

Notification of Major Interest in Shares

June 26, 2007

1. Identity of the issuer or the underlying issuer of existing shares to which voting rights are attached:

REUTERS GROUP PLC

2. Reason for the notification:

- An acquisition or disposal of voting rights
- An acquisition or disposal of financial instruments which may result in the acquisition of shares already issued to which voting rights are attached
- An event changing the breakdown of voting rights
- Other (please specify):

3. Full name of person(s) subject to the notification obligation:

Jeffrey W. Ubben
ValueAct Capital Management, LLC
ValueAct Capital Management, L.P.

4. Full name of shareholder(s) (if different from 3.):

- (i) ValueAct Capital Master Fund, L.P.
- (ii) ValueAct Capital Master Fund III, L.P.

5. Date of the transaction (and date on which the threshold is crossed or reached if different):

22/06/2007

6. Date on which issuer notified:

25/06/2007

7. Threshold(s) that is/are crossed or reached:

8%

8. Notified details:

A: Voting rights attached to shares

Class/type of shares	Situation previous to the triggering transaction		Resulting situation after the triggering transaction			
	Number of shares	Number of voting rights	Number of shares		Percentage of voting rights	
			Direct	Indirect	Direct	Indirect
i. Ordinary Shares	79,363,763	79,363,763		89,155,783		7.08%
ii. Ordinary Shares	10,437,449	10,437,449		11,525,450		0.92%
Aggregate Ordinary Shares	89,801,212	89,801,212		100,681,233		8.00%

B: Financial Instruments

Resulting situation after the triggering transaction				
Type of financial instrument	Expiration date	Exercise / Conversion Period / Date	Number of voting rights that may be acquired if the instrument is exercised / converted	Percentage of voting rights

Total (A+B)

Number of voting rights	Percentage of voting rights
100,681,233	8.0%

9. Chain of controlled undertakings through which the voting rights and/or the financial instruments are effectively held, if applicable:

The ordinary shares are held by ValueAct Capital Master Fund, L.P. (89,155,783 ordinary shares) and ValueAct Capital Master Fund III, L.P. (11,525,450 ordinary shares). VA Partners, LLC is the general partner of ValueAct Capital Master Fund, L.P. VA Partners III, LLC is the general partner of ValueAct Capital Master Fund III, L.P.. ValueAct Capital Management, L.P. is the manager of ValueAct Capital Master Fund, L.P and ValueAct Capital Master Fund III, L.P.. ValueAct Capital Management, LLC is general partner of ValueAct Capital Management, L.P. Jeffrey W Ubben is a Managing Member of VA Partners, LLC, VA Partners III, LLC and ValueAct Capital Management, LLC and controls those entities.

Proxy Voting**10. Name of the proxy holder:****11. Number of voting rights proxy holder will cease to hold:****12. Date on which proxy holder will cease to hold voting rights:****13. Additional information:****14. Contact name:**

Dorothea E. Walsh

Contact telephone number:

+001 415 362 3700

Annex - Notification of Major Interests in Shares**A: Identity of the person or legal entity subject to the notification obligation**

Full name (including legal form for legal entities)	Jeffrey W. Ubben ValueAct Capital Management, LLC ValueAct Capital Management, L.P.
Contact address (registered office for legal entities)	435 Pacific Avenue, 4th Floor San Francisco, CA 94133 USA
Phone number	+001 415 362 3700
Other useful information (at least legal representative for legal persons)	Allison Bennington, General Counsel +001 415 362 3700

B: Identity of the notifier, if applicable

Full name	Jeffrey W. Ubben
Contact address	435 Pacific Avenue, 4th Floor San Francisco, CA 94133 USA
Phone number	+001 415 362 3700
Other useful information (e.g. functional relationship with the person or legal entity subject to the notification obligation)	

C: Additional information**Notes**

- i. This form is to be sent to the issuer or underlying issuer and to be filed with the competent authority.
- ii. Either the full name of the legal entity or another method for identifying the issuer or underlying issuer, provided it is reliable and accurate.
- iii. This should be the full name of (a) the shareholder; (b) the person acquiring, disposing of or exercising voting rights in the cases provided for in DTR5.2.1 (b) to (h); (c) all the parties to the agreement referred to in DTR5.2.1 (a), or (d) the direct or indirect holder of financial instruments entitled to acquire shares already issued to which voting rights are attached, as appropriate.

In relation to the transactions referred to in points DTR5.2.1 (b) to (h), the following list is provided as indication of the persons who should be mentioned:

- in the circumstances foreseen in DTR5.2.1 (b), the person that acquires the voting rights and is entitled to exercise them under the agreement and the natural person or legal entity who is transferring temporarily for consideration the voting rights;
- in the circumstances foreseen in DTR 5.2.1 (c), the person holding the collateral, provided the person or entity controls the voting rights and declares its intention of exercising them, and person lodging the collateral under these conditions;
- in the circumstances foreseen in DTR5.2.1(d), the person who has a life interest in shares if that person is entitled to exercise the voting rights attached to the shares and the person who is disposing of the voting rights when the life interest is created;
- in the circumstances foreseen in DTR5.2.1 (e), the parent undertaking and, provided it has a notification duty at an individual level under DTR 5.1, under DTR5.2.1 (a) to (d) or under a combination of any of those situations, the controlled undertaking;
- in the circumstances foreseen in DTR5.2.1 (f), the deposit taker of the shares, if he can exercise the voting rights attached to the shares deposited with him at his discretion, and the depositor of the shares allowing the deposit taker to exercise the voting rights at his discretion;
- in the circumstances foreseen in DTR5.2.1 (g), the person that controls the voting rights;
- in the circumstances foreseen in DTR5.2.1 (h), the proxy holder, if he can exercise the voting rights at his discretion, and the shareholder who has given his proxy to the proxy holder allowing the latter to exercise the voting rights at his discretion.

iv. Applicable in the cases provided for in DTR 5.2.1 (b) to (h). This should be the full name of the shareholder who is the counterparty to the natural person or legal entity referred to in DTR5.2.

v. The date of the transaction should normally be, in the case of an on exchange transaction, the date on which the matching of orders occurs; in the case of an off exchange transaction, date of the entering into an agreement.

The date on which threshold is crossed should normally be the date on which the acquisition, disposal or possibility to exercise voting rights takes effect (see DTR 5.1.1R (3)). For passive crossings, the date when the corporate event took effect.

These dates will usually be the same unless the transaction is subject to a condition beyond the control of the parties.

vi. Please refer to the situation disclosed in the previous notification, In case the situation previous to the triggering transaction was below 3%, please state 'below 3%'.

vii. If the holding has fallen below the minimum threshold , the notifying party should not be obliged to disclose the extent of the holding, only that the new holding is less than 3%.

For the case provided for in DTR5.2.1(a), there should be no disclosure of individual holdings per party to the agreement unless a party individually crosses or reaches an Article 9 threshold. This applies upon entering into, introducing changes to or terminating an agreement.

viii. Direct and indirect

ix. In case of combined holdings of shares with voting rights attached 'direct holding' and voting rights 'indirect holdings', please split the voting rights number and percentage into the direct and indirect columns-if there is no combined holdings, please leave the relevant box blank.

x. Voting rights to shares in respect of which the notifying party is a direct shareholder (DTR 5.1)

xi. Voting rights held by the notifying party as an indirect shareholder (DTR 5.2.1)

xii. If the holding has fallen below the minimum threshold, the notifying party should not be obliged to disclose the extent of the holding, only that the new holding is below 3%.

xiii. date of maturity / expiration of the financial instrument i.e. the date when the right to acquire shares ends.

xiv. If the financial instrument has such a period-please specify the period- for example once every three months starting from the (date)

xv. The notification should include the name(s) of the controlled undertakings through which the voting rights are held. The notification should also include the amount of voting rights and the percentage held by each controlled undertaking, insofar as individually the controlled undertaking holds 5% or more, and insofar as the notification by the parent undertaking is intended to cover the notification obligations of the controlled undertaking.

xvi. This annex is only to be filed with the competent authority.

xvii. Whenever another person makes the notification on behalf of the shareholder or the natural person/legal entity referred to in DTR5.2 and DTR5.3