



## Capital Spending Shows Second Consecutive Quarter Of Growth

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Thomson Financial Estimates 6.2% Rise in Quarterly CAPEX Report

Telecom and Industrials Lead 2Q Growth; Financials Reign in Expenses

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Thomson Financial, an operating unit of The Thomson Corporation (NYSE: TOC; TSX: TOC) and leading provider of information and technology solutions to the worldwide financial community, today reports an estimate that second quarter capital spending is up 6.2% year-over-year across a broad base of US companies. The data analysis, published as Thomson Financial Quarterly CAPEX Report, finds that 2Q04 marked the second consecutive quarter of capital spending growth following a three-year decline that began in the fourth quarter of 2001.

Tracking capital spending across the S&P 500, the Thomson Financial Quarterly CAPEX Report uses actual reported spending data to capture forward-looking business sentiment. The Thomson Financial estimate for 2Q04 year-over-year growth of 6.2% is based on capital spending data aggregated from 52% of those companies in the S&P 500 that provide the data in their quarterly filings.

"This number adds another arrow in the quiver of those who believe economic activity is more robust than the market has perceived it to be," said Thomson Financial's Director of Research Mike Thompson. "Capital spending does provide some indication of corporate sentiment towards future prospects for business and the economy as a whole."

Following are summary findings of Thomson Financial's 2Q04 CAPEX Report, depicting sector-by-sector CAPEX spending based on a year-over-year comparison:

#### SECTOR / GROWTH ESTIMATE (YEAR OVER YEAR)

Consumer Discretionary / -4.4%

Consumer Staples / 6.4%

Energy / 5.0%

Financials / -21.2%

Health Care / -4.8%

Industrials / 31.8%

Information Technology / -1.8%

Materials / -11.8%

Telecommunications Services / 10.6%

Utilities / N/A

S&P 500 Index / 6.2%

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