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Form 425

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FORM 425

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Note: The slides below form part of a presentation given by The Thomson Corporation on July 26, 2007 at 8:30 a.m. ET. The filing of these slides under Rule 425 shall not be deemed an acknowledgment that such a filing is required or that an offer requiring registration under the Securities Act of 1933, as amended, may ever occur in connection with the possible business combination transaction described herein.

The Thomson Corporation

Reconciliation of Operating Profit to Operating Profit Excluding THOMSON*plus* and Reuters Transaction Costs

Q2 Earnings Presentation - July 26, 2007

(Amounts in millions of U.S. Dollars)

	2006	H1 2006	H1 2007
Operating profit	1,254	517	581
THOMSON <i>plus</i> and Reuters transaction costs	60	19	63
Operating profit excluding THOMSON <i>plus</i> and Reuters transaction costs	1,314	536	644
Operating profit margin	19.0%	16.5%	16.7%
Operating profit margin excluding THOMSON <i>plus</i> and Reuters transaction costs	19.9%	17.1%	18.5%
Revenues	6,612	3,134	3,477

The Thomson Corporation**Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow****Q2 Earnings Presentation - July 26, 2007***(Amounts in millions of U.S. Dollars)*

	2002	2003	2004	2005	2006	H1 2006	H1 2007
Net cash provided by operating activities*	1,691	1,654	1,808	1,879	2,125	696	730
Capital expenditures	(315)	(373)	(406)	(427)	(453)	(160)	(240)
Capital expenditures of discontinued operations	(208)	(204)	(216)	(215)	(184)	(83)	(95)
Other investing activities	(166)	(83)	(60)	(39)	(43)	(25)	(29)
Dividends paid on preference shares	(22)	(11)	(3)	(4)	(5)	(3)	(3)
Free cash flow	980	983	1,123	1,194	1,440	425	363

* Includes cash flows from operating activities for discontinued operations.

Note: Thomson uses free cash flow as a performance measure because it represents cash available to repay debt, pay common dividends and fund new acquisitions.
