

## Forward-looking statements

This presentation includes certain forward-looking statements relating to Reuters within the meaning of the United States Private Securities Litigation Reform Act of 1995. 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' and in Reuters Preliminary Results press release dated 23 February 2006 under the heading 'Forward-looking statements'.

Copies of the Annual Report and Form 20-F 2004 and Preliminary Results press release are available on request from Reuters Group PLC, South Colonnade, Canary Wharf, London E14 5EP.

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.

# Business update

**Tom Glocer**  
**CEO**

**23 February 2006**



### Agenda

- 2005 achievements
- Core Plus - early successes
- Confidence to invest
  - Core Plus
  - Simplification



## 2005 achievements

### *WE SAID ...*

“Reshape our business”  
Fast Forward

“Rationalise portfolio”

“Return cash to  
shareholders”

“Move from recovery  
to growth”

### *WE DID ...*

- 3% revenue growth  
(2003: 11% revenue decline)
- £360m annualised cost savings
- Revamped product line
- Improved customer service

- Disposed of Instinet; Radianz

- £363m via dividend & buy back

- Launched Core Plus



**Better products – better service**



**Reuters  
3000 Xtra**

100,000  
installed



**Reuters  
Knowledge**

Quarterly  
updates



**Enterprise**

Clear market  
leader



Core Plus  
Early successes



## Electronic trading

Good growth in transactions-based revenue

Increase in electronic trading between banks and their customers

- Over 40,000 trades per month on Reuters Electronic Trading

New products gaining momentum

- RTFI - 13 price makers; 80 client institutions
- RTFX - 14 price makers; 40 client institutions



### High value content

#### New partnerships

MasterCard - exclusive “heads up” on US retail data

#### Reuters expertise

Impressive series of news scoops in 2005

#### Broader coverage

- Public equity offerings
- M&A data
- Earnings estimates



New enterprise approach

Significant expansion of Reuters relationship  
with Citigroup

Greater use of Reuters content in Citi applications

Accelerates migration to Reuters latest desktops

More coherent use of our solutions across the  
enterprise



### New markets

Geographies, asset classes and consumer media

#### China

- 12% revenue growth in 2005
- Successful CFETS FX trading system
- Comprehensive bond reference rates
- Stream of good Risk Management contracts

#### India

- 19% revenue growth in 2005
- TIMES NOW TV, with Reuters branded financial news
- Bangalore now our biggest content centre

REUTERS 

# Confidence to invest

Core Plus  
Simplification

REUTERS 

## Core Plus

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### Electronic trading

- Scale new products
  - Continue to build a multi-asset platform
  - Add exchange traded instruments e.g. derivatives
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### High value content

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### New enterprise approach

- Scale new products e.g. Tick History, DataScope Select
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### New markets

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### Simplification

#### Data centre rationalisation

- Improve service resilience and disaster recovery

#### Development transformation

- Higher quality programming in fewer centres

#### Improved content management

- Faster turnaround, fewer errors

#### Improved customer administration

- Easier to do business with Reuters

£150 million cost savings by 2010

