



International Thomson  
Organisation Limited

Annual Report

1

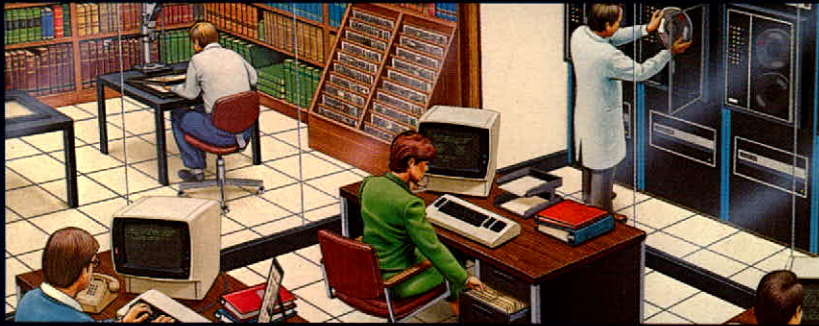
9

8

2



International Thomson is a leading international information and publishing business with strong interests in travel and natural resources



Annual Report

1

9

8

2

1	Directors	32	Summary of significant accounting policies
2	Results at a glance	34	Consolidated statement of earnings
3	The International Thomson Group	34	Consolidated statement of retained earnings
4	Chairman's Review	35	Consolidated balance sheet
5	President's Report	36	Consolidated statement of changes in financial position
14	Information and Publishing	37	Notes to consolidated financial statements
24	Travel	42	Principal Interests
26	Natural Resources		
28	Management Development		
28	Social Responsibility		
30	Five year summary		
31	Auditors' report		

**Directors**

**International Thomson Organisation Limited**

Lord Thomson of Fleet  
*Chairman*

J A Tory  
*Deputy Chairman*

G C Brunton  
*President*

W M Brown  
*Executive Vice-President*

W J DesLauriers

C E Medland

J W Whittall

M D Knight *Company Secretary*

*United Kingdom*

**International Thomson Organisation PLC**

Lord Thomson of Fleet  
*Chairman*

G C Brunton  
*Managing Director and Chief Executive*

C N D Cole  
*Joint Deputy Managing Director*

J Evans  
*Joint Deputy Managing Director*

R O Davies

M D Knight

M S Mander

A J B Mawdsley

J H Sauvage

J A Tory

M D Knight *Company Secretary*

**Head Office**

The Cadillac Fairview Tower  
Suite 2206, Box 45  
20 Queen Street West  
Toronto, Ontario M5H 3R3  
Canada

**Auditors**

Price Waterhouse  
Toronto-Dominion Centre  
Toronto, Ontario M5K 1G1  
Canada

**Principal Registrar**

Montreal Trust Company  
15 King Street West  
Toronto, Ontario M5H 1B4  
Canada

**Branch Registrar**

Ravensbourne Registration  
Services Ltd  
Bourne House  
34 Beckenham Road  
Beckenham, Kent BR3 4TU  
United Kingdom

*United States*

**International Thomson Holdings Inc**

Lord Thomson of Fleet  
*Chairman*

J A Tory  
*Deputy Chairman*

G C Brunton  
*President and Chief Executive Officer*

W M Brown  
*Executive Vice-President and Chief Operating Officer*

T L Cross

N R Harrison *Company Secretary*

**Results at a glance**

(millions of pounds sterling except per share amounts)

1982

1981

Sales	1,334.1	1,180.7
Trading profit	114.6	113.6
Earnings for the year	51.5	43.5
Earnings per share	37.0p	31.2p



### **Its History**

The Group was founded in 1959 by Roy Thomson, later the first Lord Thomson of Fleet, by the merger of Scottish Television with Kemsley Newspapers, the publisher of The Sunday Times and a group of United Kingdom regional newspapers.

In 1961 an energetic policy of diversification began. This resulted over the next 20 years in broadening the interests of the Group into many other forms of information and publishing as well as holidays, travel, oil and gas. In 1978 the Group was restructured financially and International Thomson Organisation Limited, with headquarters in Toronto, was formed.

### **The Present**

The discovery of substantial oil fields in the North Sea provided the Group with an opportunity to achieve growth on an unprecedented scale. The resources generated have been used for pursuing a vigorous policy of acquisition and expansion in North America, particularly the US, for re-equipping our newspapers, buying new aircraft, developing new magazines, directories and information databases and for continued exploration and development in the North Sea.

### **The Facts and Figures at December 31, 1982:**

1. The issued share capital was 139.3 million common shares, of which approximately 82% were owned by the Thomson family.
2. The Group is listed on the Toronto and London Stock Exchanges. Capitalization value was £563 million.

3. Assets employed were £854.3 million.

4. Employees numbered over 22,000.

### **Style of Management**

The Group is entrepreneurial by tradition and is characterized by a highly decentralized style of management.

### **The Future**

The Group's objective is to enhance its position as a leading international information and publishing business with strong interests in travel and natural resources. This will be achieved by expanding our existing businesses and acquiring new ones. We shall concentrate on high quality products in growth markets and seek to achieve an acceptable balance of investment both geographically and in sectors of activity.

---

## **Milestones**

### **1959**

Roy Thomson acquired the Kemsley group, comprising national and regional newspapers, including The Sunday Times, and merged them with his interests in Scottish Television and The Scotsman Publications.

### **1961**

Thomson Publications formed to launch and acquire business and consumer magazines and book publishing companies.

### **1965**

Thomson Travel formed by acquiring tour operating companies and Britannia Airways. Yellow Pages contract awarded by the British Post Office.

### **1967**

The Times acquired and with The Sunday Times formed Times Newspapers.

### **1971**

Thomson joined consortium to explore for oil and gas in the North Sea.

### **1973**

Piper oil field discovery.

### **1974**

Claymore oil field discovery.

### **1976**

Roy Thomson died and was succeeded as Chairman by his son, Kenneth Thomson, the second Lord Thomson of Fleet.

### **1977**

Final disposal of interest in Scottish Television.

### **1978**

Financial restructuring and formation of International Thomson Organisation Ltd with headquarters in Toronto and with two main operating subsidiaries, Thomson British Holdings Ltd (now

International Thomson Organisation PLC), responsible for non-North American interests, and International Thomson Holdings Inc, responsible for North American interests.

Major expansion begun to acquire and set up information and publishing, travel and natural resource businesses in the US.

### **1980**

Reorganization of Thomson Publications into Thomson Information Services.

### **1981**

Thomson Local Directories began publishing in the UK. Times Newspapers sold.

### **1982**

Thomson British Holdings Ltd renamed International Thomson Organisation PLC.

Throughout the world, 1982 was a difficult trading year. As an international business we feel pleased therefore that we have coped with the vagaries of economic circumstances in a manner which has strengthened the Group and enhanced the position of our shareholders.

It is also encouraging that we are beginning to see the fulfilment of the strategy which was evolved to deal with the fact that the substantial revenues we enjoy from the Piper and Claymore fields would inevitably decline in the eighties. While we have continued to pursue active exploration in the North Sea, it would not have been prudent to plan the future of the Group on the assumption that further discoveries would be made.

So we have looked to other sectors and other parts of the world. We believe our development policy in North America – through both acquisition and organic growth – will prove to be very successful and will have growing significance in terms of our overall performance. It is our intention that as profits from North Sea oil reduce they will be more than compensated for by the expansion of our other activities which do not attract such a high level of taxation.

We are concentrating on the extension of our information, publishing and travel interests in the UK and North America and supporting our investments in stable economies elsewhere in the world. The President's Report indicates how effective this policy is proving to be.

Concepts of publishing have changed over the past decade and although we have major investments in the production of magazines, newspapers, and reference, professional, educational and consumer books, we are poised to take full advantage of the opportunities which exist through the electronic dissemination of information. Already several such enterprises have become successful and we are well positioned to move forward in the use of every type of



modern technology in marketing our services.

There is much talk of a global information explosion over the next two decades. International Thomson has recognized the momentum behind this movement and the central theme of its strategy is to embrace the commercial opportunities which are bound to result. The world is witnessing the phenomenon of a continued growth in the demand for the printed word at the same time as electronic publishing is thrusting itself vigorously and speedily into the professions, commerce and industry. We are addressing this exciting new era of publishing by gathering and creating high quality databases capable of being accessed by customers through interactive systems and by more traditional methods.

Managing change, while simultaneously expanding the business base, is, of course, a considerable challenge. To achieve success demands a wide range of skills, as well as diligence, enterprise and energy. The Group is making excellent progress because it has excellent people in key positions and because it regards management training as an essential investment requiring the care, imagination and

planning that is applied to our other important developments. Results demonstrate the validity of this approach.

One colleague who has played a significant role in the history of the Group is Sir Denis Hamilton, who retired in March of this year. He was our longest serving UK board member and a UK director for more than 30 years. His distinguished career brought him many journalistic accolades, especially as Editor-in-Chief of Times Newspapers. We are grateful for his dedicated contribution and for the fact that he will continue to provide the industry with the benefit of his vast experience as Chairman of Reuters.

Last year I expressed my confidence in the future of International Thomson. The experience of the past twelve months, in which we dealt successfully with economic difficulties without slackening our progress, reinforces my view that an exciting and profitable future lies ahead.

*Thomson of Fleet*

Thomson of Fleet



- The continuing recession had severe effects on our UK publishing profits.
- Our UK company's continued and growing support for youth employment schemes and the Neath, South Wales project.
- A major expansion of our senior management training schemes.

**Financial**

Trading profit (after UK supplementary petroleum duty and UK petroleum revenue tax, but before interest expense and corporate income taxes), was £114.6 million and earnings were £51.5 million compared with £113.6 million and £43.5 million respectively in 1981.

Cash generated from operations was £106.0 million and the cost of acquisitions during the year totalled £41.0 million.

In the UK, Thomson Travel contributed a substantial profit to the Group results despite the absence of currency gains included in the record profits of 1981.

Thomson North Sea almost precisely matched its 1981 trading profit, generating excellent cash flows.

Thomson Regional Newspapers and Thomson Information Services improved their position over last year but they continued to be seriously affected by depressed advertising revenues. They accomplished their main objective of reducing their expenses significantly.

We now employ some 3,800 people in the US, and last year achieved sales of US \$399.7 million, representing some 19% of our total sales. Of this revenue 71% came from our information and publishing businesses, 24% from travel and 5% from oil and gas.

Our North American travel operation failed to reach the breakeven that we had planned but the companies showed some improvement over the previous year.

During 1982 the Group made continued and encouraging progress in achieving its objectives despite the poor economic environment throughout the world.

Points of particular significance during the year:

- Sales were £1,334.1 million, some 13% higher than in 1981.
- Earnings were £51.5 million compared with £43.5 million, an increase of 18.4%.
- Dividend payments to shareholders in January 1983 were increased over July 1982 payments by 15% (30% if expressed in terms of sterling).
- Progress in the development and acquisition programme in North America continued strongly.
- Our North American publishing businesses emerged as a significant and growing profit centre.
- Oil and gas production from the Piper and Claymore fields exceeded our forecasts.
- Our UK travel companies recorded an impressive performance to achieve their profit plans.
- Thomson Regional Newspapers completed the current stage of its reorganization, which will bring cost savings of £9.5 million in a full year.

Our US information and publishing companies achieved trading profit of US \$34.6 million before accelerated development expenditures. It may be helpful to remind you of the definition of accelerated development in our 1980 Annual Report:



*“Most businesses, as part of their normal operations, invest part of their profits each year in research, development and creating the products of the future. In other words, in expenditure which brings no immediate or current commercial benefit to the business. This we regard as a normal development cost and there are well understood business parameters of what that investment should reasonably be. Accelerated development is over and above this and is, in effect, exceptional development designed to broaden the base of the company, to bring forward its growth opportunities and to release any financial constraint on realising the full, medium and long term potential of the business.”*

In 1982 the total Group expenditure on accelerated development was £12.4 million of which £7.2 million was in North America and £5.2 million in the UK. The bulk of this investment related to developing new publishing imprints and products. The profit benefits of these programmes will bring a growing contribution in the next few years.

The short term impact of this policy is to depress earnings, since

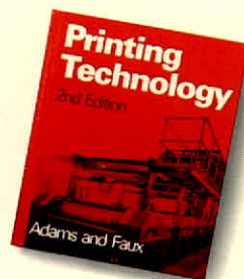
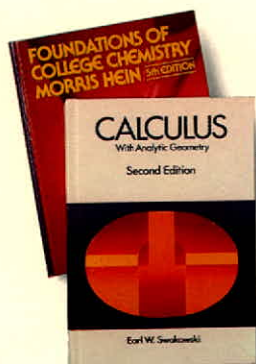
all such expenditure is expensed in the year in which it is incurred. We believe that the medium and long term benefits will more than compensate for the short term earnings sacrifice.

Accelerated development and business closure and redundancy costs expensed in 1982 amounted to £17.1 million.

### Information and Publishing

Over the past few years we have seen a fundamental change in the UK business environment in which Thomson Regional Newspapers operate. The new levels of unemployment have drastically reduced their revenue from employment advertising which historically has been the largest and most profitable single source of revenue.

In 1979 our regional newspapers achieved profits of almost £14 million; two years later they sustained losses and in 1982 they made only a marginal profit despite exceptional efforts to reduce costs (on an annual basis by £9.5 million) and strenuous and imaginative endeavours to develop new sources of revenue.







The message is now abundantly clear. Newspapers in the UK can no longer remain a laggard in the modern world, unable to use fully the available technology. The proper application of this technology will not only reduce unit costs but also enable us to develop the full market potential of our newspapers and possibly start new ones too. The Group has invested far more in these newspapers in recent years than they have earned. We have done so because of our continuing faith in their future, but I am now bound to say that further investment can only be justified by improved performance. That, however, will only come about by an agreement on all sides to accept major changes. Without such changes the future of the regional newspaper industry is not encouraging and it is unlikely to meet the mounting competition from free sheets, local radio, cable and satellite television and other electronic media. The clear message is not *if* the changes will take place but *when*. It has to be sooner rather than later if many of our newspapers are to survive let alone prosper. We must see meaningful progress this year.

Two years ago in the UK we reorganized Thomson Publications into Thomson Information Services. The change was designed to reflect the broadening of the Group's interests from a major dependence

on the printed word to an increasing emphasis on the newer information sciences with their different methods of distribution and dissemination. Of course many markets will continue to be served by conventional publishing and the printed word but increasingly the power of modern computers and new methods of communication provide opportunities to serve our market-places.

Information is one of the great natural resources of the eighties and beyond, and Thomson Information Services' main role in the years ahead is to exploit that potential.

Part of the UK group is Derwent Publications which has been one of the world's leading information companies for well over a decade. In recent years we have added Eurolex, which is developing very quickly an interactive on-line legal database; and ESDU International, producing physical property and design data for engineers.

Thomson Directories (jointly owned with Dun & Bradstreet) published 136 local directories in 1982. Significant progress has been made in this development but, due to the depressed business situation, the investment is proving to be costlier than originally anticipated. Nevertheless our objective is for Thomson Directories to be profitable in 1984.



International Thomson Publishing (formerly Thomson Magazines), which controls all the Group's magazine interests outside North America, improved its trading results, but the level of improvement was constrained by depressed advertising markets. Apart from those sectors where we enjoy market leadership, notably construction and textiles, we are developing publishing opportunities in such major growth sectors as electronics, health care and communications. Of growing importance to our magazine division is the increasing profit contribution we are enjoying from our strong publishing groups in Australia, South Africa, Scandinavia and West Germany. We expect the contribution from these sources to continue to expand significantly over the next five years.

In the US our information and publishing companies met the operating targets which were set for them. Several of them, notably Medical Economics and Callaghan, achieved outstanding results. Considerable effort went into development projects, which are progressing well.

Important expansion in the US included Wadsworth's acquisition of Anaheim Publishing, which makes them the major US college publisher in mathematical and computer sciences.

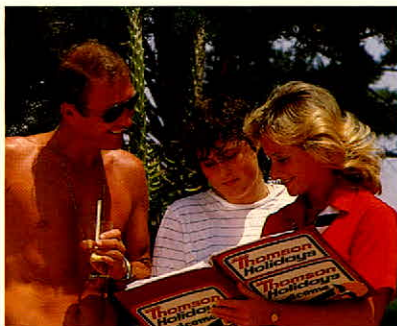
International Thomson Business Press bought the business publications and information services, covering the rapidly expanding telecommunications industries, from Titsch Publishing of Denver, making ITBP the dominant publisher in this field.

An important development was the setting up of International Thomson Information with the objective of serving those markets where newer technologies will dominate information dissemination. Research Publications and its associated companies became part of International Thomson Information. It also acquired Thomson & Thomson of Boston, the leading trademark search company in the US. INACOM International, set up to develop and distribute extensive databases of technical information, began to provide database information services to design engineers early in 1983.

Since the year end a major acquisition has been American Banker, Inc and The Bond Buyer, New York based publishers of the American Banker and The Bond Buyer and their related publications and information services. This purchase, for US \$58 million, puts us in the forefront of publishers serving the rapidly growing financial services area.



We have now established strong bases in North America covering four main sectors of the information and publishing industries - professional (primarily subscription based); educational and reference (generally the publishing of books); databased information; and business and specialist periodical publishing. From these sectors we plan to grow significantly by developing our own products and, where appropriate, by making further selective acquisitions.



Our UK book companies, which accomplished a turn-around in their fortunes in 1981, improved further in 1982 and figured prominently in the best seller lists.

In the UK the advent of 'cable' is being hailed as one of the major developments in communications of the twentieth century. We have been evaluating its implications with great care. We foresee opportunities for the business exploitation of some of the databases created by our subsidiaries and will move to take advantage of them at the appropriate time. We do not see, however, that it would be consistent with our commercial strategy to become involved in capital intensive, government franchised, cable installation.

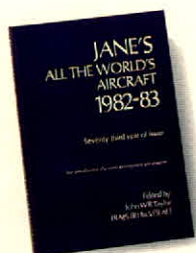
**Travel**

The successful development of our UK travel interests has undoubtedly been one of our major successes over the past decade, a period which has

seen the industry emerge from the convulsions of the early and mid-seventies into the more seasoned and mature industry of today. Thomson Holidays has become a strong market leader both in terms of market share and of customer satisfaction. The inclusive tour industry has always been very competitive and that has proved to be in the interests of the customer.

Those of us who were involved in the inclusive tour industry at the time will recall the impact of indiscriminate price cutting in the early and mid-seventies and its dramatic consequence - the major failures and bankruptcies of some tour operators and airlines. It would be wrong to think that a similar situation has developed in the early eighties and it is unlikely that members of a more mature and experienced industry will in the longer term indulge in damaging price cutting to win a temporary increase in market share. However, if that does happen we have successfully resisted the situation before and will do so again.

Britannia Airways, which is the second largest airline in the UK in terms of passenger miles flown, enjoyed a very successful year and is preparing to introduce the new



Boeing 767 into its fleet in 1984. There is great confidence in the future of this aircraft and in Britannia's ability to develop its use successfully.

The recession in the US has had a severe impact on the vacation market. The airlines are cutting prices severely in an attempt to improve load factors and this creates instability in pricing holidays. In this difficult environment our US travel businesses improved their performance over the previous year but fell significantly short of their budgeted revenues. The market continues to be difficult but we have confidence in the medium and long term profit potential in North America. The current year should show substantial improvement.

#### Oil and Gas

Thomson North Sea had a particularly successful year. Production from the Piper and Claymore fields, in which Thomson has a 20% interest, remained higher than anticipated and it is clear that the decision taken some three years ago to reduce the rate of Piper production in order to increase the field's economically recoverable reserves and its commercial life has proved highly effective. This has led to an excellent sustained production profile throughout the year in excess

of 200,000 barrels per day. Claymore also performed well averaging some 96,000 barrels per day.

The Flotta terminal staff handled these levels of production very efficiently, as well as production from the neighbouring Tartan field, which uses Flotta's facilities. It gives us particular satisfaction to report that the Flotta terminal (photographed left) won four environmental and safety awards during 1982.

Our consortium has made other discoveries in the North Sea which, though relatively small by Piper and Claymore standards, may be commercially viable in the years ahead. Changes proposed in the 1983 UK Finance Bill will give material assistance to the development of smaller fields.

Thomson North Sea is continually examining opportunities for farm-ins and associations with other investors and our exploration programme is being pursued vigorously.

North Sea oil has provided a high proportion of the resources which have enabled us to carry out the ambitious development programmes throughout the Group. A substantial portion of the cash flows from Piper



and Claymore has now been received further emphasizing the importance of the active policy of exploration and investment we have been pursuing.

In the US, the Thomson-Monteith partnership made two acquisitions of small working interests in long life producing oil fields, and pilot secondary recovery schemes in earlier acquisitions have been initiated. During the year four successful wells were drilled in the Columbus Air Force Base as an extension to the Corinne gas field. The Corinne field achieved excellent production though output was restricted by reduced industrial demand which meant that the profit plan was not achieved.

In developing oil and gas interests in the US we adopt cautious policies and lay down strict criteria which reduce risks and are aimed at earning good returns on our investment. The benefits of past oil and gas investments will produce an increasingly important profit contribution.

In Canada we have set up a similar operation, Thomson-Jensen, and have been successful in attracting as our partner Mr Dick Jensen, a very experienced executive from the oil industry.

### Prospects for 1983

Prediction, particularly in the short term, has never been more difficult. The world is still in recession but some signs of recovery are beginning

to emerge. Our planning for 1983 assumes that the UK economy will remain relatively depressed. Unemployment may continue to rise for some time yet and we are not anticipating any major improvement in UK advertising revenues. Oil prices are declining but the profit implications of the decline to date have been mitigated by an adjustment in the sterling/US dollar exchange rate. We have budgeted on the holiday market remaining relatively static; but despite a highly competitive environment we foresee a small increase in our market share.

In the US we are assuming a modest rate of economic growth. In information and publishing, because our companies are strong and operating for the most part in growing and stable markets, we are planning for further sound growth. Profitability will begin to be aided as some of the previous years' accelerated development projects start to make their contribution. Our interests in oil and gas and travel are expected to improve their performance. In 1982 North America made a strong, positive, contribution to the overall Group performance and in 1983 it is forecast to be significantly greater.



Our plans call for continuing investment in accelerated development projects throughout the world which will be expensed as incurred. However, as the new businesses and products become established, the net cost of these programmes will decline proportionately in the years ahead.

### The Future

1982 was a year of solid achievement in developing our overall Group strategy despite the difficult economic environment. In its main thrust our strategy remains the same. Let me reaffirm its salient features.

We shall continue to allocate resources to our existing businesses to enable them to develop their full potential within their own markets provided they meet the necessary financial criteria.

We shall strengthen the Group by broadening the mix and geographical spread of our activities and we shall place special emphasis upon developing our interests in North America. Our resources will be concentrated on those areas of business where we have experience and expertise.

We shall continue to take the longer term view of both organic development and acquisitions. We are concerned with building the strong businesses of the future.

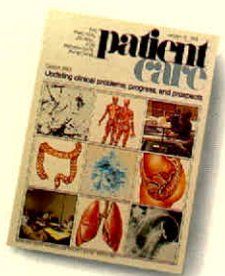
We shall emphasize the importance of "quality" both in acquisitions and the development of existing activities. In this context, by

"quality" we mean products and businesses where the risks remain largely within the control of management and which are not to a great extent susceptible to politics or economic cycles. In publishing we seek specialized, often unique, products which are essential to their users and products with strong growth potential which after an initial investment period will enjoy above average returns.

We review all our activities on a regular basis and we will seek to disengage from any business which, over a reasonable time span, is unable to match our criteria, or does not conform to our mainstream strategy.

We shall exercise great caution in investing in businesses dependent upon franchises or licences from other parties, particularly governments which have a habit of changing the ground rules when it suits them.

We seek to enhance our position as a leading international information and publishing business with strong interests in travel and natural resources. We shall continue to support our North Sea operations but over the coming years, as our existing oil production inevitably declines, we shall have replaced those finite resources with strong and stable businesses with long-term growth potential.





We are now well on the way to implementing this strategy which we set out to develop just five years ago. In doing so we have deliberately accepted a lower level of earnings in the short term because of the substantial costs involved in building our new businesses.

In my view we are approaching the end of this phase and the investments of the past few years will begin progressively to be reflected directly in earnings. I believe, too, that ultimate success will justify the patience and the sacrifice. Despite the present difficulties throughout the world I am very confident of the Group's future.

If our planning assumptions prove reasonably correct we should achieve a real growth in earnings in the years ahead, subject as always to any unforeseen circumstances.

The policies we are pursuing call for an exceptional quality of people to carry them through. It is for that reason that we expend great effort and much money on our various management programmes. In building the businesses of the future we are also concerned to develop the top managers of the future. We have fine executives and staff at all levels and many of them have outstanding potential. I am grateful for all that they have done to achieve a good result in a difficult year.

Finally, I would like to refer to the publicity which the Group has received in the UK for some of its activities under the general heading of social responsibility. We believe that industry and commerce in general have a duty to play their part in restoring the UK economic environment to vigorous health, both directly through modernization, improving productivity and enhancement of skills, and indirectly through full co-operation with government youth training schemes and employment initiatives. These aspects of the Group's activities are covered in some detail later in this report.

Gordon Brunton

*On pages 14 to 27 our interests in Information and Publishing, Travel and Natural Resources are dealt with in more detail.*



## United Kingdom

### Thomson Regional Newspapers

The economy remained depressed throughout 1982 and although TRN improved their performance by £4.6 million, compared to 1981, their trading profit is still very far from satisfactory.

Most of the improvement resulted from action in controlling costs. The headquarters was moved from London to Reading, with a major reduction in staff. In addition, staffing levels were reduced in publishing centres with the result that employees at the end of 1982 totalled 6,866 as compared with 7,424 at the end of 1981.

The need to reduce costs further remains, especially by utilizing modern technology to the full and achieving more efficient and flexible working practices. Savings achieved in 1982 amounted to £5 million, and will amount to £9.5 million in a full year. In spite of this, TRN will not achieve acceptable profitability unless there is continuing moderation in the level of wage settlements. Although revenues should improve when the general economy recovers, important categories of advertising such as 'situations vacant' are not likely to revert to previous volumes because of continuing high unemployment.

It remains important, therefore, to develop new sources of revenue against increased competition, in particular from the electronic media and free newspapers. TRN launched

five free newspapers in the course of 1982 and now publish 23, with revenues of £2 million.

Four titles were acquired during the year to enhance the market in the Chester area. Shortly after the year end the company at Inverness was sold and the closure of the Tottenham operation announced.

TRN are tackling the future with vigour and the professionalism of the staff is evidenced by the considerable number of major industry awards won in 1982 for editorial, advertising and sales promotion activities.

### International Thomson Publishing

*(formerly Thomson Magazines)*

Overall profits were significantly improved in 1982. The most substantial increases came from the UK and Australian companies. In the UK this resulted from the previous year's rationalization and more efficient sales, production and financial operations. As in 1982, no significant revival in our markets is foreseen during the current year. Nevertheless, the profitability of the business magazine division will benefit from the cumulative effect of improvements introduced over the past twelve months.

UK consumer magazines in general have been going through an extremely difficult period, and









Family Circle and Living are no exceptions. Although copy sales fell during 1982 there was an upturn in the last quarter, which is being maintained. This year a substantial investment is being made in the Group's women's monthly magazines which is intended to strengthen their competitive position.

The Australian company achieved record profits in 1982, despite the weakening of the economy. All sectors of the business did well, but in particular Cordells, the construction information business, made an excellent contribution. Together with its exhibition business it is expected to continue to develop this year.

The South African company suffered a severe decline in profits due to the sharpness of the recession and heavy investment in new products. Despite the expected continuation of depressed trading conditions a strong recovery is expected this year.

The Glass's Guide group, Bertelsmann-Thomson (44.8% interest) in Germany and the Scandinavian companies, all showed a small improvement in profit.

**Thomson Data**

Derwent Publications continued to enhance its position throughout the world as a leader in patents and pharmaceutical documentation, and once again achieved record profits.

Growth is taking place through the creation of new products in developing areas such as biotechnology. New uses of the

existing data are being established to provide specialized bulletins for particular customers and trade associations.

The Derwent online services, with databases accessible in the UK, US and Japan, are showing good growth in line with the trend towards electronic publishing. Plans were laid for inputting the whole of Derwent's valuable patents backlog material, comprising nearly four million patents, into machine readable form.

Research continues into new methods of storing and retrieving information using techniques such as automated microfilm retrieval and optical/videodiscs so that Derwent will be able to maintain its competitive position.

The Eurolex computer-assisted legal information retrieval project of the European Law Centre grew rapidly during 1982. Legal text available for research by lawyers on the computer database almost doubled to approximately 125 million words, contained in 20 major reference libraries covering the broad range of UK and EEC law and regulations.

By early 1983 lawyers working within over 200 subscribing organizations in government, commerce, law schools and private legal practices throughout Europe were actively researching legal



information on Eurolex through computer terminals in their own offices and libraries. Clients include the House of Lords, the European Parliament, the European Court of Justice and the EEC Commission.

At the same time marketing agreements concluded in 1982 with the Westlaw division of West Publishing, the largest legal publisher in the US, will ensure that during 1983 American lawyers will also have access to this increasingly important source of legal information.

ESDU Marketing became ESDU International following the acquisition of Engineering Sciences Data Unit from the Royal Aeronautical Society during 1982. The company produces physical property and design data for engineers. 1982 was a year of reorganization and integration of the two previously separate companies under strengthened management.

Investment is being made in export markets and new products, including the development of traditional hard copy data into formats suited to electronic techniques. During the year ESDU established a US base and has confirmed the North American market as one of substantial growth potential. Exploitation of this market will be the principal activity of 1983.

**Thomson Directories**

The year under review saw the publication of 136 Thomson Local Directories, providing localized "where to buy" information for products and services. Some 15

million copies were delivered, covering 70% of the homes in the UK, and containing data on 600,000 businesses.

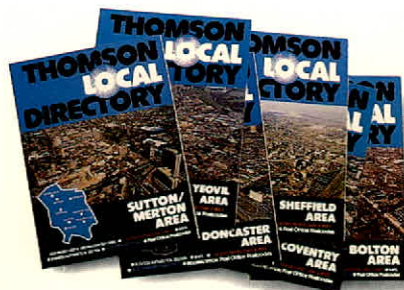
It was a year of mixed fortunes for this new operation. The economic recession held back advertising revenue growth, and exacerbated debt collection problems. These adverse factors were, however, offset to some extent by lower costs.

A 20% market share has been achieved after two years of operation. Recent independent research has produced encouraging evidence of growing acceptability and usage of the directories. Continued investment is required throughout 1983 to finance aggressive usage promotion and sales and marketing plans to support the publication of 145 Thomson Locals.

**Thomson Books**

The year was distinguished by very effective publishing by each of the imprints contributing to better company profits. This success must be measured against the continuing stringency in the UK market.

Both Hamish Hamilton and Michael Joseph were strongly represented in the bestseller lists, while the company's paperback imprint, Sphere, dominated the





market with more than a million sales of the E.T. film tie-in. Rainbird again added to the strength of its list with another fine sales performance and Jane's increased its number of yearbooks, gaining record sales. Jane's Defence Review in its second year clearly established itself as a leading journal in its market.

A reorganization at TBL Book Service, the company's distribution centre, marked the successful completion of the first phase of internal changes within the company that will contribute strongly to increases in future margins and profits.

**Thomson Withy Grove**

Despite strenuous efforts, circulations of the main sporting publications declined during the year, and continuing recession in the UK made trading difficult. The contribution from contract printing remains marginal, and the trading loss of the company was greater than in 1981. A variety of methods of improving the present unsatisfactory situation are being examined.

**North America**

**Professional publishing**

**International Thomson Professional Publishing**

In 1982, the professional publishing units were grouped into a coordinating company, International Thomson Professional Publishing to facilitate expansion of professional

publishing programs; to identify new businesses or products meeting the Group's criteria; and to develop policies for increasing growth in this area.

**Callaghan & Company**

Callaghan had another excellent year with sales and margins substantially exceeding 1981's strong showing.

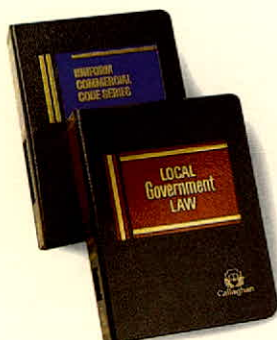
New product development continued apace. Nine new works comprising 17 volumes and two news-letters were published including such major multi-volume sets as Uniform Commercial Code Series, Federal Rules of Evidence Digest, Federal Grants and Cooperative Agreements and the completing volumes of Local Government Law.

The improved performance in 1982 also reflected better cost control and production scheduling under a strong management team operating together for its first full year.

Future prospects look bright, with an acceleration in the pace of the publishing program expansion and increased cost savings as automated systems are extended.

**Warren, Gorham & Lamont**

Record sales and a substantial profit improvement were achieved in 1982 by this company, which is a leading publisher in law, accounting, real estate, tax, banking, and, through Auerbach Publishers, in computers and computing.



WG&L published 16 new volumes, eight revisions, and 112 supplements in addition to two new periodicals in the year. The response to these innovations has been very encouraging especially the Afterman Accounting and Auditing Disclosure Manual; Arnold's Real Estate Investor's Deskbook; and Ellentuck's Year End Tax Planning Manual. WG&L also successfully launched a quarterly journal, Corporate Accounting.

The current year will again see a very strong publishing schedule, including the introduction of looseleaf services.

Auerbach Publishers had a successful sales year achieving record revenues. The editorial plans for this year cover telecommunications, robotics and other high technology fields.

**Clark Boardman Company**

Clark Boardman, a rapidly growing publisher of legal materials, had another good year with total revenues increasing by nearly 25%.

The company, which markets its products exclusively via direct mail and telephone, expanded its output in the areas of federal practice, securities regulation, criminal law and intellectual property.

Titles introduced in 1982 included the initial volumes of a series on real property law and international business, and textbooks on criminal justice. Clark Boardman publishes 60 legal treatises requiring annual

service, eight monthly law reports, and seven annual handbooks reviewing current developments in specialized areas of the law.

**Richard De Boo**

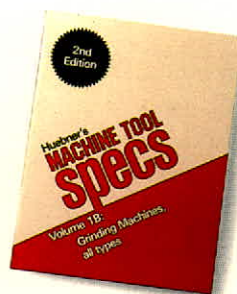
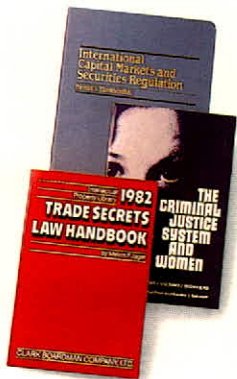
Richard De Boo made further progress following the turn-around begun in 1981, despite depressed economic conditions in Canada. Important new titles published included Income Tax References and Advocacy.

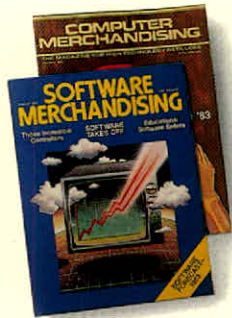
Late in 1982, Scott's Industrial Directories was sold because it no longer fitted in with future plans.

**Business publishing**

**International Thomson Business Press**

1982 was an extremely successful year for International Thomson Business Press. While many of its subsidiaries had to operate in the worst recessionary climate in business publishing history, the company still managed to increase sales by almost 25% and pre-tax profits by more than 40%, exclusive of 1982 acquisitions. ITBP's health care publications were particularly strong and more than compensated for the recession damaged performances of the automotive and engineering papers.





ITBP continued to acquire dominant information companies serving high growth industries. Heading the list was Titsch Communications, which provides the leading magazines, directories and databases serving the expanding fields of cable television and mobile communications. Other significant operations to join ITBP included Eastman Publishing, the leading publisher of magazines for retailers of small computers; Veterinary Pharmaceuticals and Biologics, the foremost directory publisher for the Veterinary Market; and Broad Run Enterprises, a database and microform publisher serving the automotive repair industry.

ITBP has now become one of the largest business magazine publishers in the US - a status earned in two and a half years. Since its creation in June of 1980, it has grown from a company with no publications to a company with over 60 information products/services and more than US\$125 million in revenue.

Although high quality, tactical acquisitions will be pursued, ITBP is now actively shifting its focus to the internal development of new publications and services. During 1982, eight major new products were launched including a weekly newspaper for the broadcast industry (Broadcast Week); a medical magazine focusing on advances in gerontology (Geriatric Medicine Today); a magazine serving retailers of computer programs (Software Merchandising); a computerized

data service for pharmacists (Redbook Data Services); and a new company (International Thomson Technology Information) to develop products for various high technology markets such as electronic engineering and office automation.

There were many features of ITBP's operations which were encouraging. Subscription and renewal response rates reached all time highs for many publications, indicating substantial reader acceptance. Advertising volume in a number of publications also reached record levels, reflecting strong business support during difficult economic times. The number of editorial awards received also increased. ITBP publications won six Jesse J. Neal awards (the premier award in business journalism) which is a reflection of the emphasis on quality.

Depressed conditions are expected to affect some automotive and metalworking publications in 1983 and will also diminish earnings in certain segments (e.g. nursing, medical laboratories, veterinary) of the health care market. Despite these conditions, however, ITBP expects to show real growth again in 1983.



**Education and reference publishing**

**Wadsworth**

Wadsworth's sales and profits growth again outperformed the US college textbook industry. Excluding the contribution from the two companies acquired in 1982, Anaheim Publishing and Lange Medical Publications, sales increased by 22%.

Anaheim is a leading publisher of computer science and data processing textbooks and its addition places Wadsworth in a strong competitive position in this rapidly growing market. Lange, a pre-eminent publisher of high quality books for medical students and practising physicians worldwide, will provide a solid base from which to build in the important area of medical education.

The company's traditional operating divisions, Brooks/Cole, PWS Publishers and Wadsworth Publishing, set new sales and profit records with more than 100 of its titles each achieving sales of over US \$100,000.

There were notable development successes. Kent Publishing's three new accounting texts had combined first year sales in excess of US\$1 million in a very competitive market-place. An Invitation to Fly from Wadsworth's Continuing Education Division, immediately dominated the field of introductory flight instruction and the six initial publications of Brooks/Cole's Engineering Division all exceeded their sales projections.

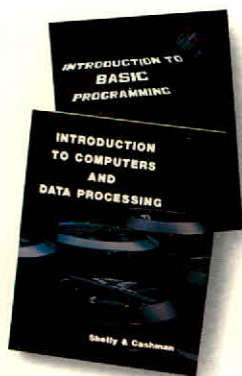
Substantial development took place at Wadsworth Electronic Publishing and 1983 will see the introduction of several microcomputer software packages.

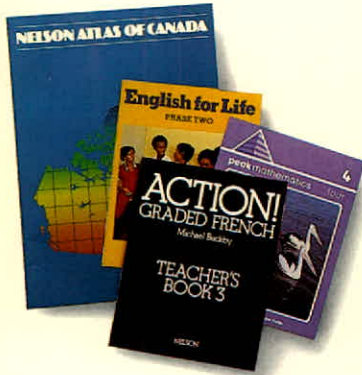
**Thomas Nelson International**

*(based in Canada with overseas interests)*  
Product development and market penetration continued in all countries served and profitability is improving.

**United Kingdom:** The Thomas Nelson primary course, Peak Maths, gained a substantial market share in the schools market as did Action!, the French course for secondary schools. Video courses for English Language Teaching concentrating on Japan and Northern Europe were successfully launched. At NFER/Nelson, a significant new schools test, British Picture Vocabulary Scale, was introduced successfully while a major initiative, The British Ability Scales, a new approach to individual assessment of children's abilities, was completed for an early 1983 launch.

Thomas Nelson's and Gee & Co's undergraduate lists were amalgamated with Van Nostrand Reinhold UK to form an important





undergraduate publisher, especially in the fields of engineering and finance. A new company, Professional Publishing, was established to develop high quality continuous reference works for the professions, and business and financial institutions.

**United States:** Delmar, a leading vocational publisher acquired in 1981, increased revenues by 24% with a commensurate growth in profitability and market share. Of particular note was the publication of the 4th edition of Basic Blueprint Reading and Sketching, a text that has now sold over three-quarters of a million copies. The company will develop publications in robotics, computer-assisted drafting, laser welding, fibre optics and microprocessor technology.

**Canada:** Nelson continued to dominate the school market in primary language arts, junior high mathematics and achievement testing, with a resulting profit increase. Fleet, a trade book house acquired in 1981 as part of the Litton transaction, incurred a substantial loss and was closed early in 1983.

**Australia:** Revenues grew 27% in 1982. The Young Australia primary reading course was a particular success, doubling its 1981 sales. Initiatives to strengthen and widen the company's base in both primary and secondary education are in hand.

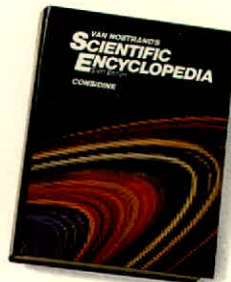
**Van Nostrand Reinhold**

VNR publishes high quality scientific, technical and reference information with good long term growth potential. While the primary emphasis is on conventional books for the practitioner, institutional and educational markets, VNR has a developing interest in computer software and in all forms of subscription publishing, including journals, newsletters and loose-leaf services.

In 1982 sales and profits for VNR were hit by the recession, particularly retail bookstore sales. Despite this, the company is vigorously implementing growth plans. To reinforce our strength in the professional and reference markets, four of the publishing companies previously operating under the banner of Science Books International have joined the VNR group in 1983.

A new publishing division and new imprint, Scientific and Academic Editions, was also established during the year to produce specialized monographs and advanced materials in the sciences.

Highlights of the year's publishing were the sixth edition of the world-renowned Van Nostrand Reinhold's Scientific Encyclopedia, the second edition of the Encyclopedia of Computer Sciences and Engineering, the Foods and





Food Production Encyclopedia, and the third edition of Encyclopedia of Management.

For the third consecutive year VNR won awards in the prestigious AAP Professional and Scholarly Publishing Awards.

**Science Books International**

The company finished the year on a positive note with a substantial sales increase over the 1981 level.

Heinle & Heinle doubled sales to over US \$1.2 million and more importantly emerged from 1982 as a recognized language publisher with a strong position in education and applied linguistics. The "Speak Pimsleur" audio cassette courses have become the standard language training programs for, among others, TWA, Digital Equipment and the American Nursing Association.

**Information**

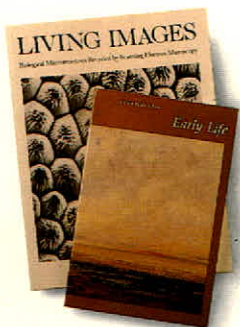
**International Thomson Information**

Formed in 1982 to provide a focus for International Thomson's activities in the fast growing US electronic information services market, this new company has two prime objectives: to develop profitable database and software publishing operations serving key professional markets, and to assist other International Thomson companies in evaluating the risks

and opportunities associated with information technology developments.

Identifying the engineering profession as a key market for advanced information services led to the establishment of INACOM International, concerned with the development and distribution of extensive databases of technical information. In October 1982, International Thomson Information acquired Thomson & Thomson, the leading US trademark search company, which has pioneered the use of computers and machine-readable files in its field and will soon launch the first on-line trademark search service.

Research Publications continues its development and its major new product, a microfilm collection of 18th century publications, is on schedule. Initial market response has exceeded expectations. Interest in library automation continues to grow indicating a promising future for REMARC, the Carrollton Press program to build an on-line database of Library of Congress back records.



DERIVENT PAT. NO. FAMILY INDEX MPI-CH 01-D 13 12/05/81 002

1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40
41	42	43	44	45	46	47	48	49	50
51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70
71	72	73	74	75	76	77	78	79	80
81	82	83	84	85	86	87	88	89	90
91	92	93	94	95	96	97	98	99	100



## United Kingdom

### Thomson Travel

The company had a satisfactory year with trading profit in line with plans but, as expected, not matching the record results of 1981.

Britannia Airways continued to perform strongly, turning in good profits, carrying well over four million passengers and increasing its share of the holiday market. In 1983 it will add two Boeing 737s to its fleet bringing the total to 31 aircraft. Early in 1984 two Boeing 767s, the latest twin-engined wide-bodied aircraft to be built, will join the fleet.

Britannia's maintenance and engineering services again earned valuable revenues.

Market trading conditions for the inclusive tour industry were more difficult in 1982 than in the last few years. Despite a significant loss of business in May and June, when the Falklands war had a strong impact on the travel business generally, Thomson Holiday sales improved considerably from July onwards and ended the year ahead of 1981.

Portland Holidays, our direct sell company, shared the experiences of many tour operators in the early summer months when a spate of discounting made it difficult to maintain margins and sales. Again, however, the situation improved markedly from July onwards and Portland increased its holidays sold substantially compared with the previous year.

Over the years Thomson Holidays has invested in computerized communications systems and one of the important recent developments has been the provision of on-line reservation facilities for 3,500 travel agents to enable them to make realtime bookings. This gives them a



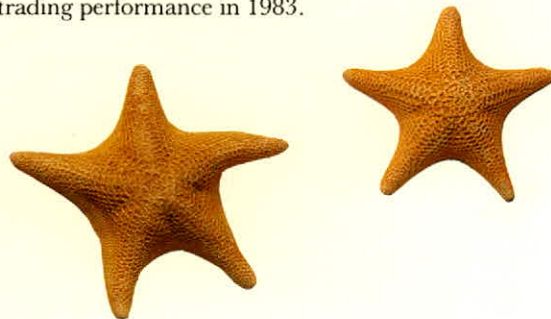
strong competitive advantage for the future.

All travel retailers, including Lunn Poly, found 1982 a very difficult year. Because of the recession, business travel suffered a severe downturn and in the holidays sector, a small decline in the market with minimal price rises created lower commission earnings. Nevertheless, Lunn Poly was able to expand its operations, acquiring MD Travel, the dominant business travel specialist in the North-West of England, and Turnbull Gibson in the City of London.

## North America

### Thomson Travel

This group had to contend with intense competition. There were massive losses in the US airline industry, and in the vacation market expenditure continued to decline. Holidays sold grew by some 25% over 1981 and Unitours, the west coast retail company, made a modest profit against much reduced commission levels from low priced airline and holiday sales. The group's California tour operator, trading as Club Universe, experienced a very slack market on some of its long-haul destinations, but Thomson Vacations, in Chicago, made good progress carrying some 60,000 passengers, a 40% increase over 1981. Thomson Vacations is now established in the public mind as a reliable and high quality operator. Late in 1982 they launched a new holiday program from Canada. With a slight improvement in the economic climate already evident in the US there should be a much improved trading performance in 1983.





## United Kingdom

### Thomson North Sea

Not only did the Piper and Claymore oilfields, of which TNS owns 20%, continue to produce satisfactorily, but it was a notable achievement that Piper maintained an average rate in excess of 200,000 barrels per day throughout the year. On April 7, 1983 Piper field produced its 500 millionth barrel of oil.

At 31 December, 1982 petroleum consultants, DeGolyer and McNaughton increased their estimate of recoverable oil reserves in the Piper field from 694.4 to 708.2 million barrels, based on expected higher recovery efficiency. Claymore reserves were unchanged at 389.8 million barrels. Approximately 68% of Piper reserves and 39% of Claymore reserves had been produced by the year end.

TNS participated in the exploration of seven new wells, three of which had encouraging results and on which the company plans further appraisal.

During the year the Flotta Terminal at Kirkwall, Orkney gained four new awards. These included the 1982 Gold Award from the Royal Society for the Prevention of Accidents (for the third time); the Business and Industry Panel for the Environment Gold Award, 1982; a Civic Trust Award, 1982, and The Association for the Protection of Rural Scotland Award, 1982.

**Forestry:** This now comprises 12 forestry properties in Scotland covering some 3859 hectares. There

are also partnership interests in three further properties covering 1100 hectares and further arrangements are being actively negotiated.

## North America

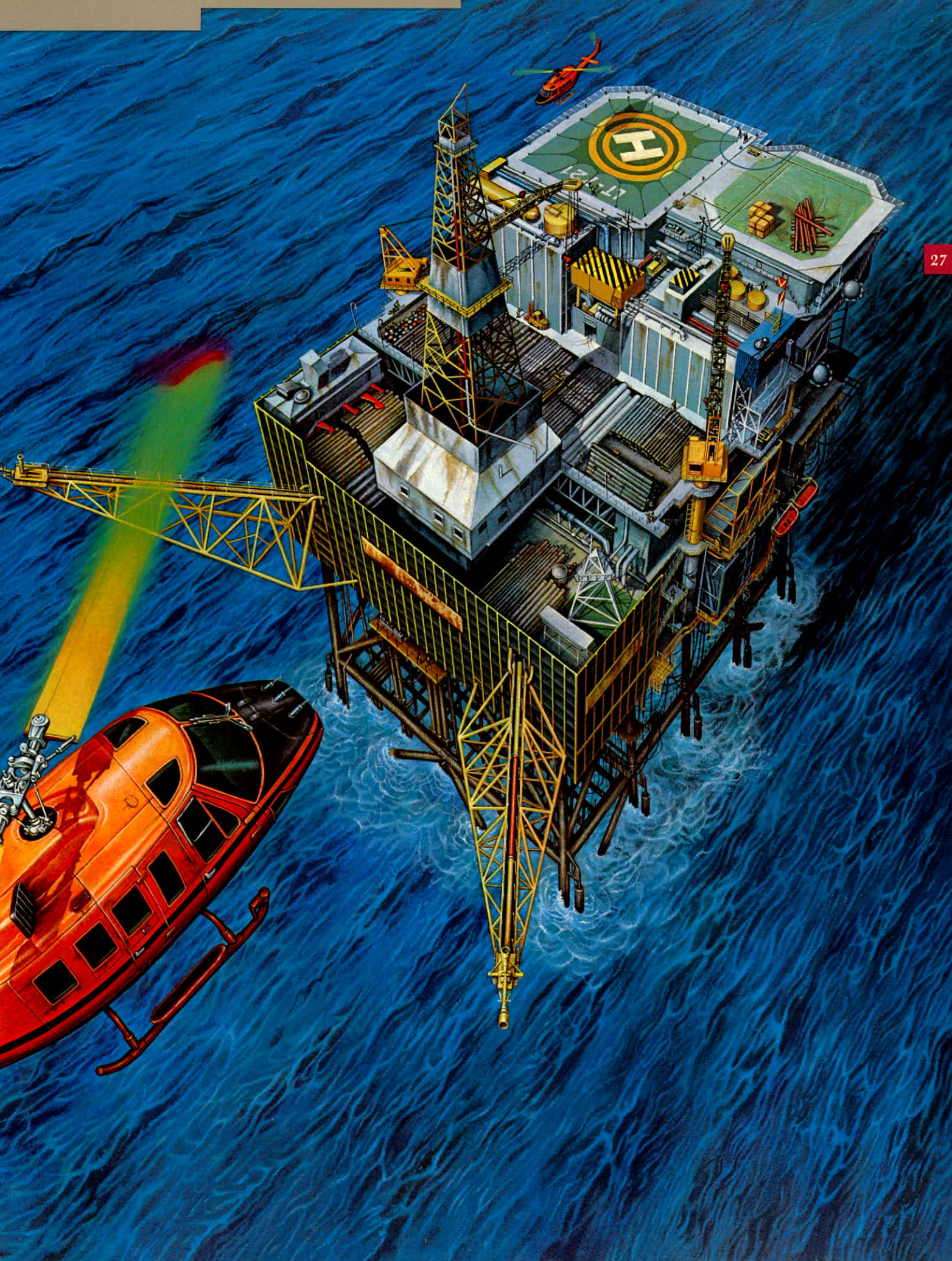
### Thomson-Monteith

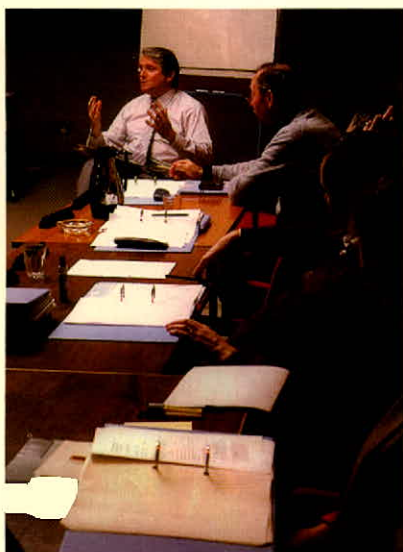
Thomson-Monteith, continuing to build its base, acquired interests in the Walker Creek and Brantley-Jackson Fields. These acquisitions added about 900,000 barrels of oil and 1.4 billion cubic feet of natural gas to Thomson-Monteith's net reserves. Four dual gas wells were drilled and completed on the Columbus Air Force Base and will begin production upon completion of a pipeline by the purchaser in 1983.

Plans have been finalized for a US\$12 million exploration program with joint venture partners, Montvale Energy (Grand Metropolitan) and Trafalgar House Oil & Gas, which will be managed by Thomson-Monteith.

Pilot studies are underway to test the potential of our properties purchased for secondary and tertiary reserves. If the techniques and applications are successful, these properties will generate attractive cash flows over a long period of time.







The commercial health of any company is measured not only by its assets and profitability, but also by the quality of its management, and our investment in management development is continuous. The cornerstone of our policy is the management audit based on an appraisal system. Succession planning is vitally important and we have replaced the traditional steps of training individual successors for specific posts by the development of groups of more broadly experienced and tested executives, who provide a reservoir from which future senior management appointments can be made.

In the UK two groups of executives have been formed. The more senior is linked to the Oxford

Centre for Management Studies with the emphasis on longer-term strategic thinking and planning.

The other group is involved in a continuous programme with the Management College at Henley. Here the objective is to equip them fully in management skills and to sustain their ability to manage businesses in times of turbulence and dramatic change.

An important factor for both groups is the emphasis on self development. Each manager determines his needs and the amount of time he can commit to them.

In the US, selected senior executives meet periodically to develop their management skills by, amongst other things, exposure to areas outside their present experience.

---

## Social Responsibility

No business is immune to the problems affecting society at large and this is particularly important at present in the UK. It was in recognition of this that we adopted a policy of social responsibility which makes available the inherent resources of our businesses to seek to alleviate the more manifest problems of our society. Unemployment has become the scourge of the eighties and it is our intention to assist where we can – whether it be nationally through government sponsored schemes or through local initiatives.

**Youth Employment Schemes:** In 1980 the UK government launched the Youth Opportunities Programme designed to provide work experience for 16 and 17 year olds who had been registered as unemployed for six or more weeks. Through this scheme 188 young people gained experience in the Group's UK divisions in 1981, increasing to 200 in 1982.

In September, 1983 the UK Youth Training Scheme replaces the Youth Opportunities Programme. This initiative sets out to build a permanent bridge between school

and employment for 16 and 17 year olds with more emphasis being placed on training and education. We plan to develop a scheme for approximately 200 trainees across our UK companies.

Additionally we give support to, and are represented on the boards of, organizations such as the CBI Special Programmes Unit and Business in the Community, which are making great efforts to stimulate youth training and employment.

**Neath Development Partnership:** Neath, in South Wales, like many other local areas in the UK, is suffering the effects of closures and retrenchment with unemployment forecast to reach 22%.

In August 1981 the municipal authority was approached and senior managers were seconded from the Group to help them find solutions to their unemployment problem. As a result, the Neath Development Partnership representing the municipality, employers, and trade unions was formed. Suggestions were put forward including the creation of workshops for small businesses and the development of tourism in the area and these are already operating.

A noteworthy achievement is the establishment of the Information Technology Centre where 30 young people are being trained in micro-electronics and product designing.

With our partners, we expect to achieve an initial target of 500-600 jobs. If all the developments are successful, we hope 2,000 new jobs will be created.





SED	0412	XP	404
100	0035	* HT	3450
10054	0041	FX	003
	007590	NC	0094
		ADD	00540

100  
001  
002  
003  
004  
005  
006  
007  
008  
009  
010  
011  
012  
013  
014  
015  
016  
017  
018  
019  
020  
021  
022  
023  
024  
025  
026  
027  
028  
029  
030  
031  
032  
033  
034  
035  
036  
037  
038  
039  
040  
041  
042  
043  
044  
045  
046  
047  
048  
049  
050  
051  
052  
053  
054  
055  
056  
057  
058  
059  
060  
061  
062  
063  
064  
065  
066  
067  
068  
069  
070  
071  
072  
073  
074  
075  
076  
077  
078  
079  
080  
081  
082  
083  
084  
085  
086  
087  
088  
089  
090  
091  
092  
093  
094  
095  
096  
097  
098  
099  
100

No. NAME

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

## Five year summary

<b>Consolidated statement of earnings</b>	(millions of pounds sterling except per share amounts)	1982	1981	1980	1979	1978
Sales		1,334.1	1,180.7	917.2	687.1	511.0
Trading profit		114.6	113.6	119.7	122.6	118.8
Earnings from continuing operations		51.5	43.5	45.1	55.2	47.5
Loss from discontinued operations of Times Newspapers Holdings Limited		—	—	(6.8)	(19.1)	(0.7)
Earnings before extraordinary items		51.5	43.5	38.3	36.1	46.8
Earnings for the year		51.5	43.5	19.7	36.1	46.8
Dividends		19.3	14.7	12.7	12.7	6.3
Earnings per share						
from continuing operations		37.0p	31.2p	32.4p	39.6p	34.1p
for the year		37.0p	31.2p	14.1p	25.9p	33.6p

<b>Consolidated balance sheet</b>	(millions of pounds sterling)	1982	1981	1980	1979	1978
<b>Assets</b>						
Current assets		335.9	276.3	205.0	233.9	201.2
Investment in associated companies		16.7	16.4	17.0	15.7	15.1
Oil and gas resource properties		154.2	163.6	166.8	158.2	149.1
Fixed assets		201.1	164.0	138.5	117.6	99.4
Publishing rights		112.8	77.8	52.1	30.3	20.3
Goodwill		33.6	28.5	15.8	8.9	5.4
		854.3	726.6	595.2	564.6	490.5
<b>Liabilities and shareholders' equity</b>						
Current liabilities		383.8	335.1	281.6	265.6	194.2
Long-term debt		87.6	62.8	47.7	60.2	101.6
Provision for site restoration costs		28.2	24.0	17.6	10.6	5.1
Deferred taxes		116.7	128.3	125.1	105.8	89.5
Minority interest		7.4	7.5	8.3	10.0	10.6
Shareholders' equity		230.6	168.9	114.9	112.4	89.5
		854.3	726.6	595.2	564.6	490.5

Prior year figures have been reclassified where necessary to conform with the current year's presentation.



**To the shareholders of  
International Thomson  
Organisation Limited**

We have examined the consolidated balance sheet of International Thomson Organisation Limited as at December 31, 1982 and the consolidated statements of earnings, retained earnings, and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of International Thomson Organisation Limited as at December 31, 1982 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



**Price Waterhouse**  
Chartered Accountants  
Toronto, Canada  
April 6, 1983

**Principles of consolidation**

The consolidated financial statements of International Thomson Organisation Limited (ITOL) include all companies in which it holds more than a 50% interest and are prepared in accordance with accounting principles generally accepted in Canada (note 1). Investments in associated companies over which ITOL has significant influence but holds not more than a 50% interest are accounted for by the equity method. The results of operations of subsidiaries and associated companies are included from their respective dates of acquisition.

Under a reorganization in 1978 the ordinary shareholders of The Thomson Organisation PLC (TTO), which became a wholly-owned UK subsidiary of ITOL, exchanged their ordinary shares of TTO for shares of ITOL and related shares of International Thomson Organisation PLC (ITOPLC) (formerly Thomson British Holdings Limited), ITOL's principal UK subsidiary. To reflect this reorganization and its effect on the interests of the shareholders, the reorganization was accounted for by consolidating, on a combined basis, the assets and liabilities of these constituent companies and their subsidiaries, and the results of their operations at amounts recorded in their financial statements.

Since the majority of the operations are in the United Kingdom the consolidated financial statements are expressed in pounds sterling.

**Inventories**

Inventories of raw materials, work in progress and finished goods are valued at the lower of cost, determined on a first-in first-out basis, and net realizable value.

**Oil and gas resource properties**

**(a) Consolidation method**

The proportionate consolidation method is utilized whereby the amounts included in the consolidated financial statements in respect of oil and gas joint ventures reflect the interest in the assets, liabilities, revenues and expenditures of those joint ventures attributable to the ITOL ownership percentage.

**(b) Exploration and development costs**

Exploration and exploratory well costs are expensed as incurred. Upon development of a successful field those costs which relate to the field, as well as development dry holes, are capitalized. Acquisition costs of resource properties are expensed if proven unproductive.

**(c) Depreciation, depletion and amortization**

The cost of producing properties is depleted and tangible and intangible expenditures thereon are depreciated or amortized on a unit of production basis over the proved developed reserves.

**(d) United Kingdom supplementary petroleum duty**

The amount charged against earnings in respect of UK supplementary petroleum duty is calculated at 20% of UK oil and gas sales, less an oil allowance and is a deduction in determining the profits subject to UK petroleum revenue tax.

**(e) United Kingdom petroleum revenue tax**

The amount charged against earnings in respect of UK petroleum revenue tax recognizes timing differences, arising mainly between the treatment of depreciation of oil and gas development costs for accounting and tax purposes. In reflecting such timing differences as deferred taxes in the financial statements, petroleum revenue tax is provided at the current rate (note 1).

**(f) Provision for site restoration costs**

The estimated cost of discharging certain liabilities which may arise in respect of site restoration costs at the end of production in the North Sea is being provided for on a unit of production basis.

**Fixed assets and depreciation**

Fixed assets are recorded at cost, except for major UK properties recorded at appraised values as at December 31, 1977 and are depreciated on a straight line basis over their estimated useful lives.

**Publishing rights**

Publishing rights of newspapers are stated at cost and are not amortized. Other publishing rights are stated at cost on acquisition and those acquired after the reorganization in 1978 are amortized over periods not exceeding forty years.

Based on annual reviews, any impairment in the values of publishing rights is written off against earnings.

**Goodwill**

Goodwill represents the excess of the cost of the investment in acquired businesses over values attributed to underlying net assets. Goodwill arising after March 31, 1974 is being amortized over periods not exceeding forty years. Based on annual reviews, any permanent impairment in the values of goodwill is written off against earnings.

**Deferred revenue**

Package tour revenue receivable in advance is included in deferred revenue until the date of tour departure.

Subscription revenue receivable in advance is included in deferred revenue until delivery of the related publication.

**Deferred income taxes**

The tax allocation method is followed in providing for income taxes whereby earnings are charged with income taxes relating to reported profits. Differences between such taxes and taxes currently payable, which result from timing differences between the recognition of income and expenses for accounting and tax purposes, are reflected as deferred taxes in the financial statements.

**Pensions**

The cost of pension plans, including past service costs, covering most employees is provided for and funded based on periodic actuarial valuations.

**Foreign currency translation**

(a) Assets, liabilities and the results of operations expressed in currencies other than pounds sterling are translated at December 31 rates of exchange.

(b) Foreign currency gains and losses arising from translation of the net investment in subsidiaries are included directly in shareholders' equity. Other foreign currency gains and losses are included in earnings.

The Canadian Institute of Chartered Accountants has issued a new standard on foreign currency translation to be effective July 1, 1983. This will call for certain changes in translation procedures which would not have a material effect on earnings for 1982 and prior years.

**Consolidated statement  
of earnings**

(millions of pounds sterling except per share amounts)

Year ended December 31

	1982	1981
Sales (note 2)	1,334.1	1,180.7
Cost of sales, selling, general and administrative expenses	947.2	811.7
Depreciation, depletion and amortization (note 3)	58.1	49.1
UK supplementary petroleum duty	71.6	67.8
UK petroleum revenue tax	142.6	138.5
	1,219.5	1,067.1
Trading profit (note 2)	114.6	113.6
Net interest expense (note 4)	8.1	5.3
Income taxes (note 5)	53.9	63.6
Minority interest	1.1	1.2
Earnings for the year	51.5	43.5
Earnings per share	37.0p	31.2p

**Consolidated statement  
of retained earnings**

(millions of pounds sterling)

Year ended December 31

	1982	1981
Balance at beginning of year	132.9	78.9
Earnings for the year	51.5	43.5
	184.4	122.4
Foreign currency translation gains	29.5	25.2
	213.9	147.6
Dividends (note 6)	19.3	14.7
Balance at end of year	194.6	132.9

**Consolidated  
balance sheet**

(millions of pounds sterling)

December 31

1982 1981

**Assets**

## Current assets:

Cash and bank term deposits	60.7	48.2
Short-term investments, at cost which approximates market	25.0	11.9
Accounts receivable	139.4	125.0
Inventories (note 7)	48.8	43.8
Prepaid expenses and other	62.0	47.4

335.9 276.3

## Investment in associated companies

16.7 16.4

## Oil and gas resource properties (note 8)

154.2 163.6

## Fixed assets (note 9)

201.1 164.0

## Publishing rights

112.8 77.8

## Goodwill

33.6 28.5

854.3 726.6

**Liabilities and  
shareholders' equity**

## Current liabilities:

Bank indebtedness	27.0	17.4
Accounts payable	127.8	113.8
Deferred revenue	51.9	46.4
Dividends payable	10.9	8.0
UK supplementary petroleum duty	19.0	18.0
UK petroleum revenue tax	77.2	72.2
Income taxes	52.0	44.3
Current portion of long-term debt (note 10)	18.0	15.0

383.8 335.1

## Long-term debt (note 10)

87.6 62.8

## Provision for site restoration costs

28.2 24.0

## Deferred taxes (note 11)

116.7 128.3

## Minority interest

7.4 7.5

## Shareholders' equity:

Share capital (note 12)	36.0	36.0
Retained earnings	194.6	132.9

230.6 168.9

854.3 726.6

Approved by the board

Thomson of Fleet, *Director*Gordon Brunton, *Director*

**Consolidated statement  
of changes in  
financial position**

(millions of pounds sterling)

Year ended December 31

1982 1981

**Sources**

Cash generated from operations:		
Earnings from operations	51.5	43.5
Items not involving funds:		
Depreciation, depletion and amortization	58.1	49.1
Provision for site restoration costs	4.2	6.4
Deferred taxes	(8.9)	3.7
Minority interest	1.1	1.2
	<u>106.0</u>	<u>103.9</u>
Decrease in working capital excluding cash*	12.4	10.3
Proceeds from long-term debt	39.1	35.7
Disposal of investments	0.4	2.2
Foreign currency translation gains	5.5	2.6
	<u>163.4</u>	<u>154.7</u>

**Uses**

Cash invested:		
Acquisition of businesses, less cash*		
therein of £3.3 million (1981 - £2.8 million)	41.1	42.4
Additions to fixed assets less disposals of		
£5.2 million (1981 - £2.2 million)	48.9	31.6
Additions to oil and gas resource properties	18.0	20.1
	<u>108.0</u>	<u>94.1</u>
Dividends	19.3	14.7
Dividends paid by subsidiaries to minority interests	1.1	1.1
Reductions of long-term debt	19.0	28.8
Other	—	0.4
	<u>147.4</u>	<u>139.1</u>
Increase in cash*	16.0	15.6

\*Cash comprises cash, bank term deposits and short-term investments less bank indebtedness.

## Notes to consolidated financial statements

(unless otherwise stated, all figures are in millions of pounds sterling)

### 1 Accounting policies

(a) A summary of significant accounting policies of International Thomson Organisation Limited (ITOL) and its subsidiaries is presented on pages 32 and 33.  
(b) Change in accounting for UK petroleum revenue tax:

In 1982 the deferred liability for UK petroleum revenue tax (PRT) has been provided at the current rate which is an accepted industry practice. This is a

change from prior years when the PRT deferred liability was accumulated at the effective rate in each year. Additionally, PRT relief has been recorded for future site restoration costs whereas in previous years no such relief was recorded.

The effect of the change in accounting for PRT on the financial statements in 1982 and prior years is not material.

### 2 Segmented information

ITOL is a financial holding company for a group of companies whose principal activities are publishing periodicals, books and UK regional newspapers and providing information services, operating travel companies and participating in the

exploration, development and operation of North Sea and other oil and gas fields. The tables below show certain information relating to the principal activities:

#### Business segment

	Sales		Depreciation, depletion and amortization		Trading profit	
	1982	1981	1982	1981	1982	1981
Publishing*	436.0	343.6	16.2	10.9	11.3	10.1
Travel	424.6	383.5	8.7	8.2	18.0	28.3
Oil and gas <sup>(1)</sup>	435.9	415.1	31.5	29.4	93.3	89.2
Other	37.6	38.5	1.7	0.6	(8.0)	(14.0)
	<b>1,334.1</b>	<b>1,180.7</b>	<b>58.1</b>	<b>49.1</b>	<b>114.6</b>	<b>113.6</b>

\*Publishing trading profit is stated after charging accelerated development expenditure and business closure and reorganization costs.

	Additions to publishing rights and goodwill		Additions to fixed assets and resource properties		Assets	
	1982	1981	1982	1981	1982	1981
Publishing	31.9	31.5	22.0	28.6	394.1	326.7
Travel	1.1	0.1	32.9	8.6	136.1	119.5
Oil and gas	—	—	18.0	20.1	203.2	210.8
Other, including funds available for investment	—	—	2.3	2.6	120.9	69.6
	<b>33.0</b>	<b>31.6</b>	<b>75.2</b>	<b>59.9</b>	<b>854.3</b>	<b>726.6</b>

#### Geographic segment

	Sales		Trading profit		Assets	
	1982	1981	1982	1981	1982	1981
United Kingdom	1,037.1	984.7	107.6	115.9	476.5	451.6
United States <sup>(2)</sup>	247.1	153.0	8.5	(2.6)	288.5	215.3
Canada	14.0	12.6	(3.1)	0.3	15.3	12.1
Other countries	35.9	30.4	1.6	—	74.0	47.6
	<b>1,334.1</b>	<b>1,180.7</b>	<b>114.6</b>	<b>113.6</b>	<b>854.3</b>	<b>726.6</b>

(1) Oil and gas sales are before deduction of UK Government royalties of £46.6 million (1981 - £42.4 million).

(2) At December 31, 1982 the US \$/£ sterling rate of exchange was US\$1.6175:£1 (1981 - US\$1.91:£1).

**Notes to consolidated  
financial statements**

<b>3 Depreciation, depletion and amortization</b>	1982	1981
Fixed assets	20.2	16.7
Oil and gas resource properties	31.5	29.4
Publishing rights and goodwill	6.4	3.0
	<b>58.1</b>	<b>49.1</b>

<b>4 Net interest expense</b>	1982	1981
Interest on long-term debt	10.1	11.1
Interest on short-term debt	6.8	2.4
Interest income	(8.8)	(8.2)
	<b>8.1</b>	<b>5.3</b>

**5 Income taxes**

The potential tax benefits arising from approximately £32.0 million of the accumulated losses in the United States which expire in the years 1995 to 1997, will be included in earnings when realized.

<b>6 Dividends</b>	1982	1981
During 1982 the directors of ITOL and ITOPLC declared dividends payable on the following dates on the related shares of these companies:		
<i>July 15, 1982</i>		
ITOL - common shares, US 10.8512 cents (1981 - US 6.6125 cents) per share	0.2	0.9
- convertible shares - see below (1981 - 5.25p per share)	—	0.1
ITOPLC - common shares, 6.0051p (1981 - 3.1699p) per share	8.2	0.3
- convertible shares - see below (1981 - 5.25p per share)	—	5.4
<i>January 14, 1983</i>		
ITOL - common shares, US 12.4789 cents (1981 - US 10.8512 cents) per share	0.2	0.2
ITOPLC - common shares, 7.8042p (1981 - 5.775p) per share	10.7	7.8
	<b>19.3</b>	<b>14.7</b>

On December 7, 1981 each ITOL convertible share was reclassified into an ITOL common share, and each related

ITOPLC convertible share was converted into a related ITOPLC common share (note 12).

<b>7 Inventories</b>	1982	1981
Raw materials	7.7	8.7
Work in progress	8.9	7.8
Finished goods	32.2	27.3
	<b>48.8</b>	<b>43.8</b>



**Notes to consolidated  
financial statements**

**8 Oil and gas  
resource properties**

		Cost	Accumulated depreciation, depletion and amortization	1982 Net	1981 Net
<i>United Kingdom</i>	Piper Field	77.8	52.4	25.4	32.6
	Claymore Field	89.4	33.1	56.3	62.4
	Shared facilities	74.1	42.6	31.5	39.4
		241.3	128.1	113.2	134.4
<i>North America</i>	Corinne Field	34.6	13.8	20.8	20.8
	Other	20.7	0.5	20.2	8.4
		296.6	142.4	154.2	163.6

**9 Fixed assets**

	Depreciation period	Cost or appraised value	Accumulated depreciation	1982 Net	1981 Net
Land and buildings	15 to 40 years	72.7	6.6	66.1	56.9
Machinery and equipment	3 to 25 years	104.4	41.2	63.2	52.6
Aircraft and spares	12 years	101.9	30.1	71.8	54.5
		279.0	77.9	201.1	164.0

Major UK properties were appraised at December 31, 1977 by Leavers of London, England, at open market value as between a willing buyer and a willing seller. The

appraisal surplus included above of £8.2 million (1981 - £8.2 million) was merged with retained earnings in accounting for the 1978 reorganization.

**10 Long-term debt**

	1982	1981
<i>Repayment related to oil and gas sales proceeds in the United States:</i>		
Bank loans - secured 1983-1986	15.9	13.3
Other secured obligation	2.8	4.7
	18.7	18.0
<i>Repayment not related to oil and gas sales proceeds:</i>		
Bank loans - unsecured 1983-1988	77.1	51.0
Other debt - secured 1983-1999	9.8	8.8
	86.9	59.8
Total long-term debt	105.6	77.8
Less: portion included in current liabilities	18.0	15.0
	87.6	62.8
Denominated in:		
Pounds sterling	44.8	36.9
US dollars	52.3	35.1
Other currencies	8.5	5.8
	105.6	77.8

Interest rates on bank loans vary up to ¾% above US prime rate or London inter-bank offered rate.

Long-term debt maturities in each of the next five years are: £18.0 million in 1983; £48.8 million in 1984; £4.2 million in 1985; £3.1 million in 1986 and £27.8 million in 1987.

**11 Deferred taxes**

Deferred taxes comprise the liability for petroleum revenue tax of £52.7 million (1981 - £62.7 million) and deferred income taxes of £64.0 million (1981 - £65.6 million).

No provision has been made for the potential UK tax liability of £8.4 million (1981 - £6.0 million) which may arise principally on:

(a) property appraisal surplus (note 9) as there is no present intention of disposing of the appraised properties; and  
(b) realized gains resulting from the disposal of certain assets, as these gains are deferred for tax purposes under rollover provisions.

**12 Share capital**

On December 7, 1981 the holders of ITOL common and convertible redeemable preference shares (convertible shares) approved an amendment to the Articles whereby all issued and unissued convertible shares were reclassified into an equal number of common shares, and consequent to the

reclassification the authorized capital is divided into 200,000,000 common shares without par value. At the same time under a similar procedure each convertible share of ITOPLC was converted into a common share of ITOPLC.

*Authorized and issued share capital at December 31, 1982:*

*International Thomson Organisation Limited*

Authorized:  
200,000,000 common shares without par value

Issued:  
139,324,878 common shares

1982 1981

34.6 34.6

*International Thomson Organisation PLC*

Authorized and issued share capital related to that of International Thomson Organisation Limited

Authorized:  
200,000,000 common shares with a par value of 1p each (non-voting)

Issued:  
139,324,878 common shares

1.4 1.4

36.0 36.0

*ITOL and ITOPLC related common shares:*

Each common share of ITOL has related to it one common share of ITOL's principal UK subsidiary, ITOPLC. The common shares of each company are only transferable with the related common shares of the other company.

Dividends will be paid on the shares of either ITOL or ITOPLC at the option of the shareholder. These dividends will be paid on the ITOPLC shares unless the shareholder has elected in writing to receive dividends on the ITOL shares. If the ITOPLC shares have been deposited with Montreal Trust Company as depositary of ITOPLC shares pursuant to a deposit agreement, the holder thereof will be deemed to have elected to receive dividends on the ITOL shares unless he has elected in writing to receive dividends on the ITOPLC shares. Dividends are payable according to elections in force, notwithstanding transfers of shares. Elections

may be withdrawn or new elections made at any time.

Dividends on ITOL shares are payable in US dollars. Dividends on ITOPLC shares are payable in pounds sterling in the same amount based on the pound sterling/US dollar rate of exchange at 11 a.m. in London, England on the business day prior to that on which the dividend is declared.

Dividends on the ITOPLC shares are payable in priority to any dividend on the ITOPLC voting ordinary shares, all of which are held by ITOL.

The ITOL shares are voting shares. ITOPLC common shares are non-voting and may be redeemed by ITOPLC at any time at their par value on not less than six months' prior notice.

**13 Acquisitions**

During 1982, businesses were acquired by wholly owned subsidiaries of ITOL, the majority of which are involved in publishing activities in the United States.

The following is a summary of these acquisitions which have been accounted for on the purchase basis and where applicable are translated at the exchange rate ruling at the date of acquisition:

Working capital including cash of £3.0 million	8.5
Fixed assets	2.9
Publishing rights	19.7
Goodwill	10.6
Long-term debt	(0.7)
Cost	41.0

**14 Contingencies and commitments**

*(a) Performance guarantees*

Indemnities have been given to banks amounting to £11.5 million (1981 - £8.8 million) to cover guarantees given by those banks to third

parties covering performance by certain subsidiary companies of their obligations in providing package tour holidays.

*(b) Lease commitments*

Lease payments in 1982 and minimum future payments are as follows: 1982, £17.7 million; 1983, £12.5 million; 1984, £10.5 million; 1985, £8.2 million;

1986, £7.3 million; 1987, £6.5 million; 1988-2010, £63.3 million.

*(c) Contingent liabilities*

There are contingent liabilities in respect of the performance by a subsidiary company of its obligations as a member of joint ventures involved in exploring for, developing and operating oilfields in blocks licensed to it in the North Sea, which include that, in the event of a failure by any member of the joint ventures to pay its share of joint venture

expenditure, the subsidiary would have a liability to contribute proportionately towards the defaulting party's liability. Any amounts so advanced would be secured on the defaulting party's share of the joint venture assets.

*(d) Capital expenditure*

	1982	1981
Capital expenditure contracted but no related liability incurred at end of year	81.5	35.8
Capital expenditure authorized but not contracted for at end of year	9.8	47.0
Share of joint venture capital expenditure program on the North Sea oilfields authorized but no related liability incurred at end of year	15.2	14.6
	106.5	97.4

**15 Subsequent event**

In March 1983 American Banker, Inc and The Bond Buyer, New York based publishers, were acquired by a wholly-

owned subsidiary for a consideration of US\$58.0 million which was wholly financed by a bank loan.

## Information and Publishing

## United Kingdom

**Thomas Nelson International**

*Educational, trade, professional and reference publishers*

**Thomas Nelson and Sons Ltd**  
*Primary, Secondary and English language teaching*

**Van Nostrand Reinhold Company Ltd**  
*Professional, reference, college, trade*

**NFER-Nelson Publishing Company Ltd**

(50% holding)  
*Measurement and guidance, psychological tests, educational research*

**Nelson Filmscan Ltd**

*English language teaching by video*

**Professional Publishing Ltd**

*Professional publishing*  
Gee & Co Ltd  
Bondholders Register  
Laureate Press

**Thomson Books Ltd**

*General trade*

**Hamish Hamilton Ltd**  
Hamish Hamilton Children's Books  
Elm Tree

**Michael Joseph Ltd**  
Pelham Books  
Mermaid Books

**Rainbird Publishing Group Ltd**

*Reference*

**Jane's Publishing Company Ltd**

*Paperback*

**Sphere Books Ltd**  
Abacus  
Celtic Revision Aids

*Distribution*

**TBL Book Service Ltd**

**Thomson Information Services Ltd****International Thomson Publishing Ltd (formerly Thomson Magazines Ltd)**

*Business publications*

Big Farm Management  
Big Farm Weekly  
British Journal of Hospital Medicine  
Building Trades Journal  
Communications International  
Construction News  
Construction News Magazine  
Construction News Scotland  
Drapers Record  
Engineering Capacity  
Fashion International  
Hospital Development  
Hospital Equipment & Supplies

Meat  
Meat Trades Journal  
Men's Wear  
New Electronics  
Plant International  
Retail Jeweller

**Glass's Guide Service Ltd**  
(51% holding)

*Consumer publications*

Burlington Magazine  
Cheshire Life  
Circle Books

Family Circle  
Gloucestershire & Avon Life  
Illustrated London News  
Lancashire Life  
Living  
Natural World  
Pins and Needles  
Political Quarterly  
Warwickshire & Worcestershire Life  
Yorkshire Life

**Thomson Data Ltd**

*Patent information, micropublishing, legal publishing and data marketing*

**Derwent Publications Ltd**  
(92% holding)

**Computacar Ltd**

**ESDU International Ltd**

**European Law Centre Ltd**  
Commercial Laws of Europe  
Common Market Law Reports  
European Commercial Cases

Eurolaw Commercial Intelligence  
European Human Rights Reports  
European Law Digest  
Fleet Street Reports  
EUROLEX (Legal Database)

**Thomson Directories**

(50% partnership)

*Local directory publishers*

**Thomson Regional Newspapers Ltd**

*Regional newspaper publishers*

**Aberdeen Journals Ltd**

The Press & Journal  
Evening Express  
Citizen (free)  
Scene (free)

**Belfast Telegraph Newspapers Ltd**

Belfast Telegraph  
Ballymena Observer  
East Antrim Times

**The Berkshire County Advertiser Ltd**

Ascot Times  
Bracknell Times  
Crowthorne Times  
Wokingham Times  
Times Advertiser (free)

**Celtic Press Ltd**

Aberdare Leader  
Abergavenny Gazette  
Glamorgan Gazette  
Gwent Gazette  
Llantrisant Observer  
Merthyr Express  
Mountain Ash Leader  
Neath Guardian  
Pontypridd Observer

Port Talbot Guardian

Rhondda Leader  
Rhymney Valley Express  
Glamorgan Star (free)  
Merthyr Star (free)

**The Chester Chronicle & Associated Newspapers Ltd**

Chester Chronicle  
Crewe Chronicle  
Middlewich Chronicle  
Nantwich Chronicle  
Northwich Chronicle  
Whitchurch Herald  
Winsford Chronicle  
Chester Mail (free)  
Ellesmere Port Mail (free)

**Edinburgh Advertiser Ltd**

Edinburgh Advertiser (free)

**Evening Post-Echo Ltd**

Evening Post-Echo  
(Luton, Watford & Dacorum)  
Aylesbury Plus (free)  
Dunstable & Leighton Linlade Plus  
(free)  
Watford Plus (free)

**Lunstone Ltd**

Runcorn Weekly News  
Widnes Weekly News  
Frodsham & Helsby News (free)  
Penketh & Great Sankey News (free)

**Newcastle Chronicle & Journal Ltd**

The Journal  
Evening Chronicle  
Sunday Sun

**North Eastern Evening Gazette Ltd**  
Evening Gazette (Teesside)

**The North Western Newspaper Company Ltd**

Evening Star (Burnley)  
Lancashire Evening Telegraph  
(Blackburn)  
Blackburn & Darwen Mail (free)  
Burnley & Padiham Mail (free)

**Thomson Regional Newspapers Ltd***(cont)***The Scotsman Publications Ltd**The Scotsman  
Evening News (Edinburgh)**Thames Valley Newspapers Ltd**Evening Post (Reading)  
Reading Weekly Post (free)**Warrington & Company Ltd**

The Advertiser (Newcastle) (free)

**Western Mail & Echo Ltd**Western Mail (Wales)  
South Wales Echo (Cardiff)  
Barry Post (free)  
Caerphilly Post (free)  
Cardiff Post (free)Newport and Cwmbran Post (free)  
Penarth Post (free)**Lancashire & Cheshire County Newspapers Ltd** (50% holding)Macclesfield Express Advertiser  
Salford City Reporter & Advertiser  
Stockport Express Advertiser  
Stockport Times (free)  
Wilmslow Express Advertiser (free)*Newspaper printing contractors*Evening Post-Echo Limited  
Thames Valley Newspapers Limited*Newspaper consultants*Thomson International Press  
Consultancy Limited*Retail newsagents*F. J. Glendon Limited  
Mills (North British) Limited  
Ombler & Sons Limited**Thomson Withy Grove Ltd***Newspaper printing contractor***Sporting Chronicle Publications Ltd***Specialist horse racing publishers*  
Sporting Chronicle  
Sporting Chronicle Handicap BookSporting Chronicle Horses in Training  
Raceform Up-to-Date  
Raceform Up-to-Date Flat Annual  
Raceform Up-to-Date National Hunt  
Annual**Withy Grove Press Ltd***General printing***Thomson Withy Grove Transport Ltd***Newspaper distribution contractor***Information and Publishing****United States****Professional Publishing****American Banker, Inc and The Bond Buyer Inc***Leading providers of information to the financial services community, primarily in the banking, thrift, municipal and public finance industries**Publications*American Banker  
The Bond Buyer  
The Weekly Bond Buyer  
Directory of Municipal Bond Dealers*Information services*Inconet  
Innerline  
Munifacts**Callaghan & Company***Specializing in all types of legal publishing, with particular emphasis on corporation and commercial law, municipal law, federal law, taxation, and all aspects of trial and general practice**Recent titles include:*Uniform Commercial Code Series  
Federal Rules of Evidence Digest  
Federal Grants and Cooperative  
AgreementsProof of a Prima Facie Case  
Defense of a Prima Facie Case  
Fletcher Corporation Law Advisor  
Law of Corporate Officers and Directors  
New York Products Liability  
Local Government Law**Clark Boardman Company, Ltd***Publishers of legal treatises, annual handbooks and monthly law reports, specializing in the law of immigration,**antitrust, zoning, securities regulation, insurance, international transactions, criminal practice, licensing, patents and**trademarks, federal practice, and entertainment***Warren, Gorham & Lamont, Inc***Publishers of professional books, looseleaf services, newsletters, journals and directories, primarily in the fields of tax, banking, business, law, real estate, accountancy and medicine*Journal of Taxation  
Federal Income Taxation of  
Corporations and Shareholders  
Brady on Bank Checks  
Real Estate ReviewJournal of Business Strategy  
Corporate Accounting  
Accounting and Auditing Disclosure  
Manual  
Truth-in-Lending  
Thorndike Encyclopedia of Banking  
and Financial Tables  
Federal Taxation of Income, Estates  
and Gifts  
Law of Real Estate Financing**Auerbach Publishers Inc***Publishers of professional books, looseleaf services, newsletters, journals and directories on computers and information management*

**Business Publishing****International Thomson Business Press Inc**

*Business publishing and information sciences*

**Broad Run Enterprises Inc**

*(a subsidiary of Ward's Communications Inc)*  
Tectacts

**CES Publishing Corporation**

Audio Times  
Auto Sound & Communications  
Computer Merchandising  
Consumer Electronics Daily  
Consumer Electronics Monthly  
Consumer Electronics Show Daily  
Video Business

**Eastman Publishing, Inc**

Computer Merchandising  
Software Merchandising

**Huebner Publications, Inc**

Designfax  
Fastener Technology  
Machine Tool Specs Directories  
Metifax  
Tooling & Production  
Wire Technology

**International Thomson Transportation Information Services Inc**

Brandon's Shipper & Forwarder  
Pacific Shipper  
Coast Marine and Transportation Directory

**Medical Economics Company Inc**

Clinical Laboratory Reference  
Contemporary OB/GYN  
Diagnosis  
Diagnostic Medicine  
Drug Topics  
Drug Topics Red Book  
MEDECommunications  
Medical Economics  
Medical Economics Books  
Medical Economics for Surgeons  
Medical Laboratory Observer  
Medical Media International  
Nursing Opportunities  
Physicians' Desk Reference (PDR)  
PDR for Nonprescription Drugs  
PDR for Ophthalmology  
PDR for Radiology & Nuclear Medicine  
Redbook Data Services  
RN

**Med Publishing, Inc**

Geriatric Medicine Today  
Internal Medicine  
Practical Cardiology  
Cardiovascular Literature News  
Gastro-Intestinal Literature News  
OB/GYN Literature News  
Oncology Literature News  
Pulmonary Diseases Literature News  
Tuberculosis Literature News

**Patient Care Communications Inc**

*(a subsidiary of Medical Economics Company Inc)*  
Patient Care

**Titsch Communications, Inc**

Broadcast Week  
CableVision  
CableFile  
Communications Engineering Digest  
Two-Way Radio Dealer  
Radio Communications Report  
Mobile Radio Handbook  
International Communications Research

**Veterinary Medicine Publishing Company**

*(a subsidiary of Medical Economics Company Inc)*  
Veterinary Economics  
Veterinary Medicine/Small Animal Clinician  
Veterinary Pharmaceuticals & Biologics

**Ward's Communications Inc**

Ward's Auto Info Bank  
Ward's Automotive Reports  
Ward's Automotive Reports Index  
Ward's Automotive Yearbook  
Ward's Auto World  
Ward's Engine Update

**Education and Reference****Science Books International, Inc**

*Educational book and software publisher*

**Heinle & Heinle Publishers, Inc****Thomas Nelson International**

*Educational, trade, professional and reference publishers*

**Delmar Publishers Inc**

*Educational/vocational publishing*

**Van Nostrand Reinhold Company Inc**

*Educational, professional and reference, trade and scholarly books, journal and software publisher with the following subsidiaries and imprints:*

Van Nostrand Reinhold  
Scholarly and Academic Editions  
Professional Journals and Periodicals Division  
CBI Publishing Company, Inc

Compress  
Hutchinson Ross Publishing Company  
Science Books International

**Wadsworth, Inc**

*College textbook and professional book publishers with the following divisions and subsidiaries:*

Breton Publishers  
Brooks/Cole Publishing Company  
Kent Publishing Company

Lifetime Learning Publications  
PWS Publishers  
Wadsworth Electronic Publishing Company  
Wadsworth International Group  
Wadsworth Publishing Company

**Anaheim Publishing Company, Inc**  
**Lange Medical Publications, Inc**  
**Wadsworth Publishers of Canada Ltd**

**Information****International Thomson Information Inc**

*Database publishing and information services*

**INACOM International**

*Technical, scientific and engineering information services*

**Thomson & Thomson Inc**

*Trademark search services*

**Research Publications Inc**

*Micropublishing academic and professional reference materials, newspapers, US and foreign patents*

**Research Publications Ltd**

*(based in United Kingdom)*

**Carrollton Press Inc**

*Publisher of "REMARC" computer database*

## Information and Publishing

## Canada

**Thomas Nelson International**

*Educational, trade, professional and reference publishers*

**Nelson Canada**

*Educational, measurement and guidance*

**Richard De Boo Publishers**

*Law and taxation*

Canada Tax Service  
Canada Corporation Manual  
Canada Energy Law Service

Canadian Estate Planning Service  
Canadian Mortgage Practice Reporter  
Income Tax References

## Information and Publishing

## Australia

**Thomson Australian Holdings Pty Ltd****Thomson Publications Australia**  
*Business publications and trade fairs*

Australasian Office News  
Australian Advertising Rate and Data Service  
Australian Electronics Engineering  
Australian Mining  
Australian Mining Year Book  
b & t Advertising, Marketing and Media Weekly  
b & t Year Book  
Building Products News

Communications Australia  
Construction & Road Transport  
Construction Equipment News  
Cordells Building Publications  
Electrical Engineer  
Factory Equipment News  
Mingay's Electrical Supplies Guide  
Mingay's Price Service  
Mingay's Retailer & Merchandiser  
Process & Control Engineering  
Tenders

Thomson's Electronics Data Book  
Thomson's Industrial Product Registers  
Thomson's Liquor Guide  
Thomson's Oil and Gas Year Book

**Thomas Nelson Australia**  
*Educational and trade publishing*

**Glass's Guide Service (Australia) Pty Ltd**  
(51% holding)

## Information and Publishing

## South Africa

**Thomson Publications SA (Pty) Ltd***Business publications and trade fairs*

Building Products News  
Chemical Equipment News  
Commercial Transport  
Computing SA  
Daily Tender Bulletin  
Electrical Engineer  
Electronics and Instrumentation  
Food Industries Handbook  
Food Industries of South Africa  
Freight World  
Hospital and Nursing Year Book of Southern Africa  
Kontak  
Materials Handling News  
Merkel's Builders Pricing Manual  
Motor World  
Natal Equipment News  
New Equipment News  
New Equipment News, Cape & SW Africa

New Retailer  
Office World  
Pack & Print  
Plastics & Rubber News  
Power & Plant Engineering in South Africa  
Professional Caterer  
Public Works  
Railways of Southern Africa  
S.A. Family Practice  
S.A. Mining Week  
Shoes & Views  
South African Fishing Industry Handbook  
South African Hardware  
South African Hospital Supplies  
South African Industrial Week  
South African Journal of Hospital Medicine  
South African Mining and Engineering Journal

South African Mining and Engineering Year Book

Transport Managers' Handbook

**The Pithead Press (Pty) Ltd**  
Coal, Gold and Base Minerals of Southern Africa  
Construction Commercial News  
Construction in Southern Africa  
Export News  
Heating, Air Conditioning and Refrigeration  
Production Management

**Trade Fairs and Promotions (Pty) Ltd**

**Mead and McGrouther (Pty) Ltd**  
(51% holding)

## Information and Publishing

## Europe, Hong Kong, Nigeria

**France**

Editions Professionnelles Glass  
France SARL  
(51% holding)

**Germany**

Bertelsmann-Thomson  
Fachverlag GmbH  
(44.8% holding)

**Holland**

Thomson Publications (Europe) BV

**Denmark**

Mostrups Forlag A/S  
Thomson Communications  
(Scandinavia) A/S

**Norway**

Informasjonsforlaget A/S

**Hong Kong**

Thomas Nelson (Hong Kong) Ltd

**Nigeria**

Thomas Nelson (Nigeria) Ltd  
(40% holding)

## Principal Interests

### Travel

#### United Kingdom

#### **Thomson Travel Ltd**

*Package tours, aircraft charter and travel retailing*

**Thomson Holidays Ltd  
Portland Holidays Ltd**

**Britannia Airways Ltd  
Lunn Poly Ltd**

### Travel

#### United States

#### **Thomson Travel Inc**

*Package tours and travel retailing*

**Thomson Vacations  
Club Universe**

**Specialised Travel Division  
Unitours Inc**

### Travel

#### Europe and North Africa

**Malta  
Beaupt Investment Trust Ltd**  
(49.1% holding)

**Tunisia  
Rym SA**  
(45.3% holding)

*Hotels*  
**In Spain, Italy and Malta**

### Natural Resources

#### United Kingdom

#### **Thomson North Sea Ltd**

*Oil and gas development and forestry investment*

**Thomson Scottish Petroleum Ltd**

**Thomson Scottish Forestry Ltd**

### Natural Resources

#### United States

#### **Thomson Petroleum Holdings, Inc**

*Oil and gas development and timberland investments*

**Thomson Petroleum, Inc**  
(holding with Thomson Petroleum Holdings, Inc a 90% interest in Thomson-Monteith, a partnership with oil and gas interests)

**Thomson Forestry, Inc**

#### **Associated Companies** *(United Kingdom)*

**The Solicitors' Law Stationery Society plc**  
(39.1% holding)

**Wigham Poland Holdings Ltd**  
(35% holding)





### **United Kingdom**

International Thomson Organisation PLC  
Thomson House, PO Box 4YG  
4 Stratford Place, London W1A 4YG



### **Head Office**

International Thomson Organisation Limited  
Suite 2206, Box 45  
20 Queen Street West  
Toronto, Ontario M5H 3R3, Canada



### **United States of America**

International Thomson Holdings Inc  
1633 Broadway  
New York, NY 10019

