

**1 August 2001**

**Employee Ownership Index<sup>™</sup> battles the downward trend**

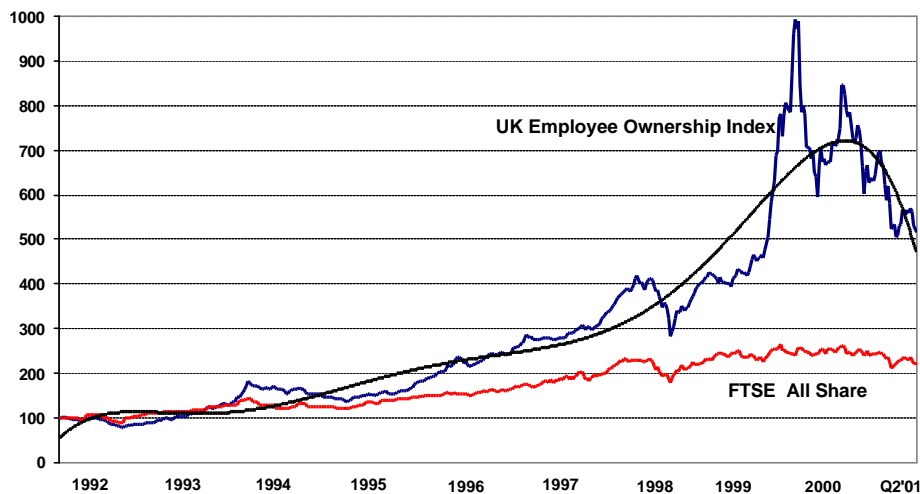
The UK Employee Ownership Index (EOI) continues to suffer from prevailing market uncertainty, falling 3.49% between March and June this year. The FTSE All-Share, FTSE Small Cap, and FTSE 100 indices also experienced a thin quarter, showing small increases of 1.22%, 1.58% and 0.89% respectively.

42% of companies in the Index experienced drops in their share price over the period. The average drop in share price amongst these companies was 23%. The two biggest fallers were in media and telecommunications, but software and computing companies also continued in a negative vein with only two of the eight software companies included in the index registering an increase in their share price.

Amongst the remaining 58% of companies that saw their share price rise, the average increase was 14%. The two highest risers over the period are both in the finance sector.

The Index continues to outperform all the major indices over the long term. An investment of £100 in the EOI in 1992 would now be worth £514, while the same investment in the FTSE All-Share Index would be worth £221.

*Comparison of UK Employee Ownership Index against the FTSE All Share, January 1992 to June 2001*



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

	UK Employee Ownership Index™	FTSE All Share	FTSE Small Cap	FTSE 100
Q2 2001	-3.49%	1.22%	1.58%	0.89%
1 Year	-22.88%	-9.10%	-13.06%	-9.63%
3 Years	33.74%	-1.14%	11.45%	-3.76%
5 Years	132.26%	46.75%	33.14%	51.94%

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NOTES TO EDITORS

1. Equity Incentives Limited specialises in employee ownership solutions for private and quoted companies. The company was formed in July 2001 when the share schemes team at Capital Strategies Limited merged with the shares scheme team at Field Fisher Waterhouse.
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.

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

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A list of the names of the directors and their professional qualifications is open to inspection at the registered office.