1st Quarter Interim Report

2007

Summary of Financial Results for the
Three Months Ended March 31

<u>Notice to Reader</u>
The attached financial statements have been prepared by management of McGraw-Hill Ryerson Limited. The financial statements for the three month periods ended March 31, 2007 and 2006 have not been reviewed by the auditors of McGraw-Hill Ryerson Limited.

McGraw-Hill Ryerson Limited
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Whitby, Ontario L1N 9B6
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To The Shareholders

Management's Discussion and Analysis

This management's discussion and analysis ("MD&A") provides a detailed analysis of McGraw-Hill Ryerson's business and compares its first quarter of 2007 financial results with those of the previous year's first quarter. In order to better understand the MD&A, it should be read in conjunction with the financial statements for the year ended December 31, 2006 and its related notes. The Corporation prepares and files its financial statements and MD&A using Canadian dollars and in accordance with Canadian generally accepted accounting principles ("GAAP"). The financial statements and MD&A, as well as additional information regarding McGraw-Hill Ryerson, including the Annual Information Form, are available at www.sedar.com. This MD&A is made as of April 20, 2007.

Company Profile

McGraw-Hill Ryerson Limited ["the Company"] was incorporated in 1944 and has been listed on the Toronto Stock Exchange since 1971. The Company is operated independently, in close cooperation with various divisions and international subsidiaries of its majority shareholder, The McGraw-Hill Companies, Inc.

The Company's strategy is to be a Canadian leader in developing and marketing quality information products and services to select educational, professional, and consumer markets through innovation and teamwork.

The Company publishes and distributes educational and professional products in both print and non-print media. These products are designed to fulfill the individual needs of customers by providing effective and innovative educational and learning solutions. Product offerings include text and professional reference books, multimedia tools, and teaching, assessment, support, and monitoring solutions.

The Company is structured on a market-focused basis and operates in three primary market areas. The largest division is the Higher Education Division which serves post-secondary education institutions, including universities, community colleges and proprietary colleges. The second largest division is the School Division which services secondary and elementary schools. The third division is the Professional and Medical Division which sells general interest, non-fiction, general reference, business, and computer disciplines, training and professional development and medical books.

2007 First Quarter Results

Summary

The first quarter of each fiscal year generally represents a small proportion (between 9% and 13%) of McGraw-Hill Ryerson's total annual revenue. McGraw-Hill Ryerson typically reports a loss for the first quarter because of the seasonal nature of our sales results and the first quarter of 2007 is no exception.

Revenue

Total revenue for the first quarter decreased by 21.5% to $10.0 million in 2007 compared to $12.7 million in 2006.

The Higher Education Division had consistent sales of $4.1 million in 2007 compared to $4.0 million in the corresponding period of 2006.

The School Division sales were $2.8 million compared to $5.9 million in 2006, a 52.1% decrease. These results are attributed to one-time additional funding by the Ontario and British Columbia governments for the purchase of textbooks in early 2006 that was not replicated in 2007. This decline is consistent with overall industry results, which showed a 50% decrease in the first quarter.

In the Professional and Medical division, sales increased by 12.2% in 2007 to $2.2 million, up from $2.0 million in the prior year. This positive trend is driven by strong results across several language and general reference titles.

		Revenue ($000's)	
	Q1/07	**Q1/06**	**% Change**
Higher Education	$4,050	$4,039	0.3
School	2,805	5,860	(52.1)
Professional and Medical	2,227	1,984	12.2
Other	883	808	9.3
	$9,965	$12,691	(21.5)%

Expenses

Operating expenses have decreased 17.0% to $4.4 million during the quarter ended March 31, 2007 compared to the same period in 2006. These expenses consist of cost of product and royalty expenses, which decreased as a function of the sales decrease.

Editorial, selling, general and administrative expenses have increased to $8.6 million from $8.4 million. This 2.9% increase is the result of information technology and support charges from The McGraw-Hill Companies, Inc.

Amortization expense for prepublication costs has remained consistent at $0.7 million in 2007. Amortization expense for capital assets has also remained consistent at $0.3 million.

The Company incurs foreign exchange gains and losses throughout the year as a result of the volume of related party transactions, most of which are denominated in U.S. dollars. The Company continues to employ policies to minimize the impact of these currency fluctuations.

Liquidity and Financial Resources (In Thousands of Dollars)

Balances as at:	**March 31-07**	**December 31-06**	**March 31-06**
Cash and cash equivalents	$24,237	33,511	$21,163
Total assets	83,486	95,211	81,821
Working capital	42,380	45,658	40,159
Accounts receivable	4,219	17,948	6,233
Inventories	11,335	8,066	12,534
For the 3 Months Ended:	**Current Quarter March 31-07**	**Prior Quarter December 31-06**	**Prior Year First Quarter March 31-06**
Cash flow from operations	$(7,513)	15,826	$(3,818)
Prepublication investment	1,249	2,719	1,771
Capital asset additions	93	407	65
Dividends paid per share	0.21	0.21	0.195

Cash and cash equivalents decreased in the quarter by $9.3 million. Cash balances generally decrease during the first quarter each year because of the seasonality of sales. In the first quarter of 2006, cash balances decreased by $6.0 million. The decrease is larger in 2007 as the Company entered the year with a larger intercompany payable than in 2006.

The accounts receivable balance generally decreases during the first quarter of each year because of the seasonality of sales and returns. The accounts receivable balance of $4.2 million compared to $6.2 million at the end of March 2006 is lower than the prior year as a result of lower sales in 2007 in the School Division. The Company's collection performance is closely monitored in accordance with credit terms and industry standards.

The inventories balance generally increases during the first quarter each year because of the seasonality of sales and returns. Inventories, at $11.3 million, are 9.6% lower than at the same time last year. The Company continues to put a strong emphasis on inventory management.

Prepublication investment decreased to $1.2 million from $1.8 million in the first quarter of 2006. The timing of prepublication spending will vary from year to year based on the publication plans in the Company's School and Higher Education divisions. The Company expects that, for the full year, prepublication investment will be higher in 2007 than 2006.

Capital asset purchases have remained at modest levels in the first quarter of 2007 at $0.09 million. These purchases relate to the upgrading of computer technology.

As at the end of the first quarter, the Company had entered into operating leases, primarily for equipment, for which the estimated future minimum annual lease payments are $0.3 million in 2007 and $0.2 million in 2008 and $0.1 million in 2009.

The Company has future purchase commitments with a vendor for printing/copying costs. The minimum annual commitments are $0.2 million in 2007, $0.05 million in 2008 and $0.03 million thereafter.

The Company's cash flow is cyclical during the year, as a result of the calendarization of sales. During the low cash phase of the cash flow cycle, in the second and third quarters, the Company has a line of credit available to meet forecasted needs. The line of credit was not used in 2006 or 2005 or in the first quarter of 2007.

Transactions with Related Parties

The Company is a partially-owned subsidiary of The McGraw-Hill Companies, Inc. which owns 70.1% of the outstanding common shares. Under long-standing arrangements, the Company purchases books and educational materials from the parent company and various international subsidiaries of The McGraw-Hill Companies, Inc. Inventory purchases during the first quarter 2007 were $3.6 million, down from $5.0 million in the same quarter in 2006. In addition, the Company pays royalties to the parent company for any titles that have been adapted to the Canadian market.

The Company also sells books and educational materials to various international subsidiaries of The McGraw Hill Companies, Inc. These purchases and sales are recorded at the exchange rates in effect at the time of the transaction. In the normal course of business, the Company reimburses (and is reimbursed) for common expenses shared with other McGraw-Hill entities. All such reimbursements are done at cost, using exchange rates in effect at the time of the transactions.

The Company owed related parties $3.3 million at the end of the first quarter 2007, compared with $3.9 million at the end of March 2006 and was owed $6.2 million by related parties at the end of the quarter, up from $6.0 million at the end of March 2006.

Quarterly Results (2007, 2006, 2005)

Quarterly Income Statement ($000) – except Per Share Data

	Quarter Ended March 31			Quarter Ended June 30		Quarter Ended Sept. 30		Quarter Ended Dec. 31	
	2007	2006	2005	2006	2005	2006	2005	2006	2005
Total Revenue	$9,965	$12,691	$8,595	$18,083	$17,414	$37,572	$37,751	$24,532	$23,947
Net Income (Loss) for the period	(2,703)	(1,239)	(2,759)	(28)	719	5,923	6,317	2,350	1.552
Net Income (Loss) per share	(1.35)	(0.62)	(1.38)	(0.01)	0.36	2.97	3.16	1.18	0.78

The Company's sales are cyclical and are based on the education industry's school terms for the School and Higher Education divisions. As a result, the Company earns a significant proportion of its total sales in the third and fourth quarters of each year.

The variance between the $2,703 loss reported in first quarter of 2007 and the $1,239 loss in prior year first quarter is mainly the result of decreased revenues in the School Division.

Critical Accounting Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

The critical accounting estimates included in the financial statements are as follows:

> The inventory obsolescence reserve is based upon management’s assessment of the marketplace of products in demand as compared to the number of units currently on hand. This calculation is completed for each title. Should the estimate for inventory obsolescence vary by one percentage point, it would have an approximate $0.1 million impact on operating profit.
>
> The allowance for doubtful accounts is calculated by reviewing any specifically identified aged accounts plus a general provision for the balance of the accounts. The impact on operating profit for a one percentage point change in the allowance for doubtful accounts rate is $0.1 million.
>
> The estimate for sales return reserve is calculated using the forecasted rate of returns in future periods. This forecast is calculated separately for each segment, and is based on the average rate of returns over the past three years. Should the estimate for sales returns vary by one percentage point, it would have an approximate $0.1 million impact on operating profit.

Other

The number of common shares outstanding as of April 10, 2007 was 1,996,638.

Risks and Uncertainties

Educational Funding Constraints and Curriculum Revisions in the School Market
Educational funding varies from year to year depending on the current government's mandate in each jurisdiction. The annual provincial government mandates affect both the funding levels and curriculum revision cycles. The funding levels and curriculum revision cycles have an immediate and on-going impact on the performance of the Company's School Division.

Format and Delivery of Future Learning Resources
Changing media technology continues to affect the publishing industry in several ways: sales of non-print materials have begun to increase as a percentage of total sales; there has been an increase in electronic piracy over the internet; and, most important, the format of future learning resources remains uncertain. While the Company is working on leveraging the opportunities arising from these developments, there can be no assurances that one or more of these developments will not have a permanent and long-term impact on markets for the Company's products.

Competition from Foreign-Based Online Bookstores
The advent of online bookstores in the U.S. and other countries has created an avenue for Canadian consumers and students to purchase published product directly from foreign retailers, thus eliminating the Canadian marketers and distributors of the product. In particular, students are able to access a very large source of second-hand product. Sustained increases in market penetration by foreign-based virtual bookstores could adversely impact the Company's market share and financial performance.

Copyright Law
Court rulings in Canada have reinforced user rights. As media technology continues to evolve, publishers may find it more difficult to protect their content effectively. These factors may impact the Company's future sales and royalties from copyright collectives.

Dependency on Retail National Accounts
While national accounts comprise a small portion of the Company's total business, their significant influence in the marketplace can increase the volatility of sales and returns and lead to less favourable commercial terms as a result of their negotiating power. In addition, some national accounts have introduced in-house publishing programs that may potentially compete with the Company's publishing program.

Labour Disruptions in the Education Sector
A labour disruption in the School or Higher Education market can have a significant impact on the purchasing behaviour within these markets, depending on timing and duration of the disruption.

Foreign Exchange
The following table sets forth, for each period indicated, the exchange rate for Canadian dollars expressed in U.S. dollars at the end of that period.

	2005 Dec. 31	**2006 Mar. 31**	**2006 June 30**	**2006 Sept. 30**	**2006 Dec. 31**	**2007 Mar. 31**
Exchange Rate	0.853	0.859	0.898	0.893	0.858	0.863

A significant portion of the Company's purchases are incurred in U.S. dollars, while all its revenues are in Canadian dollars and its financial results are reported in Canadian dollars. As a result, major exchange-rate fluctuations between the Canadian and U.S. dollars will either positively or negatively affect net income. The Company is employing policies to minimize the impact of these currency fluctuations.

Outlook*

The outlook for 2007 remains unchanged after the first quarter: Fiscal 2007 is expected to be a year of modest growth for the Company. Demand for the Higher Education Division's industry-leading products and services will drive modest growth in that division. The Professional and Medical Division is also forecasting a minor increase in sales for 2007 as a result of strong downward pressure on pricing. The School Division is forecasting a minor sales increase in 2007 as a result of curriculum revisions in several provinces. Sales results in the School Division are contingent on the availability of provincial funding. The bottom line impact of the forecasted overall sales increase will, however, be offset by increased editorial, selling, general and administrative expenses. These expenses will increase as a result of costs to support the expanding publishing program in the School Division, as well as increased information systems and support costs across all divisions.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this Quarterly Report and MD&A, including statements which may contain the words "may", "will", "likely", "project", "intend", "plan", "forecast", "expects", "believes", "anticipates", "could", and similar expressions and statements related to matters that are not historical facts, constitute forward-looking information within the meaning of securities laws.

Such forward-looking information, particularly with respect to the Company's future plans, costs, objectives, or economic performance, reflects what we believe in good faith to be reasonable assumptions, expectations, and intentions based on information that is currently available. Although we believe these underlying assumptions, expectations and intentions to be reasonable, forward-looking information is not a guarantee of future performance, and involves risks and uncertainties, many of which are beyond our control and which may cause actual results, events or actions to differ materially from these expressed or implied in such forward-looking information. These risks and uncertainties include, but are not limited to, changes in customer markets, changes in demand for the Company's products, changes in technology, changes in educational funding by governments, curriculum changes in the School market, other government policy changes, changes to the format and delivery of future learning resources, competition from foreign-based wholesalers and virtual bookstores, changes to copyright law and the ability to protect the Company's content under copyright law, and general economic conditions.

The factors and assumptions that were applied in reaching the forward-looking information included herein include, but are not limited to, the assumptions:

- that curriculum revisions in several provinces will take place as anticipated and that our newly published products will meet the requirements of those curriculum revisions;

- that enrollment at elementary schools, secondary schools, and colleges/universities is consistent with our expectations. Nationally, we expect a minor decline in enrolment at the elementary/secondary school level and a minor increase at the college/university level;

- that demand for the Higher Education Division’s technology-based products and services continues to grow;
- that provincial funding for educational resources will proceed as anticipated; and
- that Retail and Medical national accounts will maintain their stable purchasing and returns patterns.

Although we have attempted to identify and describe below under the heading “Risks and Uncertainties” important risks and factors which may cause actual results to differ materially from those described in any forward-looking information, there may be other risks and factors that cause results, events or actions to differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information contained in this report. Any forward-looking information contained herein is expressed as of the date of this report and, except as required by law, the Company does not undertake any obligation to update or revise such forward-looking information to reflect subsequent information, events or circumstances.

McGRAW-HILL RYERSON LIMITED

BALANCE SHEETS

(unaudited)

(In Thousands of Dollars) As of	**March 31, 2007**	December 31, 2006	March 31, 2006
ASSETS			
Current			
Cash	**$ 24,237**	$ 33,511	$ 21,163
Accounts receivable	**4,219**	17,948	6,233
Due from affiliated companies	**6,225**	1,792	5,978
Inventories	**11,335**	8,066	12,534
Prepaid expenses and other assets	**1,230**	355	1,112
Income taxes receivable	**3,390**	—	3,370
Future tax assets	**1,481**	2,485	1,438
Total current assets	**52,117**	64,157	51,828
Capital assets, net	**18,111**	18,359	18,447
Other assets, net	**13,258**	12,695	11,546
Total assets	**$ 83,486**	$ 95,211	$ 81,821
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued charges	**6,423**	10,697	7,727
Income taxes payable	**–**	511	–
Due to parent and affiliated companies	**3,314**	7,291	3,942
Total current liabilities	**9,737**	18,499	11,669
Future tax liabilities	**373**	214	641
Total liabilities	**10,110**	18,713	12,310
Shareholders' equity			
Share capital			
Authorized – 5,000,000 common shares			
Issued and outstanding – 1,996,638 common shares	**1,997**	1,997	1,997
Retained earnings	**71,379**	74,501	67,514
Total shareholders' equity	**73,376**	76,498	69,511
Total liabilities and shareholders' equity	**$ 83,486**	$ 95,211	$ 81,821

STATEMENTS OF INCOME

(unaudited)

(In Thousands of Dollars except per share data) For the three months ended	**March 31, 2007**	March 31, 2006
REVENUE		
Sales, less returns	**$ 9,264**	$ 12,276
Other	**701**	415
Total revenue	**9,965**	12,691
EXPENSES		
Operating	**4,362**	5,258
Editorial, selling, general and administrative	**8,608**	8,369
Amortization – prepublication costs	**686**	708
Amortization – capital assets	**341**	334
Foreign exchange loss (gain)	**69**	(5)
Total operating expenses	**14,066**	14,664
Loss before income taxes	**(4,101)**	(1,973)
Provision for (recovery of) income taxes		
Current	**(2,561)**	(1,910)
Future	**1,163**	1,176
	(1,398)	(734)
Net loss for the period	**$ (2,703)**	$ (1,239)
Retained earnings, beginning of period	**74,501**	69,142
Dividends paid to shareholders ($0.21 per share; 2006 - $0.195 per share)	**(419)**	(389)
Retained earnings, end of period	**$ 71,379**	$ 67,514
Loss per share		
Basic	**$ (1.35)**	$ (0.62)
Diluted	**$ (1.35)**	$ (0.62)

Weighted average number of shares for basic and diluted earnings per share for 2007 and 2006 is 1,996,638.

STATEMENTS OF CASH FLOWS

(unaudited)

(In Thousands of Dollars) For the three months ended	**March 31, 2007**	March 31, 2006
OPERATING ACTIVITIES		
Net loss for the period	**$ (2,703)**	$ (1,239)
Add/deduct charges to income not affecting cash:		
Amortization – prepublication costs	**686**	708
Amortization – capital assets	**341**	334
Future income taxes	**1,163**	1,340
Net change in non-cash working capital balances related to operations	**(7,000)**	(4,961)
Cash used in operating activities	**$ (7,513)**	$ (3,818)
INVESTING ACTIVITIES		
Prepublication costs	**(1,249)**	(1,771)
Capital assets	**(93)**	(65)
Cash used in investing activities	**(1,342)**	(1,836)
FINANCING ACTIVITIES		
Dividends paid to shareholders	**(419)**	(389)
Cash used in financing activities	**(419)**	(389)
Net decrease in cash during period	**(9,274)**	(6,043)
Cash, beginning of period	**33,511**	27,206
Cash, end of period	**$ 24,237**	$ 21,163
Supplemental cash flow information		
Interest paid	**$ —**	$ —
Income taxes paid	**$ 1,340**	$ 1,105

MCGRAW-HILL RYERSON LIMITED
NOTES TO INTERIM FINANCIAL STATEMENTS
March 31, 2007 (unaudited)

1. General
The accompanying interim financial statements of McGraw-Hill Ryerson Limited [the "Company"] do not meet the requirements of Canadian Generally Accepted Accounting Principles ["GAAP"] for annual financial statements, and these interim financial statements should be read in conjunction with the annual audited financial statements for the year ended December 31, 2006.

The same accounting policies and methods are followed as in the annual audited financial statements for the year ended December 31, 2006.

Effective January 1, 2007, the Company adopted the following Canadian Institute of Chartered Accountants ("CICA") Handbook sections: 3855 ("Financial Instruments – Recognition and Measurement"), 3861 ("Financial Instruments – Disclosure and Presentation"), and 1530 ("Comprehensive Income"). The adoption of these sections had no significant impact on the Company's financial statements.

2. Cyclicality
The Company's sales are cyclical based on the education industry's school terms for the School and Higher Education Divisions. The Company earns a significant amount of its sales in the fall and winter seasons. In the first quarter the Company earns only a small portion of its annual revenue.

3. Segmented Disclosure
The Company is structured on a market-focus basis and operates in three primary market areas: post-secondary education, including universities, community colleges and proprietary colleges ["Higher Education"]; secondary and elementary schools ["School"]; and trade, professional and medical, including retailers, distributors, libraries, non-traditional booksellers, direct marketing and the medical sector ["Professional and Medical"]. The accounting policies of these operating segments are the same as those described in the annual audited financial statements for the year ended December 31, 2006:

	For the three-month period ended March 31, 2007					For the three-month period ended March 31, 2006				
	Higher Education	School	Professional & Medical	Warehouse Fulfillment and Support	Total	Higher Education	School	Professional & Medical	Warehouse Fulfillment and Support	Total
Sales, less returns	**$4,050**	**$2,805**	**$2,227**	**$182**	**$9,264**	$4,039	$5,860	$1,984	$ 393	$12,276
Amortization – Prepublication costs	**235**	**451**	**—**	**—**	**686**	239	469	—	—	708
Amortization – Capital assets	**17**	**10**	**3**	**311**	**341**	23	10	4	297	334
Divisional contribution (loss) before income taxes	**(1,699)**	**(877)**	**371**	**(1,896)**	**(14,101)**	(1,155)	1,482	149	(2,449)	(1,973)
Recovery of income taxes	**—**	**—**	**—**	**(1,398)**	**(1,398)**	—	—	—	(734)	(734)
Total expenditures for additions to capital assets	**77**	**3**	**—**	**13**	**93**	28	2	—	35	65
	As at March 31, 2007					**As at December 31, 2006**				
Segment assets	**11,763**	**16,006**	**1,620**	**17,804**	**47,193**	21,293	12,307	5,519	18,079	57,198

Reconciliations

	March 31, 2007	December 31, 2006
Segment assets	**47,193**	57,198
Unallocated assets		
Cash and cash equivalents	**24,237**	33,511
Due from affiliated companies	**6,225**	1,792
Income taxes receivable	**3,390**	—
Non-divisional prepaid expenses and other assets	**960**	225
Future tax assets	**1,481**	2,485
Total assets	**83,486**	95,211

The following titles were published in the first quarter of 2007:

Higher Education

Benjamin/Gunderson/Lemieux, *Labour Market Economics,* Sixth Edition
Curtis/Irvine/Begg, *Macroeconomics*, Canadian Edition
Davis/Heineke/Blalkrishnan, *Fundamentals of Operations Management*, Second Canadian Edition
Delong/Olney/Mansoorian/Michelis, *Macroeconomics,* Second Canadian Edition
Fellmann/Getis/Getis/Shrubsole/Hopkins, *Human Geography: Landscapes of Human Activities,* Canadian Edition
Frank/Parker, *Microeconomics and Behaviour*, Third Canadian Edition
Heneman/Judge/Smith/Summers, *Staffing Organizations,* Canadian Edition
Larson/Jensen, *Fundamental Accounting Principles,* Volume 1, Twelfth Canadian Edition
Larson/Jensen, *Fundamental Accounting Principles,* Volume 2, Twelfth Canadian Edition
Larson/Jensen, *Fundamental Accounting Principles,* Volume 3, Twelfth Canadian Edition
Locker/Kaczmarek/Braun, *Business Communication: Building Critical Skills*, Third Canadian Edition
Lovewell, *Understanding Economics: A Contemporary Perspective,* Fourth Edition
McConnell/Brue/Barbiero, *Macroeconomics,* Eleventh Canadian Edition
McConnell/Brue/Barbiero, *Microeconomics,* Eleventh Canadian Edition
Milkovich/Newman/Cole, *Compensation*, Second Canadian Edition
Nickels/McHugh/McHugh/Cossa, *Understanding Canadian Business*, Sixth Edition
Perreault/McCarthy/Meredith/Ricker, *Basic Marketing: A Global-Managerial Approach,* Twelfth Canadian Edition
Ross/Westerfield/Jordan/Roberts, *Fundamentals of Corporate Finance,* Sixth Canadian Edition
Schwind/Das/Wagar, *Canadian Human Resource Management: A Strategic Approach*, Eighth Edition
Sommers/Barnes, *Marketing*, Eleventh Canadian Edition
Zeithaml/Bitner/Gremler/Mahaffey/Hiltz, *Services Marketing: Integrating Customer Focus Across the Firm*, Canadian Edition
Zima/Brown/Kopp, *Mathematics of Finance,* Sixth Edition

School

Etienne, *Mathematics 11 Workplace and Everyday Life*
McAskill/Watt, *Math Links 7*
Nixon, *Science Essentials 10*
Speijer, *Principles of Mathematics 10*

Professional and Medical

No books published in Q1.

Dividend Payment

On February 1, 2007, your Directors declared the fourth-quarter dividend of 21.0¢ per share to be paid on March 8, 2007, to shareholders of record on February 15, 2007.

H. Ian Macdonald, O.C., LL.D
Chairman of the Board

David L. Swail
President and Chief Executive Officer

Date: April 26, 2007

SHAREHOLDER AND CORPORATE INFORMATION

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Exchange Listings

The Toronto Stock Exchange
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Corporate and Shareholder Information

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- Obtain a copy of the most recent annual report

Shareholder Services Provided by the Transfer Agent

- Change of address
- Eliminate multiple mailings
- Transfer McGraw-Hill Ryerson shares
- Other shareholder account inquiries

Email: inquiries@cibcmellon.ca

Form 52-109F2 – Certification of Interim Filings

I, Gordon K. Dyer, McGraw-Hill Ryerson Limited, Executive Vice President and Chief Financial Officer, certify that:

1. I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) of McGraw-Hill Ryerson Limited (the issuer) for the interim period ending March 31, 2007;

2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings, and;

3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings.

4. The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures for the issuer, and we have:

   (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the interim filings are being prepared.

Date: April 26, 2007

Gordon K. Dyer
Executive Vice-President and Chief Financial Officer

Form 52-109F2 – Certification of Interim Filings

I, David L. Swail, McGraw-Hill Ryerson Limited, President and Chief Executive Officer, certify that:

1. I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) of McGraw-Hill Ryerson Limited (the issuer) for the interim period ending March 31, 2007;

2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings, and;

3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings.

4. The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures for the issuer, and we have:

   (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the interim filings are being prepared.

Date: April 26, 2007

David L. Swail
President and Chief Executive Officer
McGraw-Hill Ryerson Limited