

Reuters To Receive Approximately \$1 Billion For Stake In Instinet Group

April 22, 2005

London – Reuters (LSE: RTR, NASDAQ: RTRSY), the global information group, today confirmed that it expects to receive net cash proceeds of approximately \$1 billion from its 62% holding in Instinet Group, after tax and transaction fees and subject to adjustments at close. This follows Instinet Group's announcement today that it has entered into a definitive agreement to be acquired by The NASDAQ Stock Market, Inc. Reuters has agreed to vote its stake in Instinet Group in favour of this acquisition.

Reuters expects to return an amount equivalent to the approximately \$1 billion net proceeds of this disposal to shareholders. The timing and mechanism of this return will be communicated at or prior to the completion of the Instinet Group sale, which is subject to regulatory approvals and other completion conditions. All parties will make efforts to complete the transaction by year-end.

The disposal of its stake in Instinet Group will be another significant step in Reuters programme to become a simpler, more coherent business. It also positions Reuters more clearly in the strategically important electronic transactions markets. By reinforcing its position as a neutral distributor of transactions facilities, Reuters is becoming a natural partner for customers aiming to reach a larger audience with their trading applications.

Tom Glocer, Reuters Chief Executive Officer, said: "I am very pleased with the sale of Instinet announced today. The electronic markets for trading equities will benefit from consolidation, Reuters shareholders will see a significant return of cash and Instinet will become core to the operations of the new owners. At Reuters, we will continue our strategy of providing clients with access to multi-asset electronic transaction services on a fast, global and neutral basis."

Instinet Group's 2004 profit before tax under UK GAAP was £56 million and its net assets at 31 December 2004 were £524 million on the same basis.

Included in the approximately \$1 billion net cash proceeds Reuters expects to receive are those generated from Instinet Group's sale of its Lynch, Jones & Ryan, Inc. subsidiary to The Bank of New York, also announced today. In connection with this transaction, Reuters has agreed to assume certain indemnity obligations of Instinet Group in the sale agreement, effective only upon completion of the sale of all or substantially all of the stock or assets of Instinet Group.

For further details of the particulars of the transaction, see Instinet's announcement below.

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Note to Editors:

Reuters (LSE: RTR, NASDAQ: RTRSY), the global information group, provides indispensable information tailored for professionals in the financial services, media and corporate markets. Its trusted information drives decision making across the globe based on a reputation for speed, accuracy and independence. Reuters has 14,500 staff in 91 countries. This includes 2,300 editorial staff in 196 bureaux serving 129 countries, making Reuters the

world's largest international multimedia news agency. In 2004, Reuters Group revenues were £2.9 billion. For more information see www.about.reuters.com.

This press 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 2004 under the heading 'Risk Factors'. Copies of the Annual Report and Form 20-F 2004 are available on request from Reuters Group PLC, 85 Fleet Street, London EC4P 4AJ. In particular, Reuters ability to realise the benefits of the sale of Instinet Group is subject to the risks that the conditions to such transaction will not be satisfied. 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.

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PRESS RELEASE

INSTINET GROUP TO BE ACQUIRED BY NASDAQ

Silver Lake Partners to acquire Instinet, The Institutional Broker The Bank of New York to acquire Lynch, Jones & Ryan

New York – April 22, 2005 – Instinet Group Incorporated (NASDAQ: INGP), the largest global electronic agency securities broker, today announced that it has entered into a definitive agreement pursuant to which The Nasdaq Stock Market Inc. (NASDAQ: NDAQ) will acquire Instinet Group. NASDAQ will acquire all outstanding shares of Instinet Group for an aggregate purchase price of approximately \$1.88 billion in cash, or \$5.44 per share¹ (on a fully diluted basis).

Upon completion of the transaction, INET, Instinet Group's electronic marketplace, will be combined with NASDAQ's current operations. The Company's other major business, Instinet, The Institutional Broker, will be acquired by Silver Lake Partners from NASDAQ immediately following the NASDAQ acquisition. Certain members of Instinet management will participate in the Silver Lake Partners transaction. INET, The electronic marketplace trades about 25% of the NASDAQ-listed volume daily and is one of the largest liquidity pools in NASDAQ-listed securities. Instinet, The Institutional Broker, trades approximately 100 million shares daily in the U.S. in addition to serving clients in almost 30 securities markets around the world.

Separately, Instinet Group has also agreed to sell its subsidiary Lynch, Jones & Ryan, Inc. (LJR) to The Bank of New York for an estimated \$174 million in cash, subject to an additional \$5 million payment in an earnout based on a second quarter revenue target. The Bank of New York plans to operate LJR as a subsidiary of BNY Brokerage Inc., its agency brokerage and a member of BNY Securities Group. LJR is the pioneer and premier provider of commission recapture programs, with over 30 years experience in providing value-added trading services to institutional investors, comprising 1,400 funds with more than \$2.2 trillion in assets.

In addition to its approval of the Nasdaq and LJR transactions described above, Instinet's Board has approved the declaration of a dividend to all stockholders in an amount not to exceed the net proceeds of the LJR transaction, which dividend will be declared at the time the LJR transaction closes. Any dividend will result in a reduction in the merger consideration to be received by shareholders in the transaction with NASDAQ.

¹ Based upon 345.4 million fully diluted shares (338.5 million shares outstanding at March 31, 2005 and an additional 6.8 million shares of stock equivalents related to outstanding employee stock options and performance share awards).

"Today's announcement means our broker-dealer customers can look forward to reaping the benefits of the combined INET and NASDAQ electronic marketplaces, drawing from the best of our technologies and customer service," said Ed Nicoll, Chief Executive Officer, Instinet Group Incorporated. "Equally important, this transaction is designed to help our buy-side customers benefit from the institutional broker's independence and singular focus on serving their needs. Instinet Group's senior management team and I are committed to delivering the most sophisticated, efficient, and transparent institutional execution services without compromise or conflict."

Transaction Details

The acquisition of Instinet by NASDAQ, and the subsequent Silver Lake Partners transaction, are subject to customary conditions, including the approval of the NASDAQ merger by Instinet Group's shareholders, the sale of LJR, as well as regulatory approvals. Reuters, with an approximate 62% stake in Instinet Group, has agreed to vote in favor of the NASDAQ merger. The parties have agreed to promptly seek all required regulatory approvals, including SEC approval and approval under the Hart-Scott Rodino Antitrust Improvements Act (HSR) and will make efforts to complete the transaction by year-end.

The sale of LJR is an independent transaction, which the Company anticipates completing by the end of June 2005. The transaction is subject to customary conditions, including regulatory approvals and other customary approvals.

UBS acted as exclusive financial advisor to Instinet Group. Wachtell, Lipton, Rosen & Katz was Instinet Group's legal counsel.

Preliminary First Quarter Results

Instinet Group Incorporated today announced preliminary results for the first quarter of 2005. Instinet Group expects to report net income of \$14 million or \$0.04 per diluted share for the first quarter of 2005 compared to net income of \$22 million or \$0.06 per diluted share for the first quarter of 2004 and net income of \$9 million or \$0.03 per diluted share for the fourth quarter of 2004. The first quarter 2005 results included \$3 million in net investment gains, a net \$1 million reversal of previously expensed severance charges and \$1 million in advisory fees. The first quarter of 2004 included a \$5 million investment gain and a \$5 million insurance recovery. The fourth quarter of 2004 included an impairment of goodwill of \$25 million related to Bridge Trading Company, severance expense of \$7 million and net fixed asset expense of \$1 million partially offset by a \$11 million investment gain. Prior period information has been restated to incorporate Bridge Trading Company which was acquired on March 31, 2005.

About Instinet Group

Instinet Group, through affiliates, is the largest global electronic agency securities broker and has been providing investors with electronic trading solutions and execution services for more than 30 years. We operate our two major businesses through Instinet, LLC, The Institutional Broker, and Inet

ATS, Inc., The electronic marketplace.

- Instinet, The Institutional Broker, gives its customers the opportunity to use its sales-trading expertise and advanced technology tools to interact with global securities markets, improve trading performance and lower overall transaction costs. Through Instinet's electronic platforms, customers can access other U.S. trading venues, including NASDAQ and the NYSE, and almost 30 securities markets throughout the world. Instinet acts solely as an agent for its customers, including institutional investors, such as mutual funds, pension funds, insurance companies and hedge funds. Lynch, Jones & Ryan, Inc., Instinet Group's commission recapture subsidiary is also a part of Instinet.
- INET, The electronic marketplace, represents the consolidation of the order flow of the former Instinet ECN and former Island ECN, providing its U.S. broker-dealer customers one of the largest liquidity pools in NASDAQ-listed securities.

About NASDAQ

NASDAQ is the largest U.S. electronic stock market. With more than 3,200 companies, it lists more companies and, on average, trades more shares per day than any other U.S. market. It is home to companies that are leaders across all areas of business including technology, retail, communications, financial services, transportation, media and biotechnology. NASDAQ is the primary market for trading NASDAQ-listed stocks. For more information about NASDAQ, visit the NASDAQ Web site at <http://www.nasdaq.com> or the NASDAQ Newsroom at <http://www.nasdaq.com/newsroom/>.

BNY Securities Group is an organization consisting of several broker-dealers and other companies. BNY Brokerage Inc., member NASD/NYSE/SIPC.

Where to Find Additional Information about Instinet, NASDAQ and the Merger

Instinet Group intends to file a proxy statement of Instinet Group in connection with the proposed merger. Instinet Group stockholders should read the proxy statement and other relevant materials when they become available, because they will contain important information about Instinet Group, NASDAQ and the proposed merger. In addition to the documents described above, Instinet Group and NASDAQ file annual, quarterly and current reports, proxy statements and other information with the SEC. The proxy statement and other relevant materials (when they become available), and any other documents filed with the SEC by Instinet Group or NASDAQ are available without charge at the SEC's website, at www.sec.gov, or from the companies' websites at <http://www.instinetcgroup.com> and <http://www.nasdaq.com>, respectively.

Instinet Group, NASDAQ and their respective officers and directors may be deemed to be participants in the solicitation of proxies from Instinet Group stockholders in connection with the proposed merger. A description of certain interests of the directors and executive officers of Instinet Group is set forth in the Instinet Group proxy statement for its 2005 annual meeting which was filed with the SEC on April 15, 2005. A description of certain interests of the directors and officers of NASDAQ is set forth in NASDAQ's proxy statement for its 2005 annual meeting, which was filed with the SEC on April 11, 2005. Additional information regarding the interests of such potential participants will be included in the definitive proxy statement and other relevant documents to be filed with the SEC in connection with the proposed merger.

This news release may be deemed to include forward-looking statements relating to Instinet Group. Certain important factors that could cause actual results to differ materially from those disclosed in such forward-looking statements are included in Instinet Group's Annual Report on Form 10-K for the fiscal year ended December 31, 2004, and other documents filed with the SEC and available on the Company's website at www.investor.instinetcgroup.com.

Instinet, The Institutional Broker, represents Instinet, LLC and its affiliates, not including the direct subsidiaries of Inet Holding Company, Inc. and Lynch, Jones & Ryan, Inc.

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