

Reuters Unit Lipper Acquires Capital Access International, Building Strength In Fixed-Income

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Thousands of Bond-Industry Professionals Rely on Core eMAXX Product

LONDON – Reuters, the global information, news and technology group, and Lipper, the leading fund analysis and research firm, announced today that Lipper has acquired the operations of Capital Access International, which provides institutional investor profile information and bond ownership analysis to thousands of fixed income professionals. Capital Access will be integrated within Lipper Inc., a wholly owned subsidiary of Reuters. The deal was an all-cash transaction for a maximum of \$6.35 million, depending on the performance of the Capital Access business and the absence of any unexpected liabilities.

“Through acquiring Capital Access, we have joined Lipper’s equity expertise and Capital Access’ fixed income perspectives, creating a total-capitalization view of institutional ownership,” said Michael Peace, Chief Executive Officer of Lipper. “Additionally, Lipper can now benchmark and categorize mutual funds globally on peer asset allocation across both asset classes.”

“We are extraordinarily excited to be part of the Reuters Group,” said David Farrington, Chairman and Chief Executive Officer of Capital Access. “Merging the pan-buyside coverage and fixed-income proficiency of Capital Access with the mutual fund expertise, equities market skills, vast data resources and global reach of Lipper and Reuters will create a powerhouse of services for both buyside and sellside professionals. Lipper’s commitment to be the world leader in institutional holdings products and services was a leading factor in our decision to join this exciting team and a giant step in line with our ambition to develop a global asset information exchange.”

Lipper and its corporate parent Reuters will leverage the Capital Access data, analysis, know-how and expertise in a variety of ways. eMAXX will now be offered to an expanded group of potential users across the Lipper and Reuters customer bases, including both traditional sell-side market segments around the world and new markets such as fund management firms, corporate treasury executives, and investor relations professionals. Users of Reuters 3000Xtra will be offered Capital Access’ products and services.

“The addition of Capital Access bond holdings and holder-profile data provides our users with a vehicle for developing new contacts and business opportunities across our global community of users,” said Bill Goldy, Managing Director of Fixed Income for Reuters. “This enhancement will also help our users manage relationships more efficiently.”

Lipper will also add Capital Access’ fixed income holdings to its mutual fund analysis, to help fund investors better understand their true investment risk and return.

Before recent market corrections, fund investors were content to look no further than the performance figures,” Peace added. “Today, many more are quite rightly asking where that performance came from and taking a look at where their mutual fund or 401(k) is really invested. Timely, accurate equity and fixed-income holdings provide that insight.”

Key senior management and most of the firm’s staff have joined Lipper in connection with the transaction. Capital Access Chairman and CEO David Farrington has been named Executive Vice President, Institutional Holdings at Lipper. In addition, Capital Access clients will continue to be served by their current account executives, who are now Lipper employees. The Capital Access corporate brand is being replaced by the Lipper brand, while eMAXX and other products and services will join Lipper’s product roster and retain their current names. Lipper and certain of its affiliates acquired the operations, assets, and business of Capital Access International.

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Note to editors:

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media, businesses and individuals. Reuters strength is our unique ability to offer customers a combination of content, technology and connectivity. Our premier position is founded on continuous technological innovation and a reputation for speed, accuracy, integrity and impartiality. We have over 18,000 staff in 97 countries, including some 2,498 editorial staff in 198 bureaux serving approximately 150 countries, making it the world's largest international multimedia news agency. In 2001, Reuters had revenues of £3.9 billion.

Lipper, a wholly owned subsidiary of Reuters, is a leading global provider of mutual fund information and analysis to fund companies, financial intermediaries, and media organizations. Lipper clients manage more than 95% of U.S. fund assets. The firm, founded in 1973 and headquartered in New York, tracks 125,000 funds worldwide through its offices in major financial capitals in North America, Europe, and Asia.

Capital Access, headquartered in Morristown, New Jersey with a European research and sales office in London, provides client-tailored, Internet-distributed, fixed-income market analysis and consulting that supports the information needs of broker/dealers, underwriters, rating agencies, bond insurers, debt issuers, investor-relations professionals and securities market influentials worldwide. eMAXXSM, its flagship service, is used by thousands of institutional sales, trading, investment banking and securities marketing professionals to formulate transaction opportunities, identify new business prospects, find secondary market product, check out prior transactions, assess potential liquidity and quickly review an institution's investment profile and buy/sell preferences.

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 Annual Report and Form 20-F for the year to 31 December 2001 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.

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