

7 July 2003

press release

Index moving again in the right direction (at last!)

The Employee Ownership Index (EOI) rose by around 33% during the second quarter of 2003, amid continuing but still cautious whispers about the end of the three year bear market. All but one of the companies compiling the EOI saw an increase in their share prices of, on average, 40%. Again, WS Atkins was the star performer, bettering last quarter's increase of 25% with a share price which almost doubled during the period April to June 2003. This has helped put the EOI at its highest level since July 2002.

Meanwhile, the other major indices also rallied during the period, with the FTSE 100 and FTSE All-Share showing increases of 7% and 9% respectively. The Small Cap had almost as good a quarter as the EOI, with its value going up by over 26%.

There were positive signs all the markets this quarter. However, there is disagreement between financial experts as to whether this quarter's upward movement demonstrates the beginnings of a new bull run, or merely a bear market rally. On the whole, the view tends towards the latter, so we will continue to follow the EOI's shadowing of the main indices with interest.

An investment of £100 in the EOI in 1992 would at the end of June 2003 have been worth £349; the same amount invested in the FTSE All-Share would have been worth £161.

Incorporates the equity incentives businesses of **FIELD FISHER WATERHOUSE** and **CAPITAL STRATEGIES**.

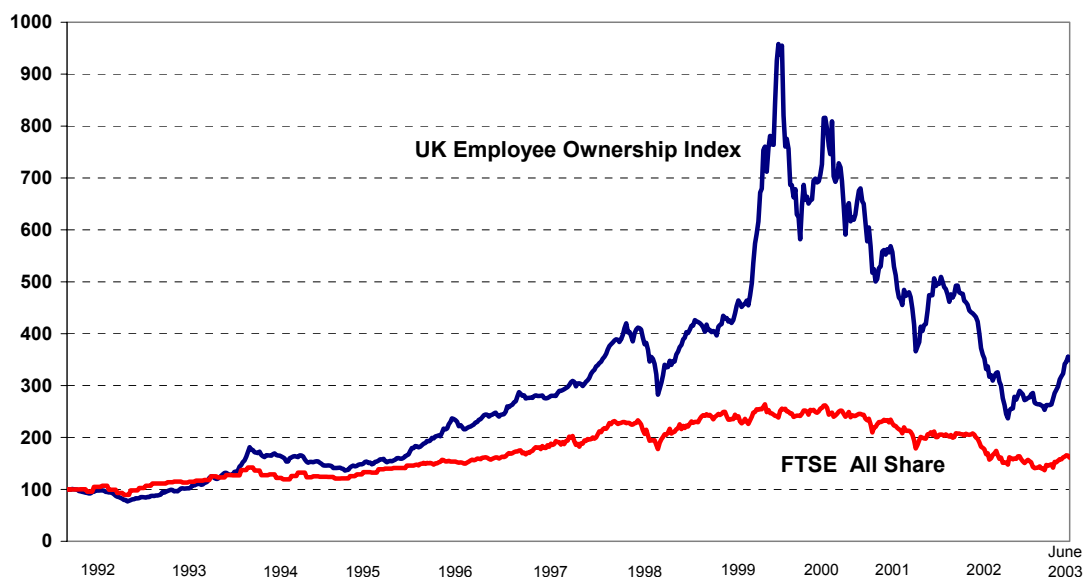
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Comparison of UK Employee Ownership Index against the FTSE All Share, January 1992 to June 2003



Comparison of EOI, FTSE All Share, 100 and Small Cap Indices over 1, 3 and 5 years

Q2 2003	EOI	FTSE All Share	FTSE Small Cap	FTSE 100
Q2 2003	32.94%	9.33%	26.31%	7.18%
1 Year	-0.99%	-9.26%	-6.04%	-9.61%
3 Years	-46.89%	-36.42%	-37.64%	-37.80%
5 Years	-12.98%	-29.35%	-19.14%	-32.19%

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Notes to Editors

1. Equity Incentives Limited specialises in employee ownership solutions for private and quoted companies.
2. FTSE is a trademark of FTSE International.
3. The UK Employee Ownership Index is produced by Equity Incentives Limited and tracks the performance of UK quoted companies with a significant degree of employee share ownership.