

Reuters Subsidiary Instinet Announces Outlook for Third Quarter and Releases US Share Volumes

September 24, 2001

London – Reuters, the global information and news group, said today that Instinet, in which it has an 85% shareholding, made the following statement:

Instinet statement

Instinet Group Incorporated (Nasdaq: INET) announced today that it expects earnings for the third quarter of 2001 to be impacted by the tragic events of September 11 and by lower-than-anticipated U.S. equity share volumes during the quarter.

"The depth of the human tragedy is unfathomable, and our thoughts and prayers are with all those who are suffering," said Douglas Atkin, President and CEO of Instinet Group Incorporated. Instinet's Clearing and Settlement operations as well as a telecommunications hub were located in the World Trade Center. "We are facing the trauma of losing two employees, who we will miss deeply, and the strain on our staff that this crisis has evoked," said Atkin. "However," he added, "our entire team has pulled together, working tirelessly, cooperatively, and effectively."

"From a technical and operational standpoint, our back-up systems performed superbly and rapidly, and our U.S. equity business resumed without incident when the U.S. markets reopened," said Atkin. Further, he noted that the company's international operations continued without interruption throughout the crisis. "Going forward," he said, "we believe that Instinet's market leadership and strong balance sheet will enable us to overcome any short-term challenges and continue to provide innovative trading and independent research services to our global client base."

The company continues to assess the impact of the recent tragedy on third quarter results. It estimates that the impact to pre-tax earnings in the third quarter will be approximately \$18 million, or \$0.04 cents per share after tax, consisting primarily of lost revenue associated with the four-day closure of U.S. equity markets. The company believes that substantially all assets physically located at the World Trade Center were covered by its insurance.

Additionally, for most of the third quarter, weak economic conditions and other factors have dampened overall market volumes, and have resulted in reduced trading by some of Instinet's broker-dealer customers. Average daily volumes have improved markedly during September, normally the strongest month in this seasonally slow period, but the forced four-day closure of U.S. markets will impact volumes this month and therefore for the quarter as a whole. Instinet's share of trading volume in Nasdaq-listed equity securities is expected to be 13.3 – 13.5% in the third quarter, slightly ahead of the comparable period in 2000 but below the second quarter level.

Instinet anticipates that third quarter 2001 earnings will be between \$0.07 and \$0.09 per share, taking into account the estimated \$0.04 per share impact of recent events but excluding the one-time pretax charge of \$25 million related to restructuring that was previously announced.

Disclosure of Monthly U.S. Equity Trading Volumes

Beginning with this release, Instinet will disclose its U.S. equity trading volume on a monthly basis. In the future, these volume figures will be disclosed approximately five business days after the end of each month. For convenience, the table immediately below shows Instinet's U.S. equity trading volume for each month between January 1999 and August 2001. *

Instinet U.S. Equity Trading Volume by Month (million shares)

	2001			2000			1999		
	Nasdaq-listed	Exchange-listed	Total	Nasdaq-listed	Exchange-listed	Total	Nasdaq-listed	Exchange-listed	Total
January	7,092	985	8,077	4,078	634	4,712	2,841	443	3,284
February	5,712	776	6,488	3,769	576	4,345	2,564	409	2,973
March	7,249	928	8,177	5,007	753	5,760	3,070	527	3,597
April	6,998	875	7,873	4,961	708	5,669	3,179	532	3,711
May	6,153	838	6,991	4,382	748	5,130	2,621	445	3,066
June	5,625	899	6,524	4,302	821	5,123	2,767	480	3,247

July	4,951	847	5,798	4,172	757	4,929	2,784	511	3,295
August	4,218	821	5,039	4,221	840	5,061	2,849	517	3,366
September				4,679	803	5,482	2,828	483	3,311
October				6,375	1,008	7,383	3,046	550	3,596
November				5,513	814	6,327	3,259	493	3,752
December				5,931	859	6,790	3,405	545	3,950

Weekly Release of Preliminary Volumes

Additionally, Instinet will soon begin to make available on its website its preliminary U.S. equity trading volume on a weekly basis. Each week, the company will disclose its average daily volume for the prior week. There may be some adjustment to these weekly numbers in calculating final monthly share volumes. The weekly update will be accessible using the following URL: <http://www.instinet.com>. For convenience, the table below shows weekly average daily equity trading volume from the beginning of July 2001. *

Instinet Average Daily Equity Trading Volume (million shares)

3Q01 Week	Ending	# trading days	Nasdaq-listed	Exchange-listed	Total
1	07/06/01	4	189.1	32.9	222.0
2	07/13/01	5	261.8	43.7	305.5
3	07/20/01	5	275.8	43.2	319.0
4	07/27/01	5	231.8	41.8	273.6
5	08/03/01	5	201.7	40.0	241.7
6	08/10/01	5	184.6	36.0	220.6
7	08/17/01	5	181.2	35.3	216.6
8	08/24/01	5	181.1	35.4	216.6
9	08/31/01	5	170.1	31.9	201.9
10	09/07/01	4	242.4	44.2	286.6
11	09/14/01	1	204.9	38.0	242.8
12	09/21/01	5	292.8	59.0	351.8

Note: During the week ending 9/14/01, U.S. equity markets were closed for four days due to terrorist attacks on the U.S. * For a description of how we calculate our Nasdaq volumes, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Nasdaq Volume Calculations" in the Prospectus dated May 17, 2001.

About Instinet

Instinet, through affiliates, is one of the world's largest electronic agency securities brokers and has been providing investors with electronic trading solutions for more than 30 years. Instinet operates an e-financial marketplace where buyers and sellers worldwide can trade securities directly and anonymously with each other, and have the opportunity to lower their overall trading costs. Through its electronic platforms, customers can access 40 securities markets throughout the world. With major offices in New York, London, Paris, Frankfurt, Tokyo, and Hong Kong, Instinet provides its customers with access to research generated by Instinet and by third parties, as well as various informational and decision-making tools. For more information, please go to www.instinet.com.

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This news release may be deemed to include forward-looking statements relating to Instinet. Certain important factors that could cause actual results to differ materially from those disclosed in such forward-looking statements are described in Instinet's prospectus contained in its registration statement on Form S-1, filed with the SEC on May 17, 2001 and available on its website, under the heading 'Risk Factors', and other documents filed with the SEC and available on the company's website. Certain information regarding Nasdaq trading volumes is also included in the registration statement.

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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 Interim Statement for the six months to 30 June 2001 under the heading 'Risk Factors'. Copies of the Interim Statement and Form 20-F are available on request from Reuters Group PLC, 85 Fleet Street, London EC4P 4AJ.

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