

The Thomson Corporation

Robert D. Daleo
Executive Vice President & Chief Financial Officer

Credit Suisse Media & Telecom Conference

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Special Note

- **Safe Harbor/Forward-Looking Statements**

- Before we proceed with our presentation, we would like to point out that the following discussion will contain forward-looking statements, including statements about the outlook and prospects for Thomson.
- Forward-looking statements are those which are not historical facts. These and other statements that relate to future results and events are based on Thomson's current expectations. These statements include, but are not limited to, Thomson's expectations related to the proposed sale of Thomson Learning and the strategic realignment of operations.
- 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**

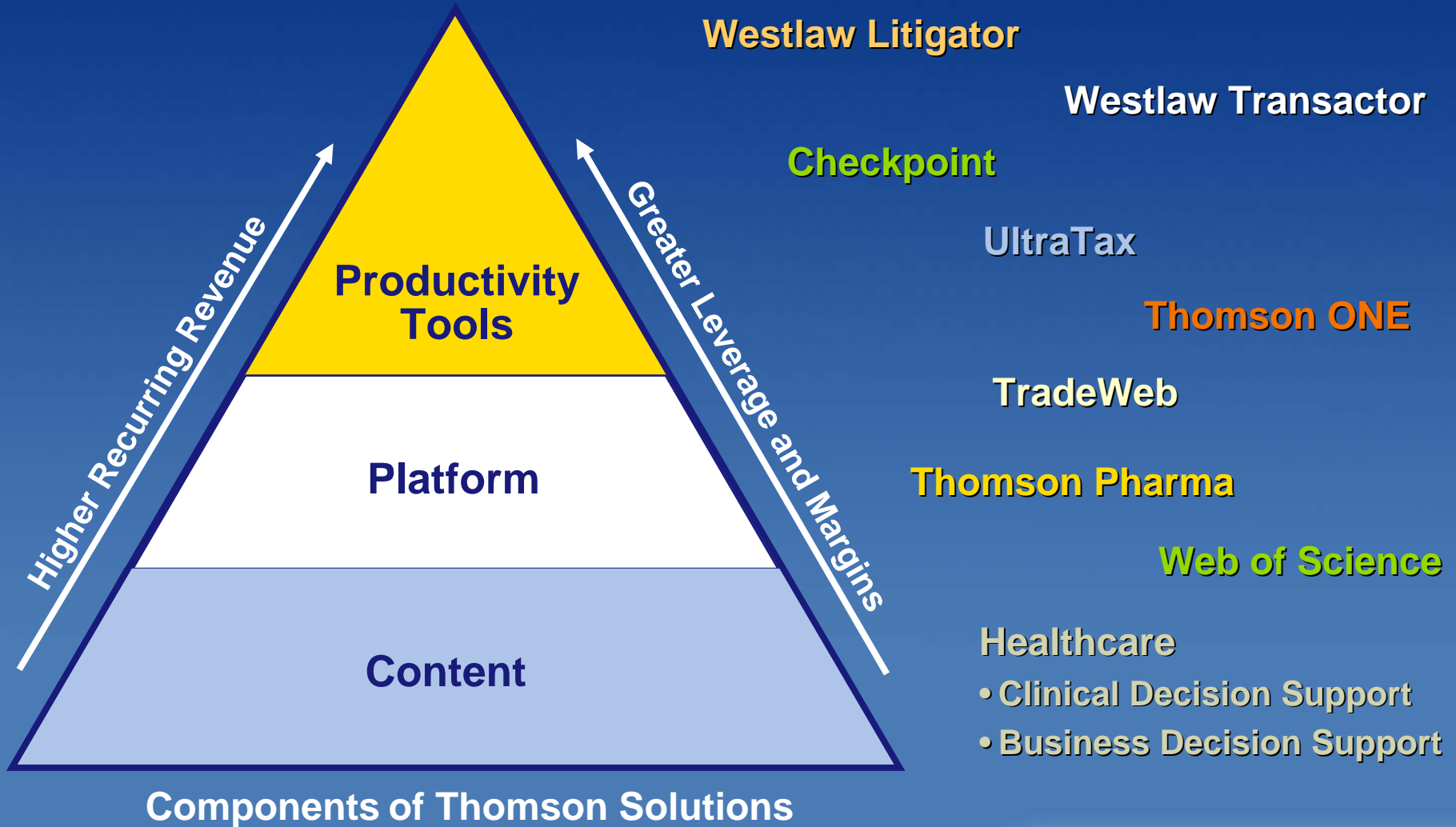
- This presentation contains disclosures of certain non-GAAP financial measures, such as adjusted earnings and free cash flow. Please see the "Investor Relations" section of our website, www.thomson.com, for a reconciliation of each of these measures to the most directly comparable GAAP financial measure. You can also find some GAAP reconciliations in the tables attached to our earnings release dated October 26, 2006, which is also available on the Thomson website.

Market Segments We Serve

Legal & Regulatory	Financial	Scientific & Healthcare	Learning
\$3.4 Billion	\$1.9 Billion	\$0.9 Billion	\$2.2 Billion
			
<ul style="list-style-type: none">• 17,300 Employees• 22 Countries	<ul style="list-style-type: none">• 8,700 Employees• 22 Countries	<ul style="list-style-type: none">• 4,700 Employees• 26 Countries	<ul style="list-style-type: none">• 9,400 Employees• 39 Countries

- Vision to be the leading provider of workflow solutions to business & professional customers
- Provide “must-have” products/high utilization & renewal rates
- Serve an estimated \$80+ billion global information market
- \$27 billion market capitalization

Business Model



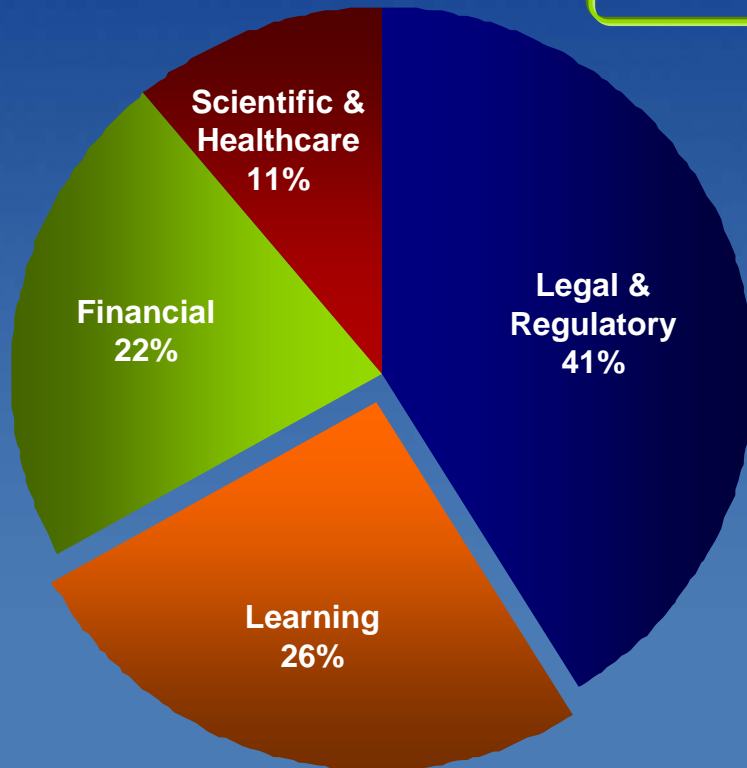
Benefits

- Greater growth from workflow solutions
 - Litigator up >30%
 - Checkpoint up >20%
 - Micromedex/MercuryMD up >12%
 - Thomson ONE Investment Banking up >10%
 - Thomson Pharma up >38%
- Common business model & leveraging infrastructure will create platform for improved growth, greater efficiency and effectiveness
- Significantly improves financial profile and will enhance shareholder value

Business Overview*

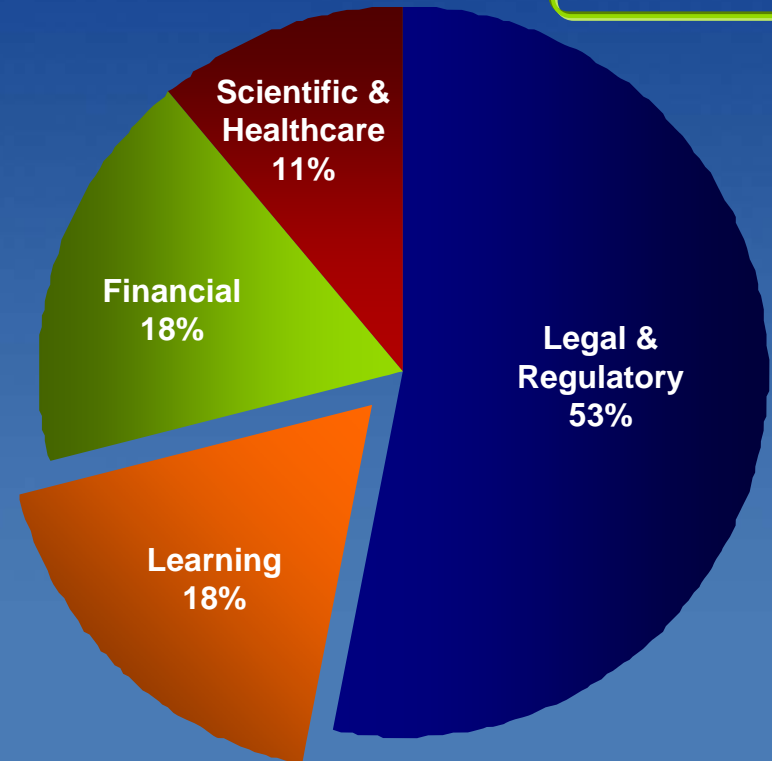
2005 Revenues
\$8.4 Billion

7% 5-Yr
CAGR



2005 Segment Op. Profit**
\$1.7 Billion

11% 5-Yr
CAGR



* Excludes discontinued operations as of 9/30/06

** Percentages exclude Corporate and Other Expenses

What's Next for Thomson

- Sell Thomson Learning
 - Sharper focus on fastest growing assets
- Focus and organize company around strategic business units
 - Drive consistent business model through common platforms
- Leverage common infrastructure
- Effectively deploy proceeds

Impact of Selling Learning Division

<u>Pro forma</u> ⁽¹⁾	<u>Thomson</u> ⁽²⁾	<u>Learning</u>		<u>Thomson Ex-Learning</u>
Organic Growth	5%	3%	Faster Growing	6%
Adj. EBITDA Margin	28.1%	24.2%	More Profitable	29.5%
Op. Profit Margin	17.6%	12.7%		19.3%
% Electronic	69%	36%	Stronger Platform for Growth	80%
% Recurring	67%	23%		82%
Pre-tax FCF Margin	19.7%	15.0%	Stronger FCF	21.4%
ROIC (Pre-tax)	9.9%	6.5%	Higher Returns	11.2%

(1) *Trailing 12 months as of 9/30/06*

(2) *Thomson excludes previously announced discontinued operations (Education Direct – N.A., Peterson's, Saur, AHC, Med Ed, IOB, Lawpoint)*

Strategic Realignment of Operations

Customer					
North American Legal	Financial	International Legal & Regulatory	Tax & Accounting	Scientific	Healthcare
\$2.3B	\$1.9B	\$0.6B	\$0.5B	\$0.5B	\$0.4B
Infrastructure & Back Office Operations					

Segment revenues are 2005 results less discontinued operations

THOMSON*plus* Program 2006-2009

\$150 million in Annual Run-Rate Savings by Q4 2008

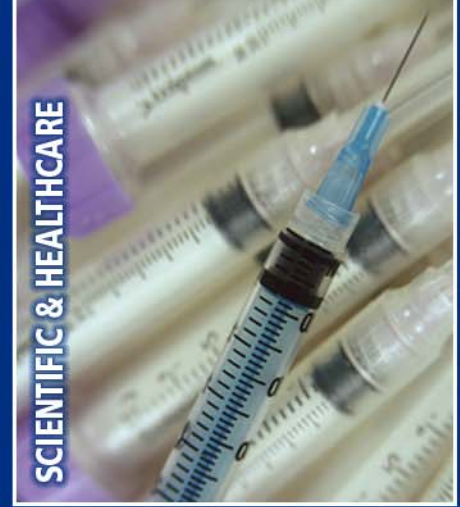
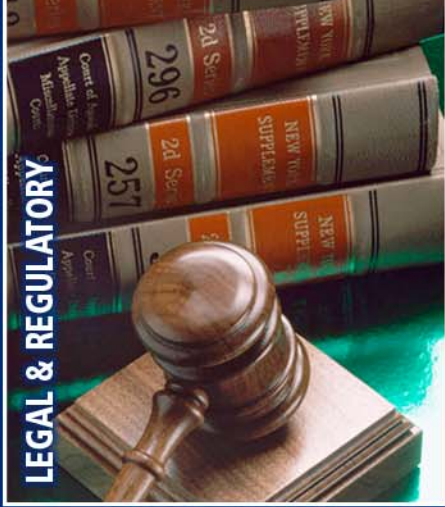
<i>(\$ Millions)</i>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Pre-tax Expense (Est.)	(70)	(100)	(50)	(30)
Savings (Est.)	10	50	90	150

Program Highlights:

- Streamlining and consolidating back-office functions
- Leveraging infrastructure & technology
- Expanding offshore operations

Deploying Proceeds

- Focused on creating shareholder value
- Clear strategy around a compelling business model
- Disciplined approach to investing
- Experienced management team, aligned with shareholder interests



Financial Performance

Increasing Organic Revenue

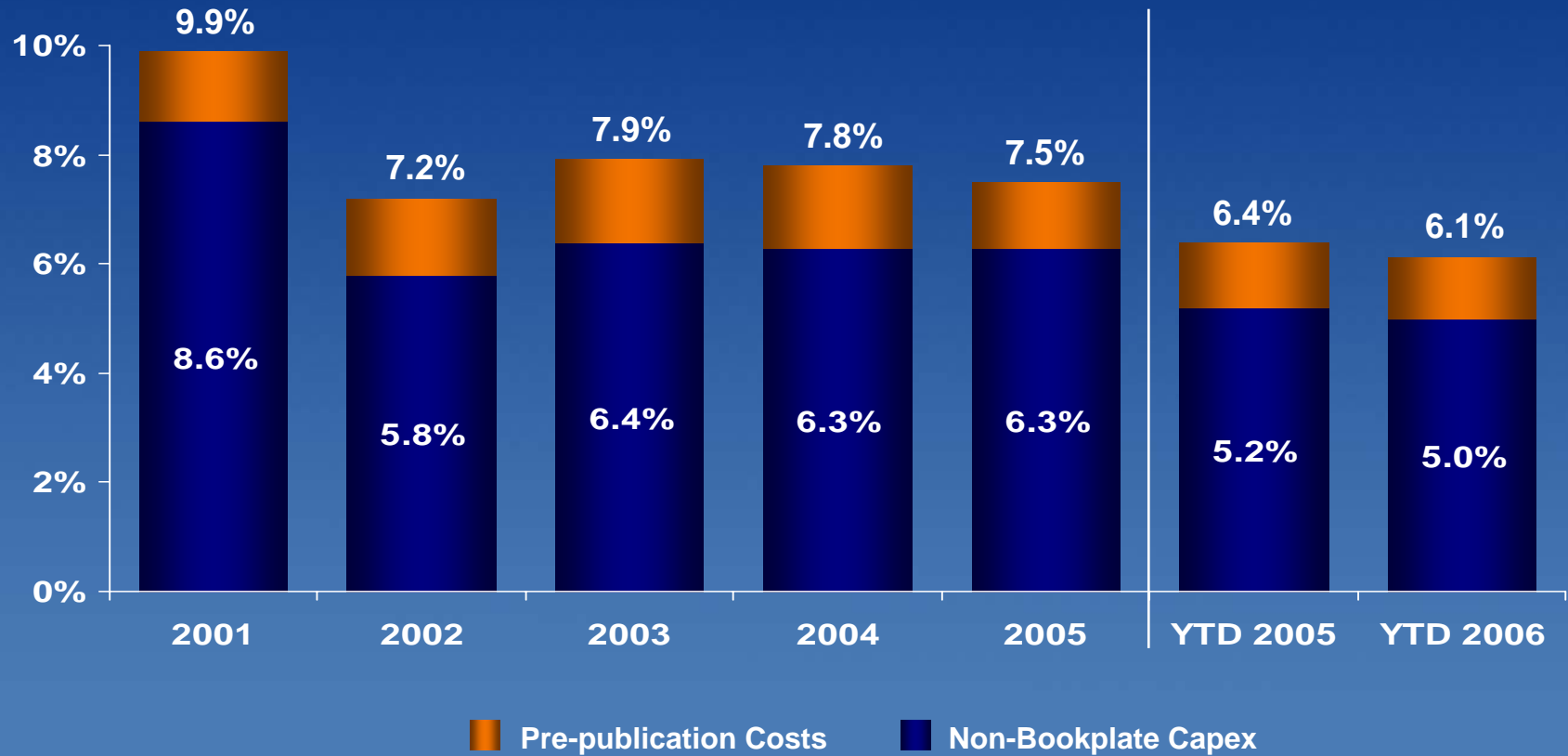
9 Months 2006

	<u>Organic Growth</u>	<u>Acquisitions</u>	<u>Foreign Exchange</u>	<u>Total Growth</u>
Legal & Regulatory	7%	1%	--	8%
Financial	5%	1%	--	6%
Scientific & Healthcare	4%	2%	--	6%
Sub-total	6%	1%	--	7%
Learning	4%	1%	--	5%
Total	5%	1%	--	6%
YTD 2005	3%	5%	1%	9%

Expanding Operating Profit Margin



Declining CAPEX/Revenues



Excluding Learning	2001	2002	2003	2004	2005	YTD 2005	YTD 2006
	9.3%	6.4%	7.4%	7.3%	6.9%	5.8%	5.7%

Growing Free Cash Flow

(\$ Millions)



Free cash flow excludes cost of acquisitions, proceeds from disposals and dividends paid on common shares.

Growing Adjusted Earnings Per Share



Excludes one-time items from all periods.

Returning Cash to Shareholders

- \$3 billion returned to shareholders over past 5 years
- Renewed Share Buyback Program
 - Additional 15 million share repurchase authorized
- May 2005 - November 2006 purchased 17.3* million shares/C\$745 million
- Increased dividend 10% in February

* As of November 17, 2006

2006 Compensation Plan Changes

Aligned Compensation Plans to Drive Growth and Returns

Short Term

	<u>2005</u>		<u>2006</u>	
Revenue	35%		Revenue	45%
Adj. Operating Profit	65%		Adj. Operating Profit	45%
			Free Cash Flow	10%

Long Term

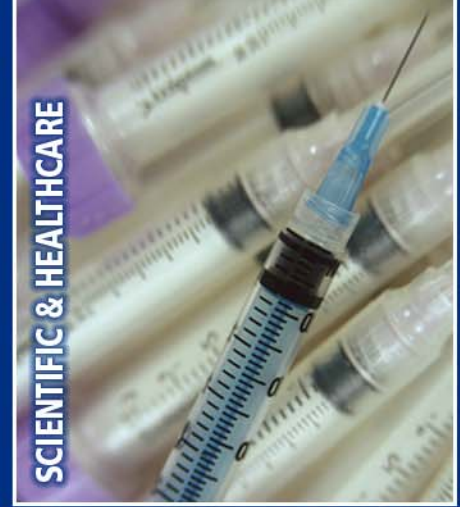
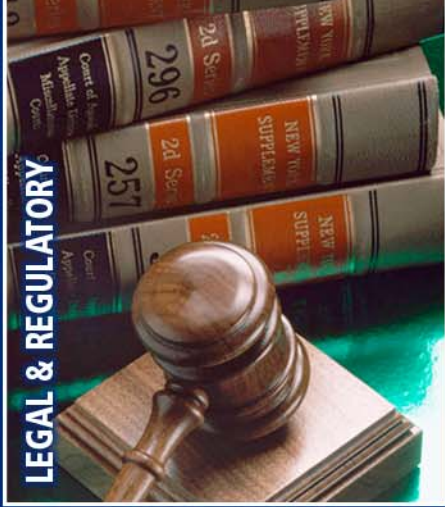
	<u>2005-2007 Plan</u>		<u>2006-2008 Plan</u>	
Adj. EPS	100%		ROIC	50%
			Adj. EPS	50%

- Long Term = 50% stock option/50% performance shares based on above criteria
- Increased ownership requirements in 2006

Summary

- Clear strategic vision
 - Targeted strategy focusing on workflow solutions delivered to business & professional customers
- High quality business
 - Faster growing, more profitable with higher returns (ROIC)
- Streamlined organizational structure and leveraged infrastructure will:
 - Drive growth/greater operational efficiency and effectiveness
 - Provide greater transparency

Well Positioned for Future



Questions & Answers