

Second-Quarter 2007

July 26, 2007

Agenda

- Welcome/Introduction Frank Golden
- Q2 Overview Richard Harrington
- Financial Review Robert Daleo
 - Financial Results
 - Financial Metrics
- Questions & Answers

Special Note

CAUTIONARY NOTE CONCERNING FACTORS THAT MAY AFFECT FUTURE RESULTS

This presentation, in particular the discussion of the proposed acquisition of Reuters Group PLC and remarks related to Thomson's outlook and prospects, includes forward-looking statements, such as Thomson's beliefs and expectations regarding its financial performance in 2007. These statements are based on certain assumptions and reflect Thomson's current expectations. Forward-looking statements also include statements about Thomson's beliefs and expectations related to its ability to deliver continued growth and profitability, its enhancement of Thomson's growth profile and creation of shareholder value through recent transactions, its anticipated run-rate savings related to THOMSON*plus*, its beliefs about the benefits to shareholders and customers of the combined Thomson-Reuters business after the deal closes and that the combined business will deliver faster growth and higher profitability. While Thomson believes that the proposed transaction with Reuters Group PLC will be approved by antitrust/competition authorities, there can be no assurance that the required approvals will be obtained, how long it will take to obtain such approvals or what conditions, if any, such authorities may impose. All forward-looking statements in this presentation are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. These risks and uncertainties include the ability to achieve the cost savings and synergies contemplated through the proposed Reuters transaction; the failure of Reuters shareholders to approve the proposed transaction; the effect of regulatory conditions, if any, imposed by regulatory authorities; the reaction of Thomson's and Reuters' customers, employees and suppliers to the proposed transaction; the ability to promptly and effectively integrate the businesses of Thomson and Reuters after the transaction closes; and the diversion of management time on proposed transaction-related issues. Additional factors that could cause actual results or events to differ materially from current expectations are discussed in Thomson's materials filed with the securities regulatory authorities in Canada and the United States from time to time, including Thomson's latest annual information form, which is also contained in its most recent annual report on Form 40-F filed with the U.S. Securities and Exchange Commission (SEC). Any forward-looking statements made by or on behalf of Thomson speak only as of the date they are made. Thomson disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law.

ADDITIONAL INFORMATION

This presentation does not constitute an offer for sale of any securities or an offer or an invitation to purchase any such securities. Following satisfaction or waiver of the pre-conditions to the proposed Reuters transaction, documents relating to the proposed transaction will be furnished to or filed with the SEC. Shareholders are urged to read such documents regarding the proposed transaction if and when they become available, because they will contain important information. Shareholders will be able to obtain free copies of these documents, as well as other filings containing information about the companies, without charge, at the SEC's website at www.sec.gov, at the Canadian securities regulatory authorities' website at www.sedar.com and from Thomson. These documents will also be available for inspection and copying at the public reference room maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, USA. For further information about the public reference room, call the SEC at +1 800-732-0330.

Statements in this presentation which relate to potential earnings enhancements should not be interpreted to mean that earnings per share will necessarily be greater than those for the relevant preceding financial period. No statement in this presentation is intended to constitute a profit forecast.

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 July 26, 2007, which is also available on the Thomson website.

Q2 2007 Results

Richard J. Harrington
President & Chief Executive Officer

Q2 Highlights

- Announced proposed acquisition of Reuters
- Sold Higher Education & NETg – Prometric sale expected to close Q3
 - Gross Proceeds = \$8.5 billion
 - Net Proceeds = \$7.0 billion
- Solid 1H 2007 Operating Performance

Powerful Combination: Thomson-Reuters

Significant Opportunity for Growth

- Capitalize on globalization trends with a world-wide footprint
- Drive growth in financial segment given complementary nature of businesses
- Give customers broader, faster and more deeply integrated information and workflow solutions across Financial and Professional businesses
- Accelerate top-line growth across the combined company
- Expand margins
- Increase free cash flow

Accomplished management team with strong track record of delivering on business transformation programs

Reuters Acquisition Update

- On track
 - Initial meetings with U.S. DOJ, European Commission and Canadian Competition Bureau have occurred
- Integration planning teams in place & making progress
- Thomson Financial & Reuters
 - Focused on opportunities and synergies
- Thomson Professional Segment
 - Focused on serving customers and growing the businesses

Q2 Financial Highlights

- Strong Revenue Growth
 - Up 11% including FX
 - Up 10% excluding FX
 - 6% organic growth
- Strong Operating Profit Growth
 - Up 15%
 - Up 20% excluding THOMSON*plus*/Reuters-related costs
 - Margin up 70 bps
 - Margin up 160 bp excluding THOMSON*plus*/Reuters-related costs
- Strong Adjusted Earnings Growth
 - Up 21%

Summary

- Successfully sold Learning assets for \$8.5 billion
- Announced Thomson-Reuters
- Solid 1H 2007 with good momentum

Financial Review

Robert D. Daleo
Executive Vice President & Chief Financial Officer

Today's Agenda

- Consolidated Results
- Business Segment Results
- Corporate Expenses
- THOMSON*plus* Update
- Key Metrics
- Business Visibility

Consolidated Results

(\$ Millions)	SECOND QUARTER			YEAR-TO-DATE		
	<u>2007</u>	<u>2006</u>	<u>Change</u>	<u>2007</u>	<u>2006</u>	<u>Change</u>
Revenues	\$1,810	\$1,629	11%	\$3,477	\$3,134	11%
Operating Profit	\$ 355	\$ 308	15%	\$ 581	\$ 517	12%
<i>Operating Profit Margin</i>	<i>19.6%</i>	<i>18.9%</i>		<i>16.7%</i>	<i>16.5%</i>	
<u>Excluding THOMSONplus and Reuters Costs:</u>						
Operating Profit	\$ 384	\$ 320	20%	\$ 644	\$ 536	20%
<i>Operating Profit Margin</i>	<i>21.2%</i>	<i>19.6%</i>		<i>18.5%</i>	<i>17.1%</i>	

Note: Results from continuing operations.

Legal

(\$ Millions)	SECOND QUARTER			YEAR-TO-DATE		
	<u>2007</u>	<u>2006</u>	<u>Change</u>	<u>2007</u>	<u>2006</u>	<u>Change</u>
Revenues	\$857	\$783	9%	\$1,602	\$1,459	10%
Segment Operating Profit	\$297	\$257	16%	\$ 504	\$ 434	16%
<i>Segment Operating Profit Margin</i>	<i>34.7%</i>	<i>32.8%</i>		<i>31.5%</i>	<i>29.7%</i>	

Note: Results from continuing operations.

Financial

(\$ Millions)	SECOND QUARTER			YEAR-TO-DATE		
	<u>2007</u>	<u>2006</u>	<u>Change</u>	<u>2007</u>	<u>2006</u>	<u>Change</u>
Revenues	\$540	\$502	8%	\$1,067	\$989	8%
Segment Operating Profit	\$107	\$ 93	15%	\$ 202	\$172	17%
<i>Segment Operating Profit Margin</i>	<i>19.8%</i>	<i>18.5%</i>		<i>18.9%</i>	<i>17.4%</i>	

Note: Results from continuing operations.

Tax & Accounting

(\$ Millions)	SECOND QUARTER			YEAR-TO-DATE		
	<u>2007</u>	<u>2006</u>	<u>Change</u>	<u>2007</u>	<u>2006</u>	<u>Change</u>
Revenues	\$155	\$126	23%	\$315	\$268	18%
Segment Operating Profit	\$ 31	\$ 22	41%	\$ 69	\$ 52	33%
<i>Segment Operating Profit Margin</i>	<i>20.0%</i>	<i>17.5%</i>		<i>21.9%</i>	<i>19.4%</i>	

Note: Results from continuing operations.

Scientific

(\$ Millions)	SECOND QUARTER			YEAR-TO-DATE		
	<u>2007</u>	<u>2006</u>	<u>Change</u>	<u>2007</u>	<u>2006</u>	<u>Change</u>
Revenues	\$162	\$153	6%	\$311	\$292	7%
Segment Operating Profit	\$ 45	\$ 39	15%	\$ 79	\$ 67	18%
<i>Segment Operating Profit Margin</i>	<i>27.8%</i>	<i>25.5%</i>		<i>25.4%</i>	<i>22.9%</i>	

Note: Results from continuing operations.

Healthcare

(\$ Millions)	SECOND QUARTER			YEAR-TO-DATE		
	<u>2007</u>	<u>2006</u>	<u>Change</u>	<u>2007</u>	<u>2006</u>	<u>Change</u>
Revenues	\$100	\$70	43%	\$192	\$135	42%
Segment Operating Profit	\$ 9	\$ 6	50%	\$ 13	\$ 10	30%
<i>Segment Operating Profit Margin</i>	<i>9.0%</i>	<i>8.6%</i>		<i>6.8%</i>	<i>7.4%</i>	

Note: Results from continuing operations.

Corporate Expense Overview

(\$ Millions)

SECOND QUARTER

YEAR-TO-DATE

2007

2006

2007

2006

*Corporate Costs before
THOMSONplus and Reuters
Transaction Costs*

\$43

\$38

\$100

\$80

*THOMSONplus and Reuters
Transaction Costs*

\$29

\$12

\$ 63

\$19

Total Corporate Costs

\$72

\$50

\$163

\$99

THOMSON*plus* – First Anniversary

- Financial metrics on track
 - Estimate annual run-rate savings of \$150 million by end 2008
- Continuing to shift to low-cost centers
- SAP successfully rolled out to 75% of Thomson

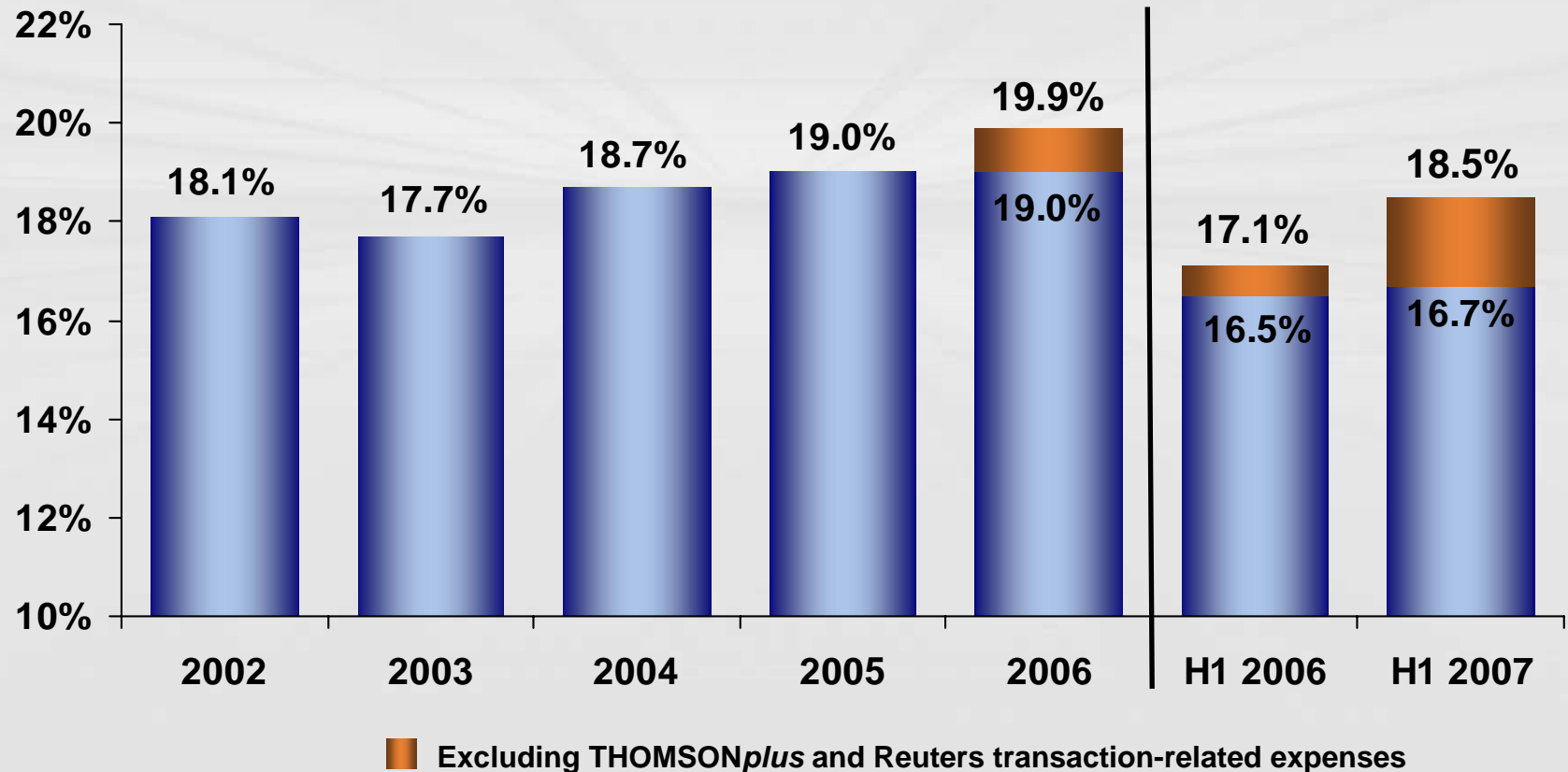
Key Revenue Metrics

Six Months 2007

	<u>Total Growth</u>	<u>Organic Growth</u>	<u>Electronic, Software & Services</u>	<u>Recurring</u>
Legal	10%	7%	71%	82%
Financial	8%	4%	98%	83%
Tax & Accounting	18%	12%	89%	94%
Scientific	7%	2%	96%	76%
Healthcare	<u>42%</u>	<u>4%</u>	<u>93%</u>	<u>79%</u>
Total	<u>11%</u>	<u>6%</u>	<u>84%</u>	<u>83%</u>
2006	<u>7%</u>	<u>7%</u>	<u>83%</u>	<u>83%</u>

Note: Results from continuing operations.

Operating Profit Margin



Note: Results from continuing operations.

Free Cash Flow Analysis

	SECOND QUARTER			SIX MONTHS		
	<u>2007</u>	<u>2006</u>	<u>Growth</u>	<u>2007</u>	<u>2006</u>	<u>Growth</u>
Free Cash Flow	\$226	\$315	(28%)	\$363	\$425	(15%)
<i><u>Adjustments:</u></i>						
Discontinued Operations	115	38		167	98	
Lawsuit Settlement	36	0		36	0	
THOMSON <i>plus</i> Costs	25	12		50	19	
Underlying FCF:	<u>\$402</u>	<u>\$365</u>	<u>10%</u>	<u>\$616</u>	<u>\$542</u>	<u>14%</u>

Earnings/EPS Variance Analysis

(\$ Millions)

SECOND QUARTER

	2007		2006	
	<u>\$</u>	<u>EPS</u>	<u>\$</u>	<u>EPS</u>
Earnings – attributable to common shares as reported	\$375	\$0.58	\$171	\$ 0.26
Other (Income)/Expense	(6)	(0.01)	(3)	(0.00)
Reuters transaction-related costs	2	0.00	0	0.00
Tax on Above	(1)	(0.00)	0	0.00
Tax Benefits	(14)	(0.02)	(2)	(0.00)
Normalization of tax rate	11	0.02	19	0.03
Discontinued operations	<u>(113)</u>	<u>(0.18)</u>	<u>25</u>	<u>0.04</u>
Adjusted earnings	<u>\$254</u>	<u>\$0.39</u>	<u>\$210</u>	<u>\$ 0.33</u>

Business Visibility

	<u>H1 2007</u>	<u>2007 Full Year</u>
Revenues (excl. FX)	10%	7-9%
Free Cash Flow	\$363 mm	Expected to grow from continuing operations
CAPEX/Revenue	6.9%	~7% underlying run rate
Depreciation and Amortization	\$355 mm	6-8% Higher
Effective Tax Rate – Adjusted Earnings	16.1%	20% Range

Summary

- Solid first-half operating performance
- Thomson-Reuters integration planning and antitrust review process underway

Questions & Answers

July 26, 2007