

Thomson Reuters Corporation**Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow ⁽¹⁾***(millions of U.S. Dollars)**(unaudited)*

	Quarter		Six Months	
	Ended June 30,		Ended June 30,	
	2009	2008	2009	2008
Net cash provided by operating activities	\$ 1,006	\$ 880	\$ 1,257	\$ 1,164
Capital expenditures, less proceeds from disposals	(268)	(239)	(466)	(356)
Other investing activities	-	(4)	(1)	(7)
Investing activities of discontinued operations	-	-	-	(7)
Dividends paid on preference shares	-	(1)	(1)	(3)
Free cash flow	<u>\$ 738</u>	<u>\$ 636</u>	<u>\$ 789</u>	<u>\$ 791</u>

(1) Free cash flow is net cash provided by operating activities less capital expenditures, other investing activities, investing activities of discontinued operations and dividends paid on preference shares. Thomson Reuters uses free cash flow as a performance measure because it represents cash available to repay debt, pay dividends and fund new acquisitions.

Thomson Reuters Corporation
Reconciliation of Operating Profit to Underlying Operating Profit

(millions of U.S. Dollars)

(unaudited)

	Quarter ended		Six Months	
	June 30, 2009	Margin	June 30, 2009	Margin
Operating profit	\$ 475	14.4%	\$ 851	13.2%
Adjustments:				
Amortization of other intangible assets	124		243	
Disposals	-		6	
Fair value adjustment	87		88	
Integration program cost	107		195	
Underlying operation profit	<u>\$ 793</u>	<u>24.2%</u>	<u>\$ 1,383</u>	<u>21.6%</u>
Underlying operation profit margin				
Revenues	\$ 3,293		\$ 6,424	
Adjustments:				
Disposal revenue	(11)		(15)	
Revenues from ongoing businesses	<u>\$ 3,282</u>		<u>\$ 6,409</u>	

(1) Revenues from ongoing businesses exclude the results of disposals. Disposals include the results of businesses sold or held for sale that do not qualify as discontinued operations.

(2) Underlying operating profit excludes amortization of acquired intangible assets, fair value adjustments, integration program costs, and the results of disposals. Underlying operating profit margin is the underlying operating profit expressed as a percentage of revenues from ongoing businesses.

Thomson Reuters Corporation

Reconciliation of Earnings Attributable to Common and Ordinary Shares to Adjusted Earnings from Continuing Operations (1)

(millions of U.S. Dollars)

(unaudited)

	<u>Quarter ended June 30, 2009</u>	<u>Six Months June 30, 2009</u>
Earnings attributable to common and ordinary shares	\$ 315	\$ 505
Adjustments:		
Disposals	-	6
Fair value adjustments	87	88
Other finance costs	34	57
Share of post-tax earnings in equity method investees	-	(1)
Tax on above	(31)	(36)
Interim period effective tax rate normalization (2)	(42)	(35)
Amortization of their intangible assets	124	243
Discontinued operations	(2)	(6)
Dividends declared on preference shares	-	(1)
Adjusted earnings from continuing operations	<u>\$ 485</u>	<u>\$ 820</u>
Adjusted earnings per share from continuing operations	<u>\$ 0.58</u>	<u>\$ 0.98</u>
Weighted average common and ordinary shares (in millions)	<u>836.5</u>	<u>835.6</u>

(1) Adjusted earnings from continuing operations and adjusted earnings per share from continuing operations include dividends declared on preference shares and integration program costs, but exclude the pre-tax impacts of amortization of other intangible assets as well as the post-tax impacts of fair value adjustments, other operating gains and losses, impairment charges, the results of disposals, other finance costs, Thomson Reuters share of post-tax earnings in equity method investees and discontinued operations. Adjusted earnings per share from continuing operations is calculated using diluted weighted average common and ordinary shares and does not represent actual earning per share attributable to shareholders. Disposals include the results of businesses sold or held for sale that do not qualify as discontinued operations.

(2) Adjustment to reflect income taxes based on estimated full-year effective tax rate. Reported earnings for interim periods reflect income taxes based on the estimated effective tax rates of each of the jurisdictions in which Thomson Reuters operates. The adjustment reallocates estimated full-year income taxes between interim periods, but has no effect on full-year income taxes.