



News release

24 February 2004

KTS survey shows RNS's share of the regulatory news market continues to fall

The latest bi-annual PIPs survey by Knowledge Technology Solutions PLC (KTS) reveals that in the last six months, the leading provider of regulatory news distribution – the London Stock Exchange's Regulatory News Service (RNS) – has continued to lose market share to competitor Primary Information Providers (PIPs). The percentage of regulatory news announcements distributed by RNS fell by almost 5% (4.65%) to 73.78% over the period. This is the first time that RNS's market share has fallen below 75%.

Since the market was opened up to competition in April 2002, KTS's surveys have shown that the rival PIPs have slowly but steadily eaten into RNS's market share. Of the 87,674 regulatory news announcements made in the last six months, a greater proportion than ever, (22,987), were distributed by the five competing services.

The data was sourced from KTS's UK live financial news and data service, QuoteTerminal, which aggregates all the PIPs announcements sent to the London Stock Exchange.

BusinessWire, the third largest PIP by volume of announcements distributed, experienced the greatest increase in market share, +2.24% to 8.56%, with PR Newswire, the second biggest PIP, adding 1.90% to its share to reach 11.12%. PIMS, despite only holding marginal market share, also grew by 0.03% to 0.39%. Hugin was the only PIP to experience a small decrease. Its market share fell from 0.58% to 0.56%. Newslink's service remains suspended as of June 2003.

The main development since the last survey has been the overhaul of Waymaker's price plan. Waymaker, which has 5.59% of the PIPs market, now claims to be market leader on price. It has reduced its charges for news and results announcements from £50 to £10 and has also capped its

annual charge at £1,000, the lowest of all the services. Consequently, it gained 0.86% of the market over the last six months.

Dr Marc Pinter-Krainer, Chief Executive of KTS, said:

“The enduring dominance of RNS demonstrates that its established reputation and high quality service obviously still count. However, it’s not surprising that RNS’s market share is continuing to fall. With Waymaker reducing its charges by £40 per announcement, it will be interesting to see if any of the other services follow suit and introduce price incentives in an attempt to grab more of the market from RNS.”

Current PIPs market share

Service	Current share (%) February 2004
RNS	73.78
PRNewswire	11.12
Waymaker	5.59
BusinessWire	8.56
PIMS	0.39
Hugin	0.56

Table 1: PIPs market share from 22nd August 2003 to 20th February 2004.

Source: QuoteTerminal (<http://www.quoteterminal.com>)

On 15th April 2002, RNS ceased to be the only outlet for company regulatory announcements. PR Newswire, BusinessWire, PIMS, and Newslink introduced their competing services on 15th April. Hugin and Waymaker started their services on 29th April 2002. The PIPs charge either per announcement made with an upper limit to the annual price charged, or they have an annual fee (please refer to Table 2 on the following page).

Contacts:

Dr Marc Pinter-Krainer
Knowledge Technology Solutions PLC
020 8795 2700

Neil Boom/Sophie Betts
Gresham PR Ltd.
020 7404 9000

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Notes to editors

Table 2: Price comparison of regulatory information services as at 20th February 2004

Name	Business Wire	Hugin	PIMS	PR Newswire	RNS	Waymaker
Annual fee	£80	None	None	None	None	None
Capped annual charge	*£2300	****£3500	**£4000 (£1750)	**£3000 (£1950)	**£5000 (£2500)	£1000
Ad hoc results	£295	£200	***£99	£100	*****£220	£10
Ad hoc announcements	£40	£150	***£99	£100	*****£150	£10
Ad hoc forms	£20	£50	£20	£20	£50	£10
Input format	Word/Excel	Word/Excel	Word/Excel	Word/Excel/ HTML	HTML/Word	Word
Automated input interface	Web	Web	Email & Web	Web	Web	Web
Hard copy input	No extra charge	Not available	No extra charge	No extra charge	Charges apply	No extra charge
Input availability	24hrs/7 days	24hrs/7 days	24hrs/7 days	24hrs/7 day	24hrs/7 days	24hrs/7 days
Input availability to SIPS	7am-6.30pm M-F	24hrs/7 days	24hrs/7 days	7am-6.30pm M-F	24hrs Sun-Fri	24hrs/7 days
Helpline	24hrs/7 days	5am-8pm	24hrs/7 days	18hrs M - F – service outside these hours if required	24hrs/7 days	24hrs/7 days

* Terms and conditions apply

** Figure in brackets is reduced rate for Investment Trusts

*** or £30 for first 400 words and £8 per additional 100 words whichever is less

**** £3,500 per year in advance or pay incrementally until capped value of £3500

***** for up to 400 words, then £45 for each additional 100 words

About Knowledge Technology Solutions PLC

Knowledge Technology Solutions PLC is a software technology company listed on the Alternative Investment Market of the London Stock Exchange (ticker symbol: KTS).

Utilising its proprietary advanced technologies, KTS focuses on developing and providing real-time interactive market data services which bring a fresh perspective to the financial marketplace by delivering essential market data and news via a more cost-effective communications channel and infrastructure.

KTS differentiates itself from other leading information providers as its services are technology driven. They are designed to run on standard PCs and laptops without the need for any installation of dedicated hardware, software or infrastructure, as the application runs on the server side on powerful clusters of highly resilient and secure servers. Financial professionals can log on to KTS's services by using a standard Internet connection from any geographical location. KTS's "zero client" application service technologies offer its clients unprecedented benefits including significant cost savings in the areas of support and maintenance of any market data infrastructure and user data, as no client-side components are required and upgrades are automatic.

About QuoteTerminal

QuoteTerminal is the company's real-time financial information service which offers a fast continuous stream of premium UK market data, analytics, news and research for equities, fixed income, foreign exchange and derivatives, seamlessly integrated into a single complete package. Offering the full benefits of KTS's ground-breaking "zero-client" delivery technology, users access comprehensive market data and news sourced from leading information providers such as ComStock, Dow Jones Newswires, RNS News, JCF Group, Hemscott and Exchange Data International. Using QuoteTerminal, financial professionals can monitor and interpret live data wherever and whenever they connect to the Internet – at work, travelling or at home – and use the same affordable and reliable service wherever they are. (www.quoteterminal.com).