

## Reuters and Equant Launch Radianz

June 6, 2000

**New York and London** – Reuters (RTR.L) and Equant (NYSE: ENT and Paris Bourse: EQU) today announced the formation of Radianz, their new independently managed company, for global financial communications. This follows Reuters and Equant's announcement on 3 February 2000 of their intention to establish Radianz, which plans to develop the world's largest Internet Protocol (IP) network for financial markets.

Radianz will provide a neutral and trusted IP platform for delivering a range of content and transactional capabilities in 120 countries. It plans to provide next-generation network connectivity and security to end-users. Companies which have agreed to use Radianz's services include: Euroclear, Morgan Stanley Dean Witter, Knight Trading Group Inc., and Fimat (part of Société Générale Group) – see note to editors.

Radianz will combine Reuters specialist in-depth knowledge of financial services and content distribution with Equant's solutions and expertise on operating a secure global IP network, a package demanded by the dynamic and ever-changing financial industry. Radianz will exploit Reuters network which currently has more than 60,000 connections to financial services customers' sites worldwide.

"The concept of Radianz is attractive to financial companies because it is bringing together the critical mass of end-users needed to create a whole new world for secure financial communications," said **Doug Gilstrap**, CEO of Radianz. "Financial companies are joining Radianz because we can connect every company, customer and supplier in financial services in the most efficient manner possible."

David Ure, executive director of Reuters, will be chairman of Radianz. Doug Gilstrap is appointed Radianz's CEO, Brennan Carley chief product and technology officer and Chris Church head of global sales.

Reuters will own 51 percent of Radianz. Subject to approvals, Reuters will transfer US\$105 million of telecommunications network assets into the new entity, plus US\$25 million in cash. It will also sell Reuters Connect Services, Reuters existing telecommunications business serving the financial community, to Radianz for US\$25 million in cash.

Equant will own 49 percent of Radianz and contribute US\$225 million in cash to the new company. It will also provide US\$125 million of other services and contribute an additional US\$25 million of annual contracted revenue from its existing financial services customers. In addition, Equant will supply network services under a long-term agreement, which is expected to be worth approximately US\$100 million in the first full year of operation.

Radianz will have approximately 500 employees, more than 400 of whom are transferring from Reuters where they are involved in specific networking and telecommunications activities. Sixty staff will transfer from Equant's sales, marketing and product development area. Equant will transfer approximately 40 more staff within a 12-month period.

Radianz will work closely with TIBCO Software (TIBX) to enable the delivery of TIB-based applications over its network. This will allow companies that have invested in TIB technology for enterprise-wide applications to extend those applications to their clients, their suppliers and their extended communities of interest.

**Peter Job**, chief executive of Reuters, said: "Radianz is a key component of Reuters Internet strategy, providing the communications element to go with content and technology. There is a clearly identified and significant market for a secure extranet for the financial markets. Reuters customers will also benefit from a more efficient network and will be able to use it for other communications activities."

**Didier Delepine**, president and CEO of Equant, added: "Combining the skills of Reuters and Equant puts Radianz ahead of the curve when it comes to being able to capture the growing demand for secure services needed by the financial industry. We anticipate financial companies worldwide will join Radianz's financial community of interest."

**End**

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### **Note to editors**

Euroclear, Morgan Stanley Dean Witter, Knight Trading Group, Inc., and Fimat supplied the following quotes in conjunction with today's announcement:

"Euroclear has chose Radianz to provide network services as part of Euroclear Online, our next-generation of communications for Euroclear custody and settlement services," said Michael Pilkington, vice president and head of corporate technology for Euroclear. "Radianz's IP network has the availability, integrity and reach we need to provide our participants with cost-effective solutions for the future."

"With its initial reach and coverage of a broad cross section of the financial industry, Radianz provides an exciting opportunity for financial institutions to start consolidating multiple types of transactions with suppliers, exchanges and counterparties over a common, highly secure infrastructure," said Paul Toldalagi, managing director at Morgan Stanley Dean Witter. "Our firm plans to migrate some of its client applications to the Radianz infrastructure."

"Knight, as one of Radianz's lead customers, will have major points of access to market centres in Europe, Asia and the United States through Radianz's community extranet service," said David Shpilberg, chief operating officer and chief technology officer of Knight Trading Group, Inc. "Radianz will accelerate Knight's connectivity to the global marketplace, while reducing the costs associated with this process."

"Through Fimatrade, institutional investors within the Radianz community will be able to electronically access the world's principal derivative markets on a 24x7 basis," said Jean Orlowski, chief information officer of Fimat Group, a premier global brokerage organisation. "As part of Société Générale, Fimat has chosen Radianz to expand the reach of our applications, lower distribution costs and allow for quicker expansion of our user base. We are confident Radianz will enable internal staff to concentrate our efforts and capital investment on advancing electronic trading technology rather than network connectivity."

**Radianz** is a business-to-business e-commerce company providing secure IP networking and services for the global finance community. Radianz delivers networking technologies that provide the ease and reach of the Internet with the security, reliability and performance that the financial service firms need to conduct high-value, business-to-business e-commerce. The company is also working with specialist suppliers to provide and facilitate customised software applications crucial to the financial services industry. Radianz offers the financial services community the tools for today and unlimited potential for tomorrow. For additional information, please see [www.radianz.com](http://www.radianz.com).

**Reuters** supplies the global financial markets and news media with the widest range of information and news products. It provides news and information to over 900 internet websites reaching an estimated 40 million viewers and generating approximately 140 million pageviews per month. Reuters provides global solutions and technologies for the financial markets including enterprise-wide integration, market information and data distribution, equity and foreign exchange transactions as well as risk and trade management. It also supplies technologies and portal capabilities for clients to supply their retail customers. Reuterspace concentrates on services in the business-to-business, consumer finance and media markets. Reuters is the world's largest news and television agency with 2,100 journalists, photographers and camera operators in 184 bureaux serving 154 countries. News is gathered and edited in 23 languages. Instinet, an independently managed subsidiary of Reuters, is the world's largest electronic agency brokerage firm. It covers the equities and fixed income markets. On 31 December 1999, the Group employed 16,546 staff in 212 cities in 97 countries.

**Equant** operates the world's largest network, providing voice, data, Internet, application, and integration services to companies around the globe. The network reaches key business centres in more than 220 countries and territories. For additional information, see [www.equant.com](http://www.equant.com).

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 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 1999 Annual Report to Shareholders under the heading "Operating and Financial Review – Cautionary Statements". Copies of the Annual Report are available on request from Reuters Group PLC, 85 Fleet Street, London EC4P 4AJ.

This release may contain projections or other forward-looking statements relating to Equant that involves risks and uncertainties. Readers are cautioned that these statements are only predictions and may differ materially from actual future events or results. Readers are referred to the documents filed by Equant with the SEC, specifically the most recent filing on Form 20-F, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements, including, among other things, risks relating to Equant's history of operating losses, the unpredictability of growth in Equant's markets, Equant's rapid growth, changing technology, uncertain and changing regulatory restrictions, Equant's international operations, dependence on suppliers, network security issues, competition, and volatility of Equant's stock price. All forward-looking statements are based on information available to Equant on the date hereof, and Equant assumes no obligation to update such statements

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