

Reuters In Discussions With BT Over Long Term Network Services Agreement And Sale Of Radianz

October 21, 2004

London – Reuters (RTR:LSE) is in exclusive discussions with BT to secure a long-term agreement for the provision of network services. This would involve the sale of Radianz, the financial extranet venture, to BT. Both the commercial arrangements and the sale are subject to due diligence, regulatory approvals and the negotiation of definitive agreements. These transactions are expected to complete during the first quarter of 2005.

As a prerequisite to this agreement, Reuters has agreed to acquire Equant's (EQU: Euronext Paris) 49% interest in Radianz for \$110m in cash together with the release of future funding obligations. This will bring an end to the joint venture arrangements between Reuters and Equant that have created a high quality extranet for the financial services industry with a fast growing client base. The purchase of Equant's shareholding is subject to regulatory approval and is expected to complete in the fourth quarter of 2004.

Business will continue as usual for all parties involved during this period.

Tom Glocer, CEO of Reuters, said: "This is a significant next step in the Fast Forward transformation program at Reuters. Radianz has established itself as a first class global financial extranet supplier for Reuters and thousands of other demanding customers in the financial services industry. As part of BT, Radianz would continue to be our preferred network communications supplier. By combining Radianz with BT, Reuters and our customers would benefit from a greater range of high quality networking options, providing increased flexibility and enabling cost efficiencies."

Ben Verwaayen, CEO of BT said: "We are truly excited to have been chosen to work with Reuters to support its ongoing transformation programme. BT has unrivalled experience of helping global organisations take advantage of the digital networked economy and this is an important endorsement both of our technical excellence and of our ability to deliver complex projects on a large scale. The proposed acquisition of Radianz would significantly enhance our strong IT and Networking services offer to the financial services industry."

Howard Edelstein, President and CEO of Radianz, said: "A change in ownership would be a positive and exciting development in Radianz's evolution. With the support of our shareholders, we have developed a robust platform and established a well known and respected brand in the global financial services industry. Radianz welcomes this development, as the appeal of Radianz would further increase by becoming a part of BT, a company which also shares Radianz's vision of an independent market infrastructure."

Reuters will continue to equity account for the 51% of Radianz that it already owns, but will treat the newly acquired 49% stake as an asset held for resale.

Ends

Contacts

For Reuters

Johnny Weir
Telephone: +44 (207) 542 5211
Mobile: +44 (0) 7990 565 211
Johnny.weir@reuters.com

For Radianz

Seetha Chinnappa (UK)
Telephone: +44 207 650 9504
Mobile: +44 (0)7990 567 236
seetha.chinnappa@radianz.com

Susan Sweeney (US)
Telephone : +1 212 415 4607
susan.sweeney@radianz.com

For BT

Peter Morgan
Telephone + 44 (207) 356 5369
Mobile +44 (0) 7710 359499
peter.g.morgan@bt.com

About Reuters

Reuters (www.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. We have 14,700 staff in 92 countries, including some 2,300 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.

Reuters and the sphere logo are the trade-marks of the Reuters group of companies.

About Radianz

Radianz (www.radianz.com) is the leading provider of secure, reliable, and scalable connectivity to the global financial community. The Company's shared market infrastructure is a neutral platform that provides turnkey access to a broad array of pre-trade, trade, and post-trade applications from leading content and service providers across the straight-through processing (STP) chain. In 2004, the readers of WATERS magazine named Radianz "Best Network Provider." Radianz was founded by Reuters (LSE: RTR; NASDAQ: RTRSY) and Equant (NYSE: ENT) (Euronext Paris: EQU) in June 2000 and operates as an independent company.

Radianz and the lighthouse logo are trademarks of the Radianz group of companies worldwide.

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. In particular, Reuters ability to complete the transactions with Equant and BT and realize the anticipated benefits is subject to the risks that the conditions to such transactions will not be not satisfied and, in the case of the transactions with BT, that the parties agree to satisfactory price and other terms, and that BT's acquisition and operation of Radianz results in the anticipated benefits and efficiencies to Reuters. There can be no assurance that Reuters will successfully sell all or any part of its stake in Radianz including the stake to be acquired from Equant, or that it will receive any particular price for it. Any forward-looking statements made by or on behalf of Reuters speak only as of the date they are made, and Reuters does not undertake to update any forward-looking statements.