



Thomson Legal & Regulatory North American Legal 2006 Investor Meeting

May 24, 2006
Eagan, MN

Investor Meeting Agenda

9:00-9:15 am	Overview & History – <i>Brian Hall</i>
9:15-9:45 am	Market & Competitive Overview – <i>David Hanssens</i>
9:45-10:15 am	Overview of NAL – <i>Peter Warwick</i>
10:15-10:45 am	Practice of Law – <i>Chip Cater</i>
10:45-11:00 am	Break
11:00-11:30 am	Business of Law – <i>Tony Abena</i>
11:30 -11:45 am	FindLaw – <i>Scott Kinney</i>
11:45-12:15 pm	TLR Technology/Novus – <i>Rick King</i>
12:15-1:15 pm	Lunch
1:15-2:15 pm	Tours & Product Demos
2:15- 2:30 pm	Final Remarks
2:30 pm	Departures

Special Note

- **Safe Harbor/Forward-Looking Statements**
 - The following discussion contains forward-looking statements, including statements about the outlook and prospects for Thomson Legal & Regulatory and its North American Legal businesses.
 - Forward-looking statements are those which are not historical facts. These and other statements that relate to future results and events are based on our current expectations.
 - Our actual results in future periods may differ materially from those currently expected because of a number of risks and uncertainties. The risks and uncertainties that we believe are material are outlined in the “Risk Factors” section of our annual information form (AIF), which was filed with the Canadian securities regulatory authorities and is also part of our Form 40-F for the year ended December 31, 2005 filed with the SEC. A copy of our AIF and Form 40-F are available at www.thomson.com. Please consult either of these documents for a more complete understanding of these risks and uncertainties. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
- **Non-GAAP Financial Measures**
 - This presentation contains disclosures of certain non-GAAP financial measures. Please see the “Investor Relations” section of our website, www.thomson.com, for a reconciliation of each of these measures to the most directly comparable GAAP financial measure.



Overview & History

Brian Hall
President and CEO, Thomson Legal & Regulatory

May 24, 2006
Eagan, MN

Thomson Legal & Regulatory History

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Thomson Legal Publishing created	West Group created	West Group and TLP integration continued	West Group management responsibility expanded	Thomson Legal and Regulatory created	TLR grew globally	TLR continued to expand	TLR added targeted acquisitions	TLR achieved leading legal software position	TLR continued to expand	Expanded the core and into adjacent markets
Integrated: <ul style="list-style-type: none"> Bancroft-Whitney (US) Clark Boardman Callaghan (US) Lawyers Cooperative Publishing (US) 	Acquired: <ul style="list-style-type: none"> West Publishing Co (US) Integrated: <ul style="list-style-type: none"> Thomson Legal Publishing, West Publishing Co 		<ul style="list-style-type: none"> Legal and regulatory businesses in Europe, Thomson & Thomson, and Latin America commonly managed Acquired: <ul style="list-style-type: none"> FT Law & Tax (UK) 	<ul style="list-style-type: none"> All legal and regulatory businesses around the world commonly managed, including Asia Pacific, Thomson Tax & Accounting, and Carswell Acquired: <ul style="list-style-type: none"> Editorial Aranzadi (Spain) 	Acquired: <ul style="list-style-type: none"> IOB (Brazil) La Ley (Argentina) Dialog (global) 	Acquired: <ul style="list-style-type: none"> BAR/BRI (US) Civitas (Spain) FindLaw (US) Lawpoint (Australia) NewsEdge (US) ProLaw (US) Sintese (Brazil) 	Acquired: <ul style="list-style-type: none"> Lawtel (UK) Harrison (US) Unilink (US) 	Acquired: <ul style="list-style-type: none"> Andrews (US) Elite (US) Microvision (US) Quickfinder (US) 	Acquired: <ul style="list-style-type: none"> Glasser (US) ExacTax (US) HubbardOne (US) Gear Up (US) 	Acquired: <ul style="list-style-type: none"> Hildebrandt GSI Tax Partners
\$0.9B	\$1.4B	\$2.0B	\$2.2B	\$2.4B	\$2.5B	\$2.7B	\$2.8B	\$3.0B	\$3.3B	\$3.5B

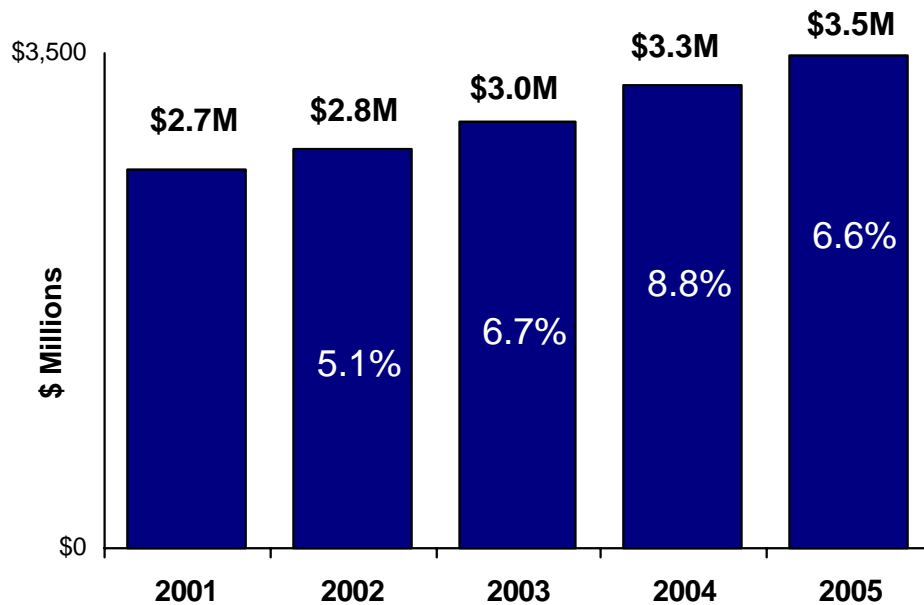
**Includes Q1 discontinued operations, Lawpoint and LMI



Thomson Legal & Regulatory Financial Growth

TLR Revenue Growth

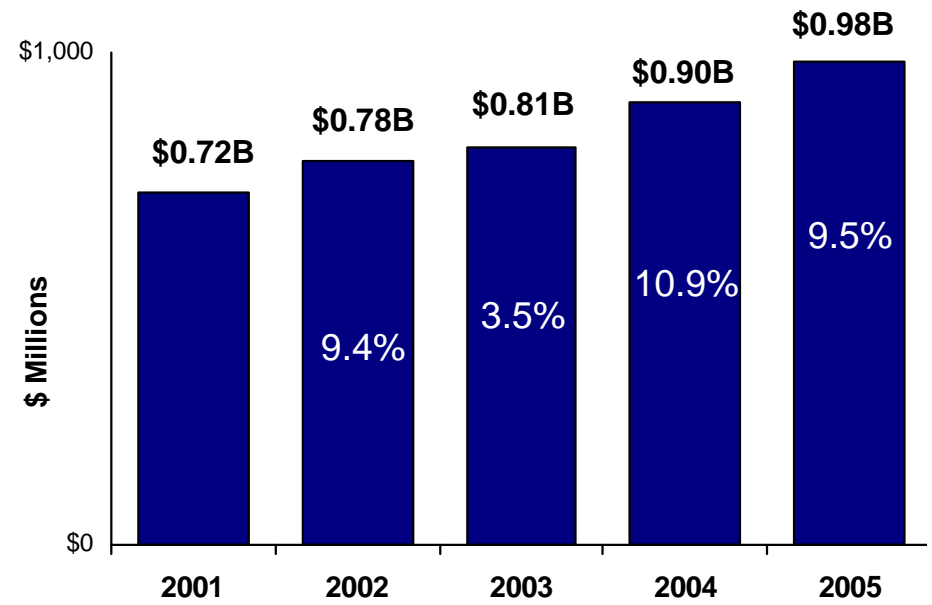
2001-2005 CAGR: 6.8%



	2001	2002	2003	2004	2005
Organic	0.8%	1.9%	4.9%	4.2%	
Acquired	4.8%	2.7%	1.9%	1.9%	
Currency	-0.5%	2.1%	2.0%	0.5%	
Overall	5.1%	6.7%	8.8%	6.6%	

TLR Segment Operating Profit Growth

2001-2005 CAGR: 8.3%

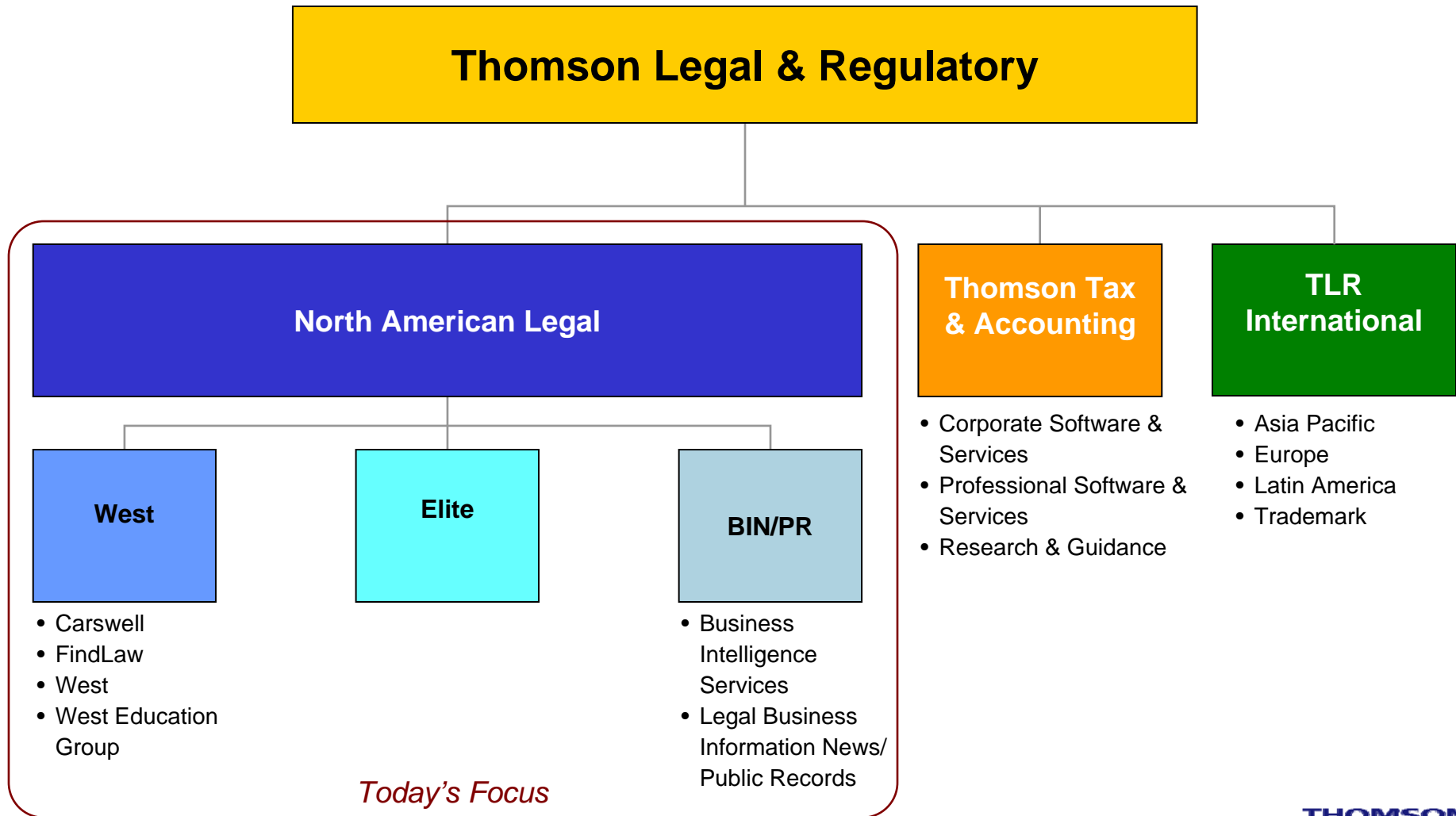


	2001	2002	2003	2004	2005
Margin	26.6%	27.7%	26.9%	27.4%	28.1%

**Includes Q1 discontinued operations, Lawpoint and LMI



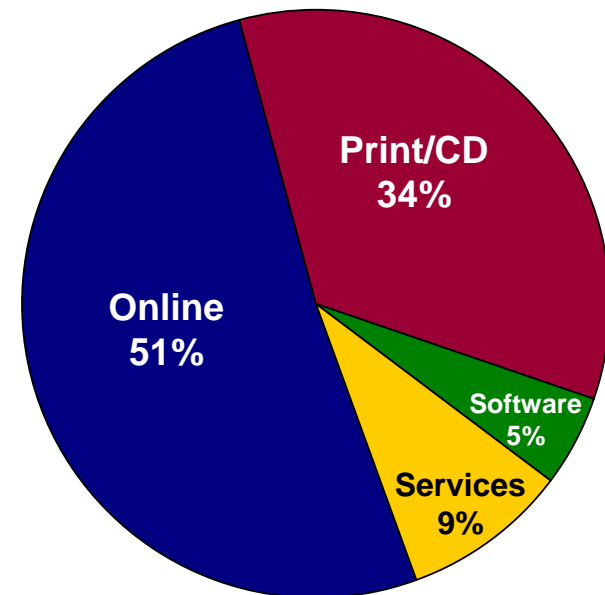
North American Legal Structure



North American Legal Strategic Overview

- Approximate market potential = \$10+ billion
- Accelerating revenue growth
 - Strong organic revenue growth
 - Incremental revenue from market reframing
- Maintaining strong margin
- Broad customer mix
 - 63% Law Firms
 - 16% Government
 - 11% Academic
 - 10% Corporations

2005 Revenues \$2.4 Billion



Electronic & Services	68%
Recurring	88%

North American Legal Employee and Expertise Base

Total NAL Employees 7,792

Including:

Attorneys (JDs)

1,200

Technologists

1,800

Sales & Account
Management Professionals

1,560

Field Based **60%**

Inside Based **40%**

North American Legal Facts & Awards

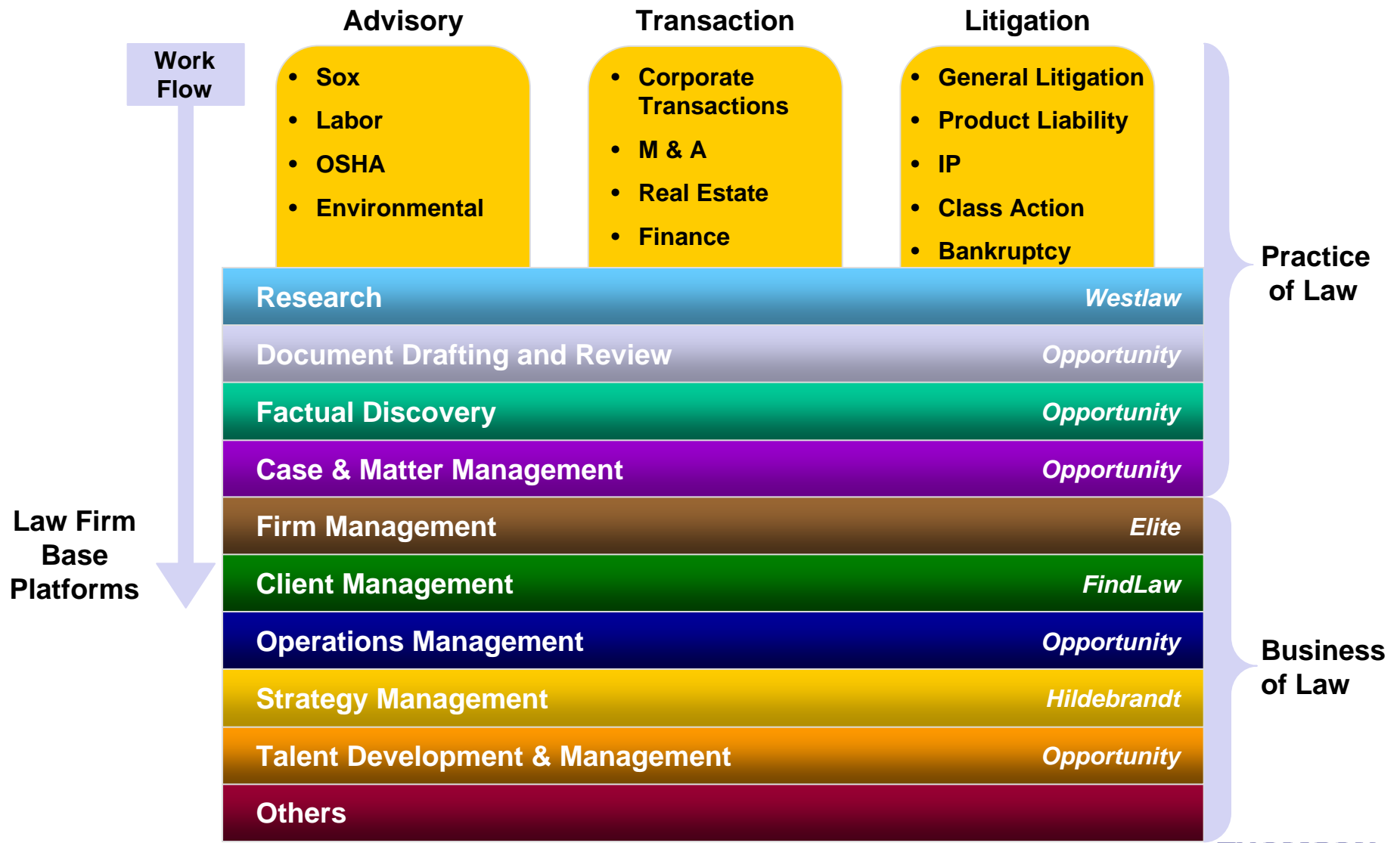
Technology & Services

- Largest technology employer in Minnesota
- *Computerworld* “Best Places to Work in IT” (2001 - 2005)
- Named to *Training* magazine's Top 100 list for corporate training programs (2004 -2006)
- Westlaw named Best Online Legal Information Service by Software Information Industry Association (SIIA) Codie Award
- Westlaw named Best Online Legal Research Service for five consecutive years (2000 - 2005) by *Law Office Computing* magazine

North American Legal Major 2005 Highlights

- Revenue up 7% to \$2.4 billion
- Segment operating profit rose 9%
- Strong growth of core product lines
- Strengthened practice of law offerings
- Advanced business of law strategy
- Developed strategic platform concept

North American Legal Growth Framework



North American Legal Strategy Summary

- Base business solid with good organic revenue growth, improving margins and strong free cash flow
- Clear strategy focused on our core strengths
- Reframing opportunities will drive incremental growth
- Litigation strategies in place with proven track record and solid upside potential
- Business of law strategy defined, focused and growing
- Transaction law strategy defined, focused and gaining traction
- Advisory/Compliance strategy presents new opportunity and is in development



Market & Competitive Overview

David Hanssens
Chief Strategy Officer, TLR

May 24, 2006
Eagan, MN

Market and Competitive Overview

Agenda

- **Trends in Legal Environment**

- Relative Competitive Performance
- Strategy Divergence
- NAL Strategy Summary

Market and Competitive Overview

Trends in the Legal Environment

Client Relationships

- Shift to “buyer’s market” from “seller’s market”
- Clients demanding **cost effectiveness** from law firms
- Increasing use of competitive firm assessment/selection



Law Firms

- Increased emphasis on client development/client teams
- Continued “**talent war**”
- More aggressively managing cost structure to maintain per partner profits



Impact on NAL

- Business of Law opportunity
 - Financial management
 - Client development
 - Talent management
 - Managed services
- Increased customer demand for workflow solutions

Market and Competitive Overview

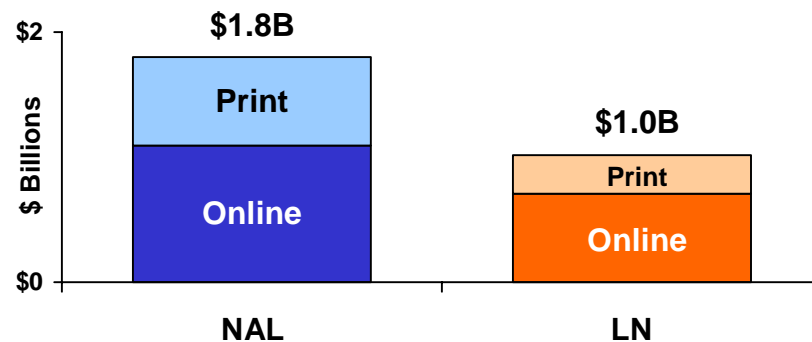
Agenda

- Trends in Legal Environment
- **Relative Competitive Performance**
- Strategy Divergence
- NAL Strategy Summary

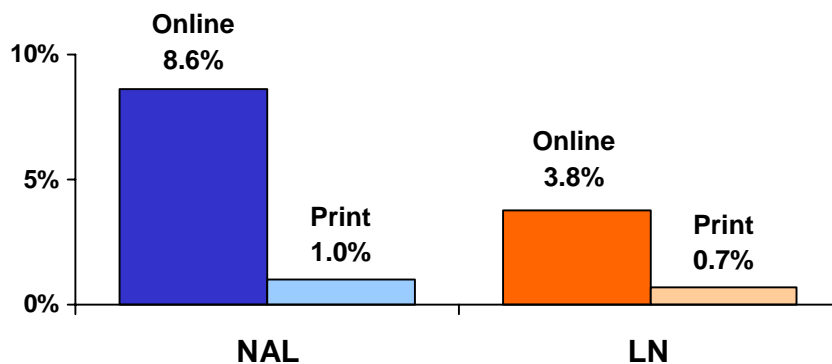
Market and Competitive Overview

NAL vs. LexisNexis: Legal Information

2005 Revenue



2005 Growth (Total)



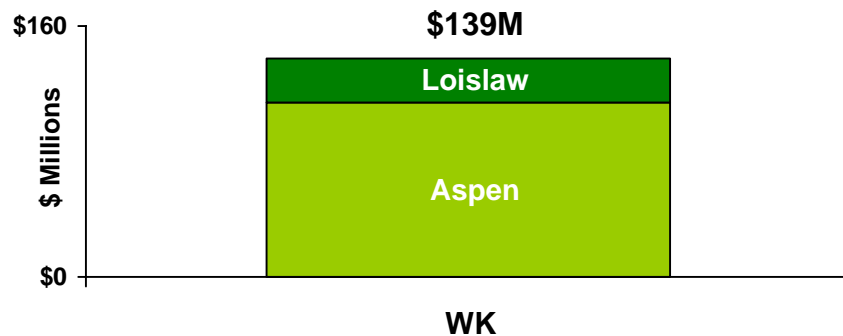
Relative Position/Strengths

- NAL strengths
 - Increasing leadership position in both online and print
 - Market continuing to recognize Westlaw product advantages
- NAL opportunities
 - Drive success of transaction workflow
 - Build out from litigation information to workflow tools and services

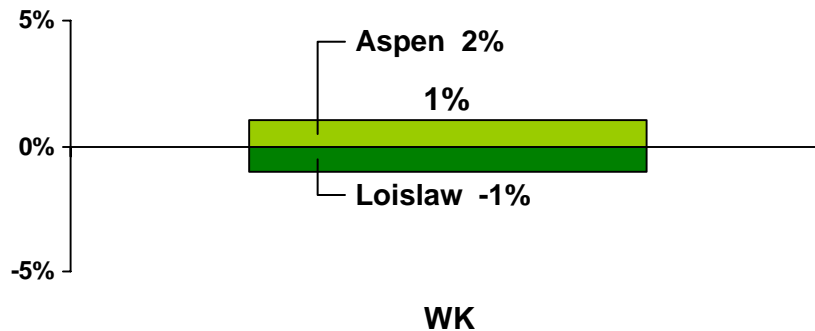
Market and Competitive Overview

NAL vs. Wolters Kluwer: Legal Information

2005 Revenue



2005 Growth (Total)



Observations

- Loislaw decline continuing
- Aspen
 - Product pruning complete
 - Limited growth being driven by combined Aspen/CCH online libraries
- In addition to legal information market, building position in software
 - Summation
 - Tymetrix
 - TriPoint

Market and Competitive Overview

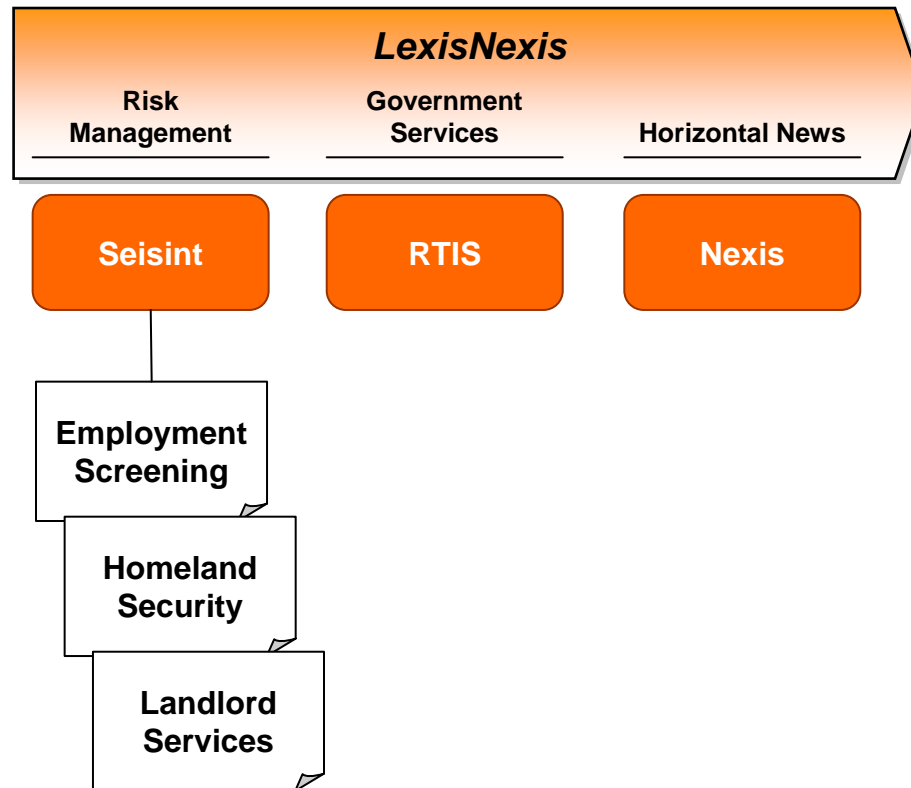
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- **Strategy Divergence**
- NAL Strategy Summary

Market and Competitive Overview

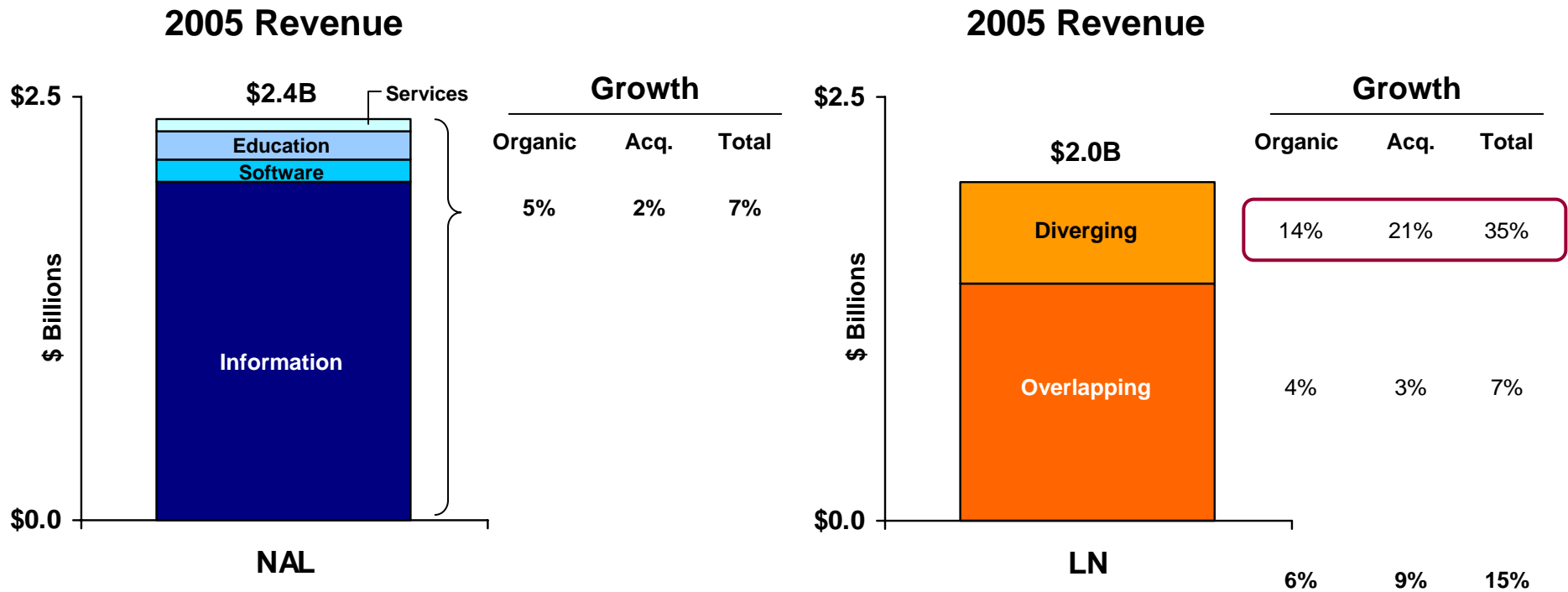
NAL vs. LexisNexis: Strategy Divergence

In the last two years, LN has spent more than \$800M to pursue growth opportunities outside the legal market



Market and Competitive Overview

NAL vs. LexisNexis



Market and Competitive Overview

Agenda

- Trends in Legal Environment
- Relative Competitive Performance
- Strategy Divergence
- **NAL Strategy Summary**

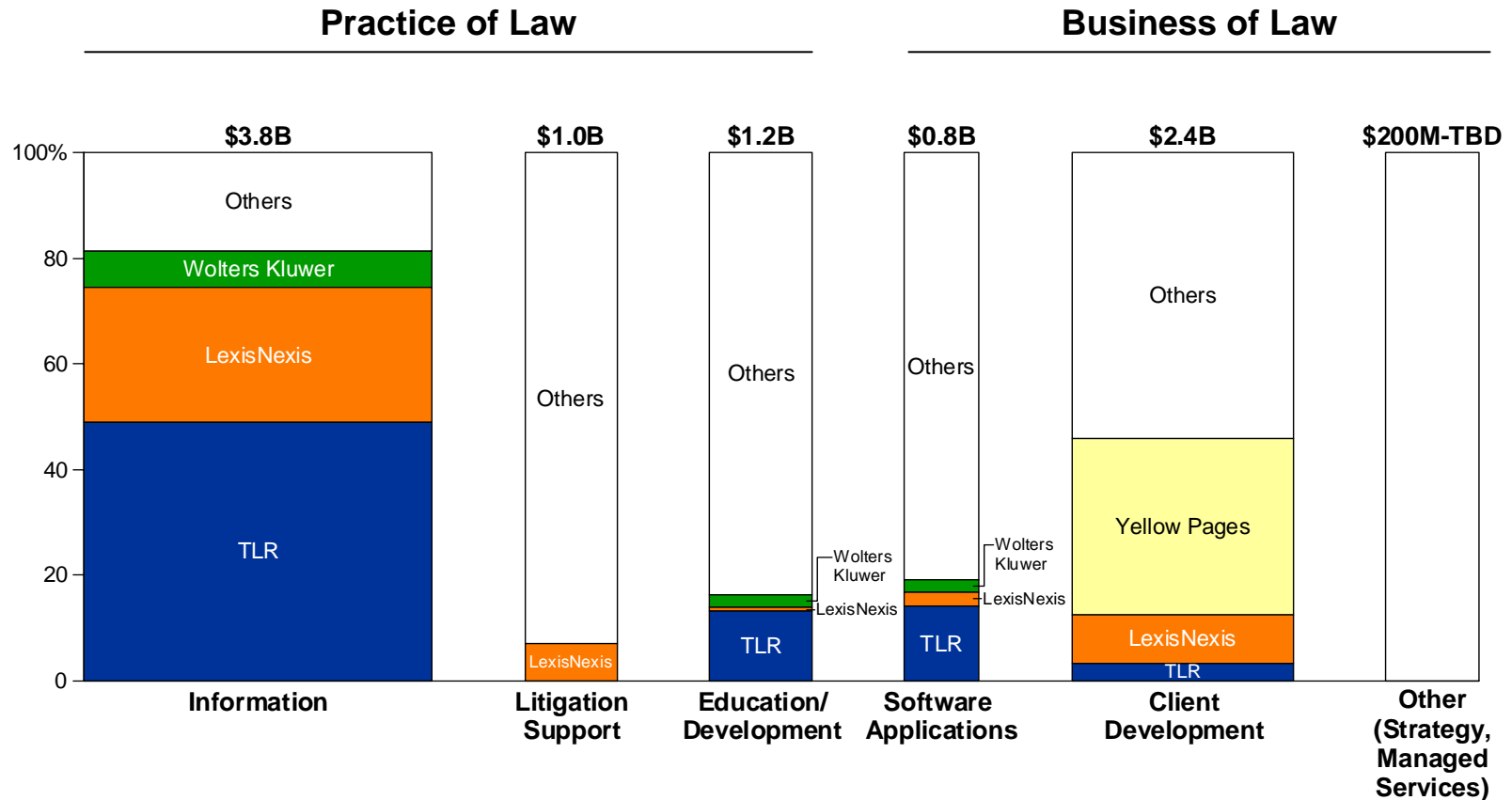
Market and Competitive Overview

NAL Strategy

	Type of Offering	Competitive Situation	Strategic Approach
Practice of Law	<ul style="list-style-type: none"> Information 	<ul style="list-style-type: none"> Expanding leadership across print and online 	<ul style="list-style-type: none"> Leverage existing strengths Drive Litigator and “Transactor”
	<ul style="list-style-type: none"> Litigation Services 	<ul style="list-style-type: none"> “Frothy” market LN capturing growth 	<ul style="list-style-type: none"> Extend into tools/software
Business of Law	<ul style="list-style-type: none"> Financial Management 	<ul style="list-style-type: none"> Clear leadership position 	<ul style="list-style-type: none"> Launched new platform
	<ul style="list-style-type: none"> Client Development 	<ul style="list-style-type: none"> Leadership in web services Gaining overall share LN has historical Martindale-Hubbell strength 	<ul style="list-style-type: none"> Drive FindLaw strategy
	<ul style="list-style-type: none"> Law Firm Strategy/ Management 	<ul style="list-style-type: none"> Evolving 	<ul style="list-style-type: none"> Launch West Monitor products Build Hildebrandt offerings Build Talent Development/ Legal Services
Horizontal Opportunities	<ul style="list-style-type: none"> Risk Management Government Services Horizontal News 	<ul style="list-style-type: none"> LN has completed expensive acquisitions 	<ul style="list-style-type: none"> Stay “vertical”

Marketing and Competitive Overview

NAL Markets



TLR Share	48%	–	17%	15%	3%	–
Growth Rate	2-3%	20-25%	2-4%	8-10%	3-4%	–

North American Legal Competitive Summary

- Strong position in core markets
- Sustained track record of above market growth
- “Vertical focus” yields meaningful expansion of addressable market

Q&A



North American Legal Business Overview

Peter Warwick
President and Chief Executive Officer of Thomson West

May 24, 2006
Eagan, MN

Business Overview

Agenda

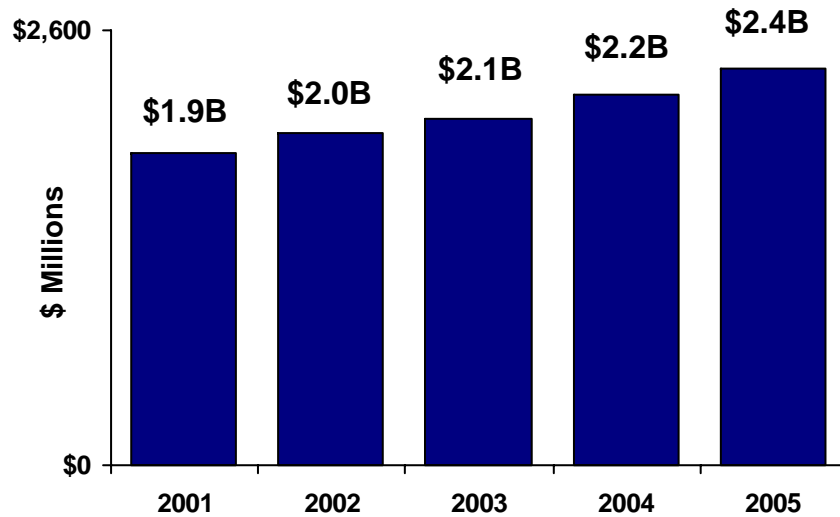
- **NAL Overview**
- 2006 Strategic Objectives

Business Overview

NAL Overview

NAL Revenue Growth

2001-2005 CAGR: 6.1%



Organic	2.4%	1.4%	4.4%	4.9%
Acquired	3.7%	3.4%	2.6%	1.7%
Overall	6.1%	4.8%	7.0%	6.6%

Organic revenue growth

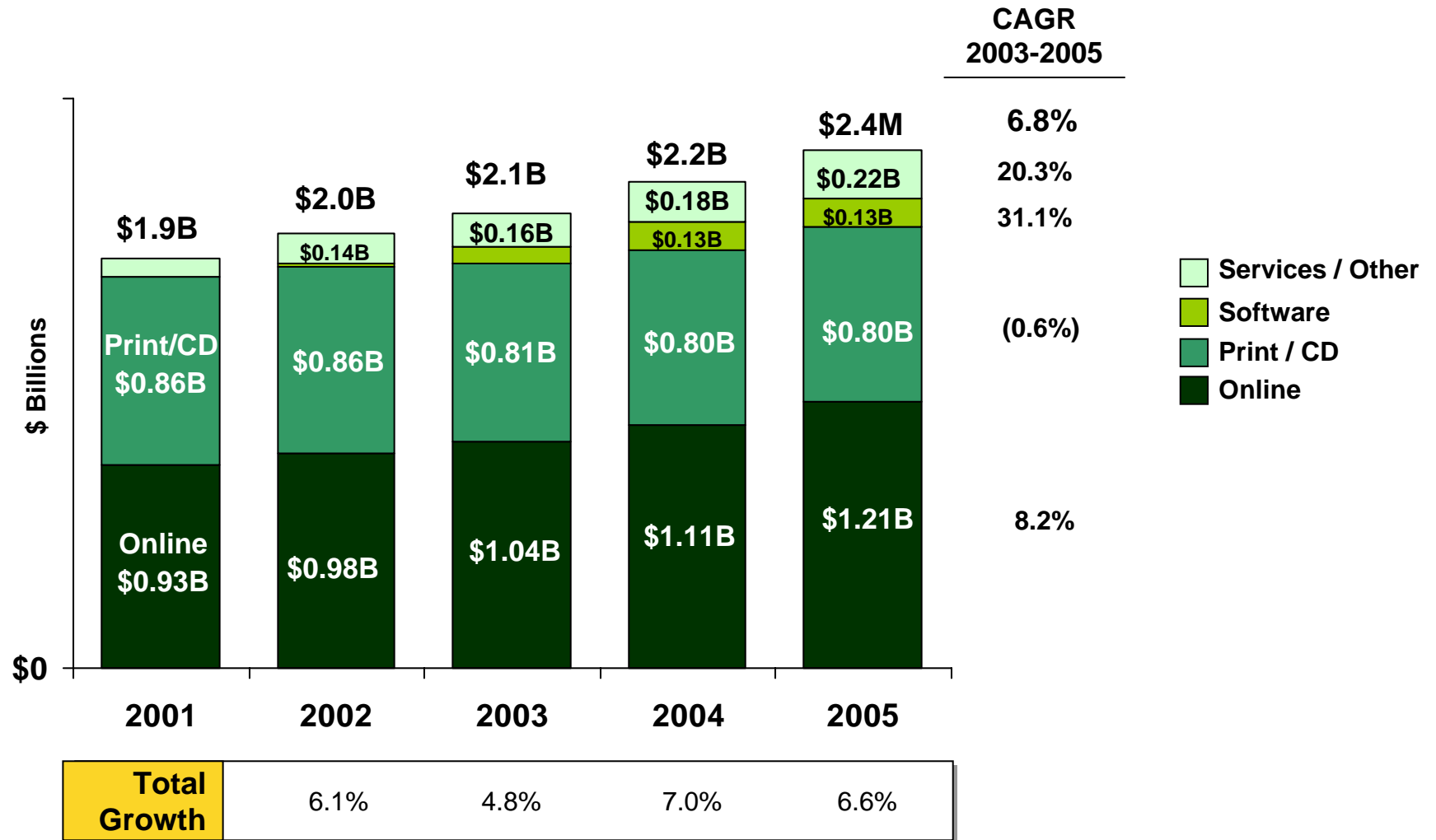
- Accelerating Westlaw growth, especially driven by Litigator
- Flattening decline of print revenues
- Strong Findlaw growth

Acquired revenue examples

- Harrison (2002)
- Elite (2003)
- Hubbard One (2004)
- Hildebrandt, GSI (2005)

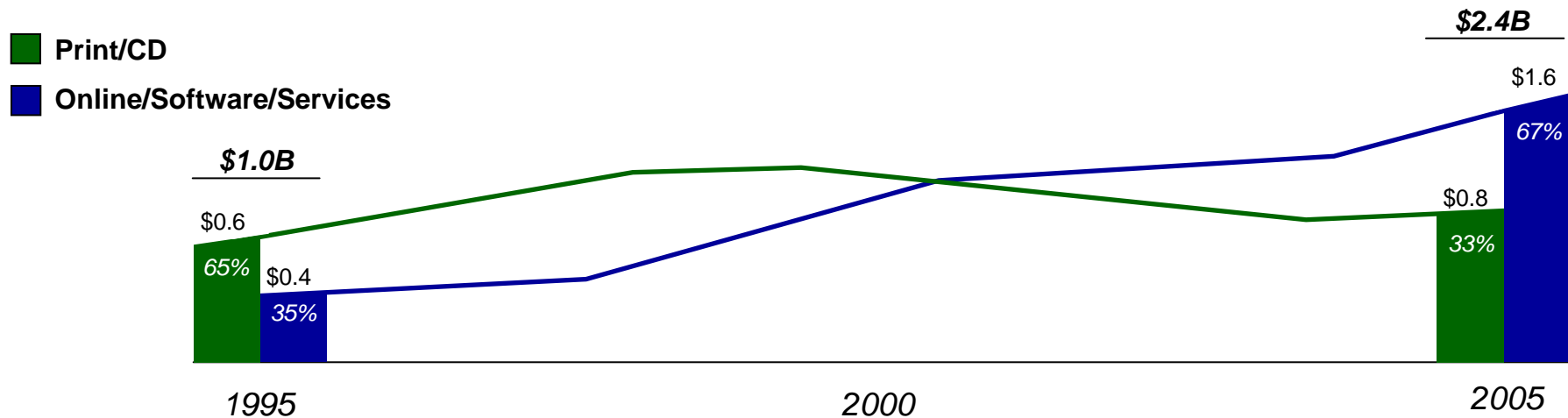
Business Overview

NAL Revenue Growth by Media



Business Overview

Print and Online/Software/Service Dynamics



Online Dynamics

- Enables rapid access to new information
- Ideal environment for researching caselaw
- Loading and linking facilitates usage growth
- Enables integration of content with workflow applications
- We can quickly and effectively add components that deliver additional value

Print Dynamics

- Physical costs of maintaining an extensive print collection
- Younger attorneys primarily trained in online legal research
- Some areas of law are still better served by print – e.g. analytical law
- **Combining** online and print resources is a very compelling value proposition

Business Overview

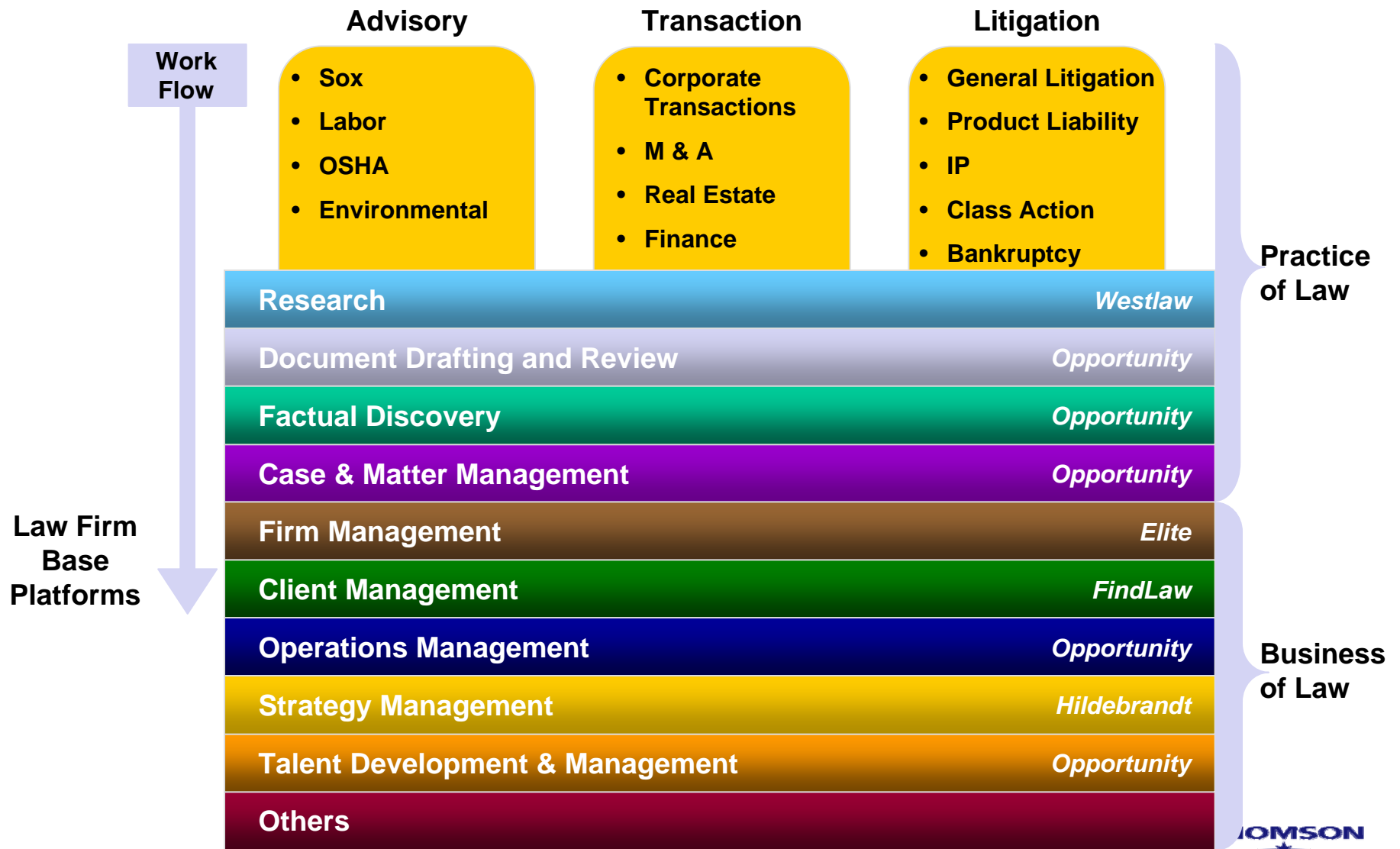
Agenda

- NAL Overview

- **2006 Strategic Objectives**

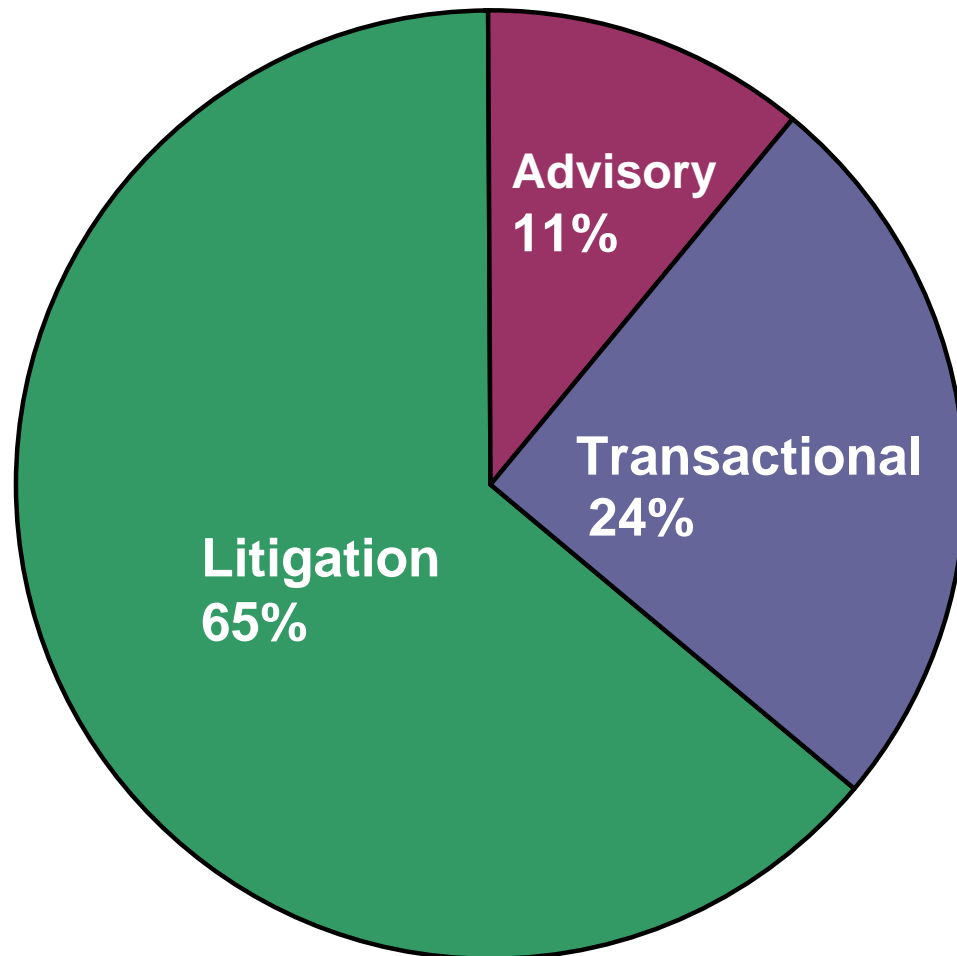
Business Overview

Law Firm Strategic Platforms



Business Overview

U.S. Law Firm Revenue by Workflow



\$197B Law Firm Billings

Litigation

AmLaw 100 survey in early 2006 shows litigation continuing to be the industry's bedrock

Transactional

US M&A market reached \$1.1 trillion in 2005, up 32%

Advisory

Continuing growth, mainly driven by Sarbanes-Oxley Act

Business Overview

2006 Strategic Objectives

Practice of Law

- Building upon Litigator's success to further strengthen our position in the total litigation workflow
- Gaining traction Transactional law strategy
- Developing Advisory/Compliance strategy
- Continuing to refocus on print, progressively changing its business model

Business of Law

- Building our presence in Business of Law to meet customer's needs by capitalizing on:
 - Our name/reputation
 - Our size/scale
 - Our full-service/customer-centric approach

Business Overview

2005-2006 Strategic Objectives

**Building on Litigator success to increase our position
in the total litigation workflow**

2005

- Continued to build with our base Litigator offering, launched 2003
- Released major collections of trial court documents
- Acquired Court Express to complete a full docket service offering
- Total Litigator revenues grew 76% to \$77 million

2006

- Release Expert Testimony component to Litigator
- Build the first segmented offering for this market – Medical Litigator - for launch in 2007
- Further develop applications to embed litigation content more deeply into Litigator workflow
- Achieved Litigator revenues of \$25 million in the first quarter of 2006

Business Overview

2005-2006 Strategic Objectives

Gaining traction with Transactional Law strategy

2005

- Developed a build/buy strategy to grow in the Transactional Law market
- Acquired Global Securities Inc. (GSI) to provide us with key content (LIVEDGAR), deep knowledge of the needs of commercial transactional lawyers, and valuable practice area relationships

2006

- Complete Transactional Law growth strategy
- Further integrate GSI into our operational infrastructure
- Key databases acquired via GSI to be offered on Westlaw
- Take GSI's offering into the corporate and government segments via the West sales organization
- Build the migration of GSI content on to our global Novus technology platform

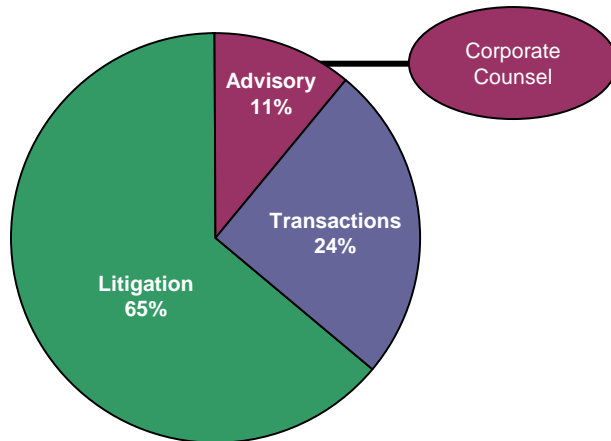
Business Overview

2005-2006 Strategic Objectives

Developing Advisory/Compliance strategy

2005

- Developed a staged strategy to invest in Compliance and Advisory workflows



- Acquired NetScan to provide key content and know-how in pending regulations, pending legislation and healthcare vertical
- Grew Corporate sales mid-teens fueled by compliance-related products

2006

- Continue to refine and develop our strategic approach
- Launch Regulations Plus on Westlaw
- Launch regulation vertical products in Insurance, Employment, and Securities
- Focus on fold-in content acquisition in key verticals to build information assets

Business Overview

2005-2006 Strategic Objectives

Continuing to refocus on print, progressively changing its business model

Bundling

- **West Packs**
 - Bundled print and online subscriptions
 - Print subs discounted on 3-year deals
 - Especially popular among smaller law firms

Predictable Pricing

- **Library Maintenance Agreements**
 - Fixed rate subscription for customers' print library over time
 - Predictably priced and easy to manage and administer
 - Popular among large law firms and government and academic libraries

Business Overview

2005-2006 Strategic Objectives

Building our presence in the Business of Law

2005

- Completed first stage of our growth plan
- Acquired Hildebrandt
- Refocused FindLaw on the Small Law segment
- Launched a number of research projects and pilots in:
 - Strategic Analysis
 - Benchmarking and Business Intelligence
 - Managed Technology Services
 - Law Firm Talent Development

2006

- Further refine and operationalize our Business of Law growth plan
- Launch Elite 3E
- Strong Findlaw focus on the online client development market
- Launch and build West Monitor Suite
- Launch Syndicated Research product line
- Assess and execute on our research projects and pilots

Business Overview

Summary

- We entered 2006 on a rising rate of organic growth, and we have continued that trend in Q1.
- Our core legal market continues to grow while reframing provides new growth opportunities.
- We have unrivalled scale, reputation, and brand power in our core legal market that we are leveraging.
- We have real strength in our people and continue to strengthen all layers of management and our domain expertise in emergent areas of business.
- We are focused on generating robust organic growth, and driving margins and free cash flow.