

TORONTO. INVESTING IN A COSMOPOLITAN HUB.

Toronto has the third lowest business costs among large G7 cities – providing exceptional value to your investment. This impressive result comes from *Competitive Alternatives: KPMG's Guide to International Business Costs, 2006 edition*. The comprehensive study of location-sensitive costs compares 128 cities in North America, Europe and Asia-Pacific, using the U.S. average as the study benchmark. Toronto also flexes its competitive muscle with overall business costs 3.5 percentage points lower than the U.S. average.



LEADING THE PACK

Toronto is well-positioned in North America in all 17 sectors reviewed by KPMG, with the second lowest overall costs among large international cities in the Northeast U.S./Canada region. In its region, Toronto is an important Canadian centre for innovation and knowledge-based industries. For sectors such as biotechnology and software design, Toronto wins hands down against larger U.S. clusters. In biotechnology, Toronto posts cost advantages of 16 percentage points over Boston. In software design, Canada's largest city enjoys cost advantages over New York City of 18.1 percentage points.

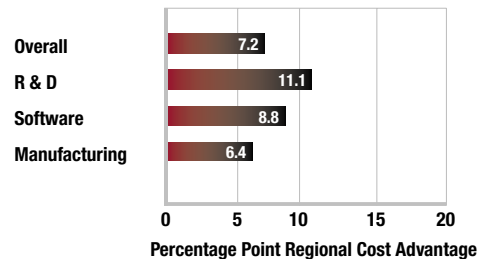
MAXIMIZING COST ADVANTAGES

The KPMG study confirms Toronto's substantial cost advantages over U.S. cities. Internationally, Toronto's overall cost advantage compared to London and Frankfurt is roughly 13 percentage points. Toronto also offers investors critical savings in the Northeast U.S./Canada region, with about a 16 percentage point cost advantage over New York City and a 6.2 percentage point cost advantage over Detroit.



That's just the start. Among large U.S. cities in the Northeast U.S./Canada region, Toronto has across-the-board regional cost advantages in each sectoral category analyzed by KPMG as proven in the graph below:

TORONTO'S REGIONAL ADVANTAGES OVER LARGE U.S. LOCATIONS



Source: *Competitive Alternatives: KPMG's Guide to International Business Costs, 2006 edition*.

The cost advantage is clear. The choice is yours. Investing in Canada simply makes a whole lot of business sense. To find out more about investment opportunities in Canada, visit www.investincanada.gc.ca.

TORONTO QUICK FACTS

Province: Ontario

Population: 5,304,100 (2004)

Traditional Industries: Agri-food, automotive, insurance and financial services.

Emerging Industries: Information and communications technology, life sciences, and call centres.