading tools and value-added brokerage services to our customers," he continued.

"We are delighted to be joining forces with such an industry leader as Instinet," said Jay McEntire, CEO of ProTrader. "ProTrader will continue to focus its efforts and services on supporting semi-professional and professional active traders, as well as actively traded hedge fund portfolios with less than \$100 million under management," he added.

"Combining the best of Instinet and ProTrader will provide Instinet's clients with more opportunities to maximize their success," said Jean-Marc Bouhelier, Executive Vice President, U.S. Institutional and Professional Business of Instinet. "As we provide more advanced technology solutions to our traditional institutional customers, we can also provide the comprehensive trading and clearing package sought by active traders and hedge funds."

As a wholly-owned subsidiary of Instinet Group Incorporated, ProTrader will retain its name and its headquarters in Austin, TX. Jay McEntire will remain CEO of ProTrader Group LP, reporting to Mr. Bouhelier. ProTrader has 184 employees at 17 locations across the U.S.

ProTrader's proprietary trading business has been spun off into two independent operations, namely Zone Trading Partners, LLC and Zone Equity Partners, LP.

In the fourth quarter, Instinet Clearing Services, Inc. (ICS) will become the correspondent clearing facility for ProTrader. The two proprietary entities will be customers of ProTrader and will enter into an agreement with ICS to clear their trades.

#### About ProTrader Group

The subsidiaries of Austin, Texas-based ProTrader Group, LP are ProTrader Securities Corporation, its licensed broker-dealer overseeing all aspects of the Company's 17 trading centers nationwide and its online trading operations; ProTrader Technologies, LP, its software development group that develops the firm's proprietary trading software and manages technology infrastructure; ProTrader Services, LP, its research division; and ProTrader.com, LP.

#### About Instinet

Instinet, through affiliates, is the world's largest electronic agency securities broker and has been providing investors with

electronic trading solutions for more than 30 years. Instinet operates an e-financial marketplace where buyers and sellers worldwide can trade securities directly and anonymously with each other, and have the opportunity to lower their overall trading costs. Through its electronic platforms, customers can access 40 securities markets throughout the world. With major offices in New York, London, Paris, Frankfurt, Tokyo, and Hong Kong, Instinet provides its customers with access to research generated by Instinet and by third parties, as well as various informational and decision-making tools. For more information, please go to [www.instinet.com](http://www.instinet.com).

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This news release may be deemed to include forward-looking statements relating to Instinet. Certain important factors that could cause actual results to differ materially from those disclosed in such forward-looking statements are described in Instinet's prospectus contained in its registration statement on Form S-1, filed with the SEC on May 17, 2001, under the heading 'Risk Factors', and other documents filed with the SEC and available on the Company's website. Certain information regarding Nasdaq trading volumes is also included in the registration statement and on the Company's website .

**End**

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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 Interim Statement for the six months to 30 June 2001 under the heading 'Risk Factors'. Copies of the Interim Statement and Form 20-F are available on request from Reuters Group PLC, 85 Fleet Street, London EC4P 4AJ.

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